NEW ISSUE—BOOK-ENTRY ONLY

RATING:
S&P: "AAA"
See "RATING" herein.

In the opinion of Quint & Thimmig LLP, Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS" herein. *Interest on the Bonds is not excludable from gross income of the owners thereof for federal income tax purposes.*

$26,505,000
CENTRAL MARIN POLICE AUTHORITY
(Marin County, California)
Pension Obligation Bonds, Series 2021
(Federally Taxable)

Dated: Date of Delivery **Due: February 1, as shown on the inside cover**

The $26,505,000 Central Marin Police Authority Pension Obligation Bonds, Series 2021 (Federally Taxable) (the "Bonds"), are being issued by the Central Marin Police Authority (the "Authority") pursuant to Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a trust agreement, dated as of May 1, 2021 (the "Trust Agreement"), by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"), and resolutions of the governing board of the Authority adopted on December 10, 2020, and March 25, 2021.

Interest on the Bonds is payable semiannually on each February 1 and August 1, commencing February 1, 2022. Principal is payable on the dates set forth below. The Bonds are being issued in fully registered form and, when issued, 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. Individual purchases of interests in the Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof. Purchasers of such interests will not receive securities representing their interests in the Bonds. Payments of principal of and interest on the Bonds are payable by the Trustee directly to DTC, which is obligated in turn to remit such principal and interest to DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds, as described herein.

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds are being issued to (a) finance a portion of the Authority's unfunded accrued actuarial liability (the "UAL") to the California Public Employees' Retirement System ("CalPERS") for the benefit of the Authority's employees, including a portion of the Town of San Anselmo's ("San Anselmo") UAL to CalPERS for the benefit of San Anselmo's safety employees which is administered by the Authority, and (b) pay the costs of issuance of the Bonds, all as more fully described herein. See "FINANCING PLAN" herein.

For the purpose of paying the principal of and interest on the Bonds, the Police Council of the Authority is obligated, under the Trust Agreement, to take such actions annually as are necessary or appropriate to cause the debt service on the Bonds due in any fiscal year to be included in the budget for such fiscal year and to make the necessary annual appropriations therefor from any legally available funds, including the Authority's General Fund, to ensure that sufficient sums are available to pay the annual principal of and interest on the Bonds as the same shall become due. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

A reserve fund will not be funded for the Bonds.

THE BONDS CONSTITUTE THE ABSOLUTE AND UNCONDITIONAL OBLIGATIONS OF THE AUTHORITY, PAYABLE FROM ALL LEGALLY AVAILABLE FUNDS OF THE AUTHORITY; HOWEVER, NO OTHER SPECIFIC SOURCE OF REVENUES OR OTHER FUNDS OF THE AUTHORITY ARE PLEDGED, NOR IS THE AUTHORITY OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION TO MAKE PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS. THE BONDS ARE NOT SUBJECT TO ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS COVENANTED IN THE TRUST AGREEMENT TO PUNCTUALLY PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS IN STRICT CONFORMITY WITH THE TERMS OF THE TRUST AGREEMENT AND OF THE BONDS, AND TO FAITHFULLY OBSERVE AND PERFORM ALL THE AGREEMENTS AND COVENANTS TO BE OBSERVED OR PERFORMED BY THE AUTHORITY CONTAINED IN THE TRUST AGREEMENT AND IN THE BONDS.

The following firm, serving as municipal advisor to the Authority, has structured this issue:

WULFF, HANSEN & CO.
ESTABLISHED 1931

MATURITY SCHEDULE

SEE THE INSIDE FRONT COVER

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds will be offered when, as and if issued, and received by the purchaser thereof, subject to the approval as to their legality by Quint & Thimmig LLP, Larkspur, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Authority by Quint & Thimmig LLP, Larkspur, California, Disclosure Counsel, and by Bertrand, Fox, Elliot, Osman & Wenzel, San Francisco, California, counsel to the Authority. Certain legal matters will be passed on for the Underwriter by Underwriter by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. It is anticipated that the Bonds will be available for delivery through the book-entry facilities of DTC on or about May 25, 2021.

BRANDIS TALLMAN
A DIVISION OF OPPENHEIMER & CO. INC.

Dated: May 11, 2021

$26,505,000
CENTRAL MARIN POLICE AUTHORITY
(Marin County, California)
Pension Obligation Bonds, Series 2021
(Federally Taxable)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND PRICES

$22,850,000 Serial Bonds

CUSIP† Prefix: 154070

Maturity (February 1)	Principal Amount	Interest Rate	Price	CUSIP† Suffix
2022	$1,195,000	0.259%	100.000	AA4
2023	1,180,000	0.299	100.000	AB2
2024	1,175,000	0.543	100.000	AC0
2025	1,265,000	0.875	100.000	AD8
2026	1,305,000	1.115	100.000	AE6
2027	1,340,000	1.469	100.000	AF3
2028	1,385,000	1.729	100.000	AG1
2029	1,430,000	1.998	100.000	AH9
2030	1,480,000	2.148	100.000	AJ5
2031	1,540,000	2.268	100.000	AK2
2032	1,595,000	2.368	100.000	AL0
2033	1,625,000	2.518	100.000	AM8
2034	1,650,000	2.618	100.000	AN6
2035	1,650,000	2.698	100.000	AP1
2036	1,615,000	2.798	100.000	AQ9
2037	1,420,000	2.898	100.000	AR7

$3,655,000 3.101% Term Bonds maturing February 1, 2041, Price: 100.000—CUSIP 154070 AS5

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GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

~~*For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the Authority with respect to the Bonds that has been deemed "final" by the Authority as of its date except for the omission of no more than the information permitted by Rule 15c2-12.*~~

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any bond or note owner and the Authority or the Underwriter indicated in this Official Statement.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the Authority or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may 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.

Information in Official Statement. Certain of the information set forth in this Official Statement has been furnished by sources which are believed to be reliable.

Involvement of Underwriter. The Underwriter has provided the following statement for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document Summaries. All summaries of the documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

No Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

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

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the Authority, the County, the other parties described in this Official Statement, or the condition of the property within the Authority since the date of this Official Statement.

Website. The Authority maintains a website. Unless specifically indicated otherwise, the information presented on such website is not incorporated by reference as part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds.

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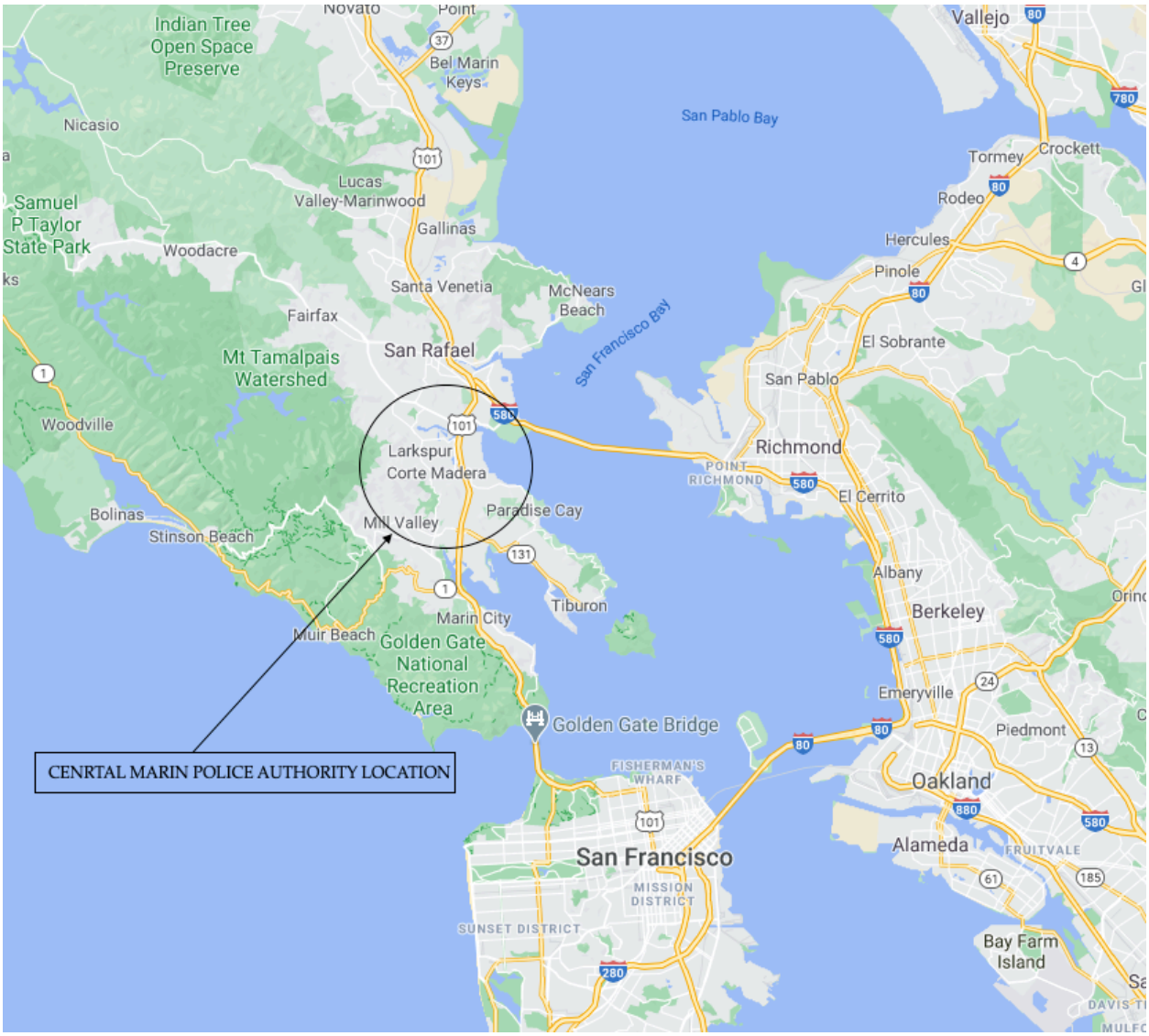


CENTRAL MARIN POLICE AUTHORITY

250 Doherty Drive
Larkspur, CA 94939
(415) 927-5150
https://www.centralmarinpolice.org

POLICE COUNCIL MEMBERS

Council Member	Position	Representing:
Ford Greene	Chair	San Anselmo
Bob Ravasio	Co-Chair	Corte Madera
Eli Beckman	Council Member	Corte Madera
Brian Colbert	Council Member	San Anselmo
Kevin Haroff	Council Member	Larkspur
Catherine Way	Council Member	Larkspur

AUTHORITY MANAGEMENT COMMITTEE

Committee Member	Position	Representing:
Todd Cusimano	Town Manager	Corte Madera
Dan Schwarz	City Manager	Larkspur
Dave Donery, *Executive Manager*	Town Manager	San Anselmo

AUTHORITY STAFF

Michael A. Norton, *Chief of Police*
Zaneta Feleo, *Professional Staff Supervisor and Authority Clerk*
Cathy Orme, *Finance Director*

PROFESSIONAL SERVICES

Bond and Disclosure Counsel
Quint & Thimmig LLP
Larkspur, California

Municipal Advisor
Wulff, Hansen & Co.
San Rafael, California

Trustee
U.S. Bank National Association
San Francisco, California

$26,505,000
CENTRAL MARIN POLICE AUTHORITY
(Marin County, California)
Pension Obligation Bonds, Series 2021
(Federally Taxable)

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and the appendices hereto, is provided to furnish information in connection with the offering by the Central Marin Police Authority (the "Authority") of its $26,505,000 aggregate principal amount of Central Marin Police Authority (Marin County, California) Pension Obligation Bonds, Series 2021 (Federally Taxable) (the "Bonds").

Definitions of certain capitalized terms used in this Official Statement are set forth in APPENDIX A—SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT. This Official Statement contains brief descriptions of the Bonds and the Authority. Such descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to specific documents are qualified in their entirety by reference to such documents and references to the Bonds are qualified in their entirety by reference to the form of the Bonds included in the Trust Agreement (hereinafter defined). Copies of the Trust Agreement and other documents described in this Official Statement may be obtained from the Authority as described under the subheading "Other Information" below.

The Authority

The Authority is a full-service police agency servicing the City of Larkspur ("Larkspur"), the Town of Corte Madera ("Corte Madera"), the Town of San Anselmo ("San Anselmo," and collectively with Larkspur and Corte Madera, the "Authority Members") in Marin County (the "County"), California. The Authority was originally formed under a Joint Powers Agreement in 1980 between Larkspur and Corte Madera in order to establish a joint police department, and was then known as the Twin Cities Police Authority. San Anselmo joined the Authority on January 1, 2013, at which point the Authority was renamed the Central Marin Police Authority.

The purpose of the Authority is to own, manage, operate and maintain joint police protection facilities servicing the Authority Members, and to provide efficient and economical police protection service. The Authority's service area contains a total population of approximately 35,000 residents.

The Authority is governed by a six-member Police Council (the "Police Council") which is composed of two Board Members from each of the Authority Members. Overall management of the Authority is the function of its management committee which is comprised of the City and Town Managers of each Authority Member. The Authority's day-to-day operation are managed by the Authority's Chief of Police, who is appointed by the Police Council.

See "THE AUTHORITY," "AUTHORITY FINANCIAL INFORMATION," APPENDIX B—GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY OF

LARKSPUR, THE TOWN OF CORTE MADERA, THE TOWN OF SAN ANSELMO, AND MARIN COUNTY, and APPENDIX C—AUTHORITY MEMBERS' FINANCIAL INFORMATION.

Purpose

The Bonds are being issued to (a) finance a portion of the Authority's unfunded accrued actuarial liability (the "UAL") to the California Public Employees' Retirement System ("CalPERS") for the benefit of the Authority's employees, including a portion of San Anselmo's UAL to CalPERS for the benefit of San Anselmo's safety employees which is administered by the Authority (collectively, the "Authority's Pension Obligations"), and (b) pay the costs of issuance of the Bonds.

Authority for Issuance

The Bonds are issued by the Authority pursuant to Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a trust agreement, dated as of May 1, 2021 (the "Trust Agreement"), by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"), by resolutions of the Police Council adopted on December 10, 2020, and March 25, 2021, and by a resolution of the Town Council of San Anselmo adopted on January 12, 2021.

Source of Payment

The obligations of the Authority under the Bonds, including the obligation to make all payments of the principal of and interest on the Bonds when due, are obligations of the Authority imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Authority has covenanted under the Trust Agreement, to take such actions annually as are necessary or appropriate to cause the debt service on the Bonds due in any fiscal year to be included in the budget for such fiscal year and to make the necessary appropriations therefor from any legally available funds, including the general fund, to ensure that sufficient sums are available to pay the annual principal of and interest on the Bonds as the same become due. See "SECURITY FOR THE BONDS" herein.

As part of their contributions to the Authority, approximately 21.5% of the annual amount paid by the Authority Members represents amounts for the payment of the Authority's pension obligations and the remainder is for police services.

When the Authority was originally formed, the Police Safety Plans of Corte Madera and Larkspur were closed and the Authority assumed their pension obligations. However, when San Anselmo was added to the Authority, CalPERS did not permit the Authority to directly assume San Anselmo's Safety Plans. San Anselmo's contributions to the Authority includes amounts for the payment of its Safety Plans' pension obligations.

COVID-19 Pandemic

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a Pandemic (the "COVID-19 Pandemic") by the World Health Organization and is currently affecting many parts of the world, including the Authority, the State of California (the "State") and the United States. The duration and severity of the COVID-19 Pandemic and the ramifications of the economic and other actions that may be taken by governmental authorities to contain the COVID-19

Pandemic or to treat its impacts is uncertain. For additional discussion of the COVID-19 Pandemic, see "RISK FACTORS—COVID-19 Pandemic" herein.

To date, the Authority's operations, revenues and expenditures have not been materially impacted by the COVID-19 Pandemic. The Authority received the full required contributions from the Authority Members for the 2019-20 fiscal year and anticipates that it will continue to receive the full required contributions from the Authority Members in the future. The Authority Members have committed to fully fund the Authority to ensure that public safety is not affected.

Continuing Disclosure

The Authority has covenanted for the benefit of the holders and Beneficial Owners of the Bonds to make available certain financial information and operating data relating to the Authority and to provide notices of the occurrence of certain enumerated events in compliance with S.E.C. Rule 15c2-12(b)(5), as amended (the "Rule"). These covenants have been made to assist the Underwriter in complying with the Rule. The specific nature of the information to be made available and of the notices of enumerated events is summarized below under the caption "CONTINUING DISCLOSURE." Also, see APPENDIX E—FORM OF CONTINUING DISCLOSURE CERTIFICATE.

Tax Matters

In the opinion of Quint & Thimmig LLP, Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS" herein. Interest on the Bonds is not excludable from gross income of the owners thereof for federal income tax purposes.

Risk Factors

Prospective investors must review this Official Statement and the Appendices hereto in their entirety and should consider certain risk factors associated with the purchase of the Bonds, some of which have been summarized in the section herein entitled "RISK FACTORS" herein.

Other Information

This Official Statement speaks only as of its date and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available for inspection at the office of the Authority Clerk, Central Marin Police Authority, 250 Doherty Drive, Larkspur, CA 94939, Phone: (415) 927-5150. The Authority may impose a charge for copying, mailing and handling.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The summaries and references to documents, statutes and constitutional provisions referred to herein do not purport to be comprehensive or definitive, and are qualified in their entireties by reference to each of such documents, statutes and constitutional provisions.

The information set forth herein has been obtained from sources which are believed to be reliable. The information and expressions of opinions herein are subject to change without notice and neither

delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

FINANCING PLAN

The Authority is a member of CalPERS and, as such, is obligated by the Public Employees' Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the "Retirement Law"), and the contract between the Board of Administration of CalPERS and the Authority, dated November 9, 1980, as amended (the "Authority CalPERS Contract"), to make contributions to CalPERS to (a) fund pension benefits for Authority employees who are members of CalPERS, (b) amortize the UAL with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b).

San Anselmo is a member of CalPERS and, as such, is obligated by the Retirement Law and the contract between the Board of Administration of CalPERS and San Anselmo, dated July 1, 1959, as amended (the "San Anselmo CalPERS Contract"), to make contributions to CalPERS to (a) fund pension benefits for San Anselmo employees who are members of CalPERS, (b) amortize the UAL with respect to such pension benefits, and (c) appropriate funds for the purposes described in (a) and (b).

Pursuant to the Retirement Law, the Authority and San Anselmo are required to make the appropriations to pay the amounts required to be paid pursuant to the Retirement Law, including the UAL that is evidenced by the Bonds. See "SECURITY FOR THE BONDS."

On February 4, 2021, the Authority, acting pursuant to the provisions of sections 860 *et seq.* of the California Code of Civil Procedure and sections 53511 and 53589.5 of the California Government Code, filed a complaint in the Superior Court of the State for Marin County seeking judicial validation of the proceedings and transactions relating to the issuance of the Bonds and certain other matters. On March 22, 2021, the court entered a default judgment (the "Validation Judgment") to the effect, among other things, that the Bonds are valid obligations of the Authority, including the obligations of San Anselmo administered by the Authority and in conformity with all applicable provisions of law. See the section entitled "VALIDATION" for additional information regarding the legal effects of the Validation Judgment.

Per the most recent CalPERS valuation, the Authority's projected UALs as of the date of delivery of the Bonds, are $2,034,988 for its Miscellaneous Plan and $16,138,324 for its Safety Plans, and San Anselmo's projected UAL as of the date of delivery of the Bonds, is $8,016,357 for its Safety Plans.

The Bonds are being issued under the Trust Agreement to fund approximately 100% of CalPERS' estimate of the Authority's UAL for its Miscellaneous Plan and its Safety Plans at June 30, 2021, and approximately 100% of CalPERS' estimate of San Anselmo's UAL for its Safety Plans at June 30, 2021. The Bonds are not funding the Authority's UAL for its PEPRA Plans and are not funding San Anselmo's UAL for its Miscellaneous or PEPRA Plans which are not administered by the Authority.

SOURCES AND USES OF FUNDS

The following are the expected sources and uses of funds in connection with the Bonds:

SOURCES	
Principal Amount of Bonds	$26,505,000.00
Total Sources of Funds	$26,505,000.00
USES	
Transfer to CalPERS (Authority Miscellaneous Plan)	$ 2,034,988.00
Transfer to CalPERS (Authority Safety First Tier Plan)	9,522,164.00
Transfer to CalPERS (Authority Safety Second Tier Plan)	6,616,160.00
Transfer to CalPERS (San Anselmo Safety First Tier Plan)	7,857,490.00
Transfer to CalPERS (San Anselmo Safety Second Tier Plan)	158,867.00
Costs of Issuance [1]	315,331.00
Total Uses of Funds	$26,505,000.00

(1) Includes the Underwriter's discount, fees for services of bond counsel, disclosure counsel, the rating agency, the municipal advisor, the Trustee and other costs.

THE BONDS

Authority for Issuance

The Bonds are issued under provisions of the California Government Code. The specific terms and conditions for issuance of the Bonds are contained in the Trust Agreement.

For the purpose of paying the principal of and interest on the Bonds, the Police Council is obligated, under the Trust Agreement, to take such actions annually as are necessary or appropriate to cause the debt service on the Bonds due in any fiscal year to be included in the budget for such fiscal year and to make the necessary annual appropriations therefor from any legally available funds, including the general fund, to ensure that sufficient sums are available to pay the annual principal of and interest on the Bonds as the same become due. See "SECURITY FOR THE BONDS" herein.

Description of the Bonds

The Bonds will be issued in denominations of $5,000 each or any integral multiple thereof, will be dated the date of their delivery to the initial purchasers thereof, and will be fully registered bonds, without coupons, with interest payable semiannually on each February 1 and August 1, commencing February 1, 2022 (each, an "Interest Payment Date"), to the registered owners whose names appear on the bond registration books of the Trustee as of the close of business on the fifteenth calendar day of the month immediately preceding an Interest Payment Date. Principal will be payable on the dates and in the amounts set forth on the inside cover page hereof. Payments of principal of and interest on the Bonds will be made by the Trustee, as paying agent, to The Depository Trust Company ("DTC"), New York, New York, which in turn is required to remit such principal and interest to the DTC Participants for subsequent disbursement to the beneficial owners of the Bonds. See APPENDIX F—BOOK-ENTRY ONLY SYSTEM.

A 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 a duly authorized attorney of such person, upon surrender of that Bond to the Trustee at its Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. The Trustee shall collect any tax or other governmental charge on the transfer of any Bonds. Whenever any Bond or Bonds are surrendered for transfer, the Authority will execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of like series, interest rate, maturity and aggregate principal amount. The Authority will pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer of Bonds.

The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of Bonds. The Authority will pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange of Bonds.

Debt Service Schedule

The following table shows the debt service schedule with respect to the Bonds (assuming no optional redemptions).

Maturity February 1	Principal (1)	Interest (2)	Total
2022	$ 1,195,000	$ 371,477.00	$ 1,566,477.00
2023	1,180,000	540,530.00	1,720,530.00
2024	1,175,000	537,002.00	1,712,002.00
2025	1,265,000	530,622.00	1,795,622.00
2026	1,305,000	519,553.00	1,824,553.00
2027	1,340,000	505,002.00	1,845,002.00
2028	1,385,000	485,318.00	1,870,318.00
2029	1,430,000	461,371.00	1,891,371.00
2030	1,480,000	432,800.00	1,912,800.00
2031	1,540,000	401,009.00	1,941,009.00
2032	1,595,000	366,082.00	1,961,082.00
2033	1,625,000	328,312.00	1,953,312.00
2034	1,650,000	287,395.00	1,937,395.00
2035	1,650,000	244,198.00	1,894,198.00
2036	1,615,000	199,681.00	1,814,681.00
2037	1,420,000	154,493.00	1,574,493.00
2038	1,215,000	113,342.00	1,328,342.00
2039	1,120,000	75,664.00	1,195,664.00
2040	1,045,000	40,933.00	1,085,933.00
2041	275,000	8,528.00	283,528.00
TOTAL	$26,505,000	$6,603,312.00	$33,108,311.00

(1) Includes mandatory sinking fund installments.
(2) Interest on the Bonds is payable semiannually on each February 1 and August 1, commencing February 1, 2022.

Redemption

Optional Redemption. The Bonds maturing on or before February 1, 2031, are not subject to optional redemption prior to their respective stated maturities. The Bonds maturing on and after February 1, 2032, are subject to optional redemption from any source of available funds of the Authority, prior to their respective maturities, in whole or in part on any date on or after February 1, 2031~~(the "Par Call Date")~~, upon at least thirty (30) days prior written notice to the Trustee from the Authority, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on February 1, _, are also subject to mandatory sinking fund redemption on February 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

Sinking Fund Redemption Date (February 1)	Principal Amount to be Redeemed
2038	$1,215,000
2039	1,120,000
2040	1,045,000
2041†	275,000

†Maturity

Notice of Redemption. The Trustee on behalf and at the expense of the Authority will mail (by first class mail) notice of any redemption to the respective Owners of 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 20 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 therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon.

Such notice must state the date of the notice, the redemption date, the redemption place and the redemption price and must designate the CUSIP numbers, the Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and must require that such Bonds be then surrendered at the Office of the Trustee identified in such notice for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. See APPENDIX F—BOOK-ENTRY ONLY SYSTEM.

The actual receipt by the registered owner of any bond of such notice of redemption, or failure to receive such notice, or any defect in such notice, shall not affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest on the date fixed for redemption.

Right to Rescind Notice of Redemption. The Authority has the right to rescind any notice of the optional redemption of Bonds by written notice to the Trustee prior to the dated fixed for redemption. Any notice of optional redemption will be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Trust Agreement. The Authority

and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption.

Manner of Redemption. Whenever provision is made for the redemption of less than all of the Bonds, the Trustee shall select the Bonds to be redeemed by lot in any manner which the Trustee in its sole discretion deems appropriate. For purposes of such selection, all Bonds will be deemed to be comprised of separate $5,000 denominations and such separate denominations will be treated as separate Bonds which may be separately redeemed.

Partial Redemption of Bonds. If only a portion of a Bond is called for redemption, then upon surrender of such Bond the Authority will 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.

Effect of Redemption. From and after the date fixed for redemption, if notice of redemption has been duly mailed and funds available for the payment of the principal of and interest on the Bonds so called for redemption have been duly provided, such Bonds so called shall cease to be entitled to any benefit under the Trust Agreement 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. Unless otherwise directed in writing by the Authority, the Trustee shall cancel and destroy all Bonds redeemed.

SECURITY FOR THE BONDS

Repayment of Bonds; Equal Security

The Bonds are unsecured obligations payable from any source of legally available funds of the Authority, including but not limited to amounts held by the Authority on deposit in its general fund. The Authority's general fund is funded primarily from the annual contributions made by the Authority Members. Such contributions include amounts required for the payment of the Authority's Pension Obligations. The Bonds are not secured by a pledge of or lien on any specific revenues, income or funds of the Authority. For additional information about the Authority's general fund, see "AUTHORITY FINANCIAL INFORMATION."

The obligations of the Authority under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the Authority imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The Bonds do not constitute an obligation of the Authority for which the Authority is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligations of the Authority to make payments on the Bonds constitute an indebtedness of the Authority, the State, or any of its political subdivisions in contravention of any constitutional or statutory debt limitation or restriction. The Police Council of the Authority is obligated to make annual appropriations to pay the Bonds from any source of legally available funds of the Authority. The Police Council is obligated in each Fiscal Year to appropriate all amounts from such funds as may be required to pay the aggregate amount of the principal of and the interest on the Bonds coming due and payable in such Fiscal Year.

In consideration of the acceptance of the Bonds by those who hold the same from time to time, the Trust Agreement constitutes a contract between the Authority and the Owners of the Bonds, and the covenants and agreements therein set forth to be performed on behalf of the Authority are 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 and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Deposit of Amounts to Pay Debt Service

The Authority shall pay or cause to be paid to the Trustee, not later than five Business Days prior to each date on which the principal of or interest on the Bonds is due and payable, an amount which is sufficient, together with other amounts then held by the Trustee in the Debt Service Fund, to pay the aggregate amount of principal of and interest on the Bonds coming due and payable on such date.

Debt Service Fund and Accounts Therein

The Trust Agreement creates a separate fund to be known as the "Debt Service Fund," to be held by the Trustee in trust for the benefit of the Bond Owners.

On or before the Business Day preceding each Interest Payment Date, the Trustee shall transfer from the Debt Service Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Debt Service 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 insufficiencies of any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

First: to the Interest Account, the aggregate amount of interest becoming due and payable on the next succeeding Interest Payment Date on all Bonds then Outstanding;

Second: to the Sinking Account, the mandatory sinking account payment becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any; and

Third: to the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any.

All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased prior to maturity pursuant to the Trust Agreement).

All amounts in the Sinking Account shall be used and withdrawn by the Trustee solely for the purposes of paying the sinking account payments of the Bonds when due and payable.

All amounts in the Principal Account shall be used and withdrawn by the Trustee solely for the purposes of paying the principal of the Bonds when due and payable.

THE BONDS CONSTITUTE THE ABSOLUTE AND UNCONDITIONAL OBLIGATIONS OF THE AUTHORITY, PAYABLE FROM ALL LEGALLY AVAILABLE FUNDS OF THE AUTHORITY; HOWEVER, THE BONDS ARE UNSECURED OBLIGATIONS AND NO SPECIFIC SOURCE OF REVENUES OR OTHER FUNDS OF THE AUTHORITY ARE PLEDGED, NOR IS THE AUTHORITY OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION TO MAKE

PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS. THE BONDS ARE NOT SUBJECT TO ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS COVENANTED IN THE TRUST AGREEMENT TO PUNCTUALLY PAY THE INTEREST ON, AND THE PRINCIPAL TO BECOME DUE ON EVERY BOND ISSUED PURSUANT TO THE TRUST AGREEMENT IN STRICT CONFORMITY WITH THE TERMS OF THE TRUST AGREEMENT AND OF THE BONDS, AND TO FAITHFULLY OBSERVE AND PERFORM ALL THE AGREEMENTS AND COVENANTS TO BE OBSERVED OR PERFORMED BY THE AUTHORITY CONTAINED IN THE TRUST AGREEMENT AND IN THE BONDS.

The Bonds have not been, and are not required to be, approved by the Authority's electorate. Consequently, under current law in the State, the Authority cannot levy *ad valorem* or special taxes in excess of Constitutional limits to support the payment of annual Debt Service on the Bonds. The Authority has covenanted in the Trust Agreement to appropriate a sufficient amount in each fiscal year to pay that fiscal year's annual Debt Service. The extent to which these obligations may be specifically enforced, however, has not been tested in the State. A Bondholder, however, may exercise any remedies available pursuant to the law or the Trust Agreement if an event of default occurs under the Trust Agreement. See "RISK FACTORS—Limitation on Remedies; Bankruptcy."

The Authority is directly responsible for payments on San Anselmo's Safety Plans. The Authority makes payments on San Anselmo's Safety Plans from its general fund as part of its obligations to make payments for its own UAL.

THE AUTHORITY

General

The Authority is a joint powers agency duly organized and existing under the laws of the State. The Authority was initially formed pursuant to the terms of a Joint Exercise of Powers Agreement for Police Services, dated January 30, 1980 (the "Original JPA Agreement"), between Larkspur and Corte Madera, and the Joint Exercise of Powers Act of the State (constituting Chapter 5, commencing with Section 6500, of Division 7 of Title 1 of the California Government Code), in order to establish a joint police department to serve Larkspur and Corte Madera.

On January 1, 2013, Larkspur, Corte Madera and San Anselmo entered into an Amended Joint Powers Agreement (the "Amended JPA Agreement"). The Amended JPA Agreement: (i) amended and restated the Original JPA Agreement, (ii) added San Anselmo as a full and voting member of the Authority, (iii) changed the name of the Authority from the Twin Cities Police Authority to the Central Marin Police Authority; (iv) changed the composition of the Police Council to include two members designated by San Anselmo, to the two members designated by Larkspur and to two members designated by Corte Madera, (v) made changes to the management of the Authority, (vi) set forth the ownership rights of the members of the Authority to assets, liabilities and reserves of the Authority, and (vii) made other amendments and modifications to the Original JPA Agreement as agreed to by the members of the Authority.

The purpose of the Authority is to own, manage, operate and maintain joint police protection facilities servicing the Authority Members, and to provide efficient and economical police protection service. The Authority's service area contains a total population of approximately 35,000 residents.

Police Council

The governing board of the Authority, the Police Council, is comprised of two members that are councilmembers of Larkspur appointed by the City Council of Larkspur, two members that are councilmembers of Corte Madera appointed by the Town Council of Corte Madera and two members that are councilmembers of San Anselmo appointed by the Town Council of San Anselmo. The Chair of the Authority and the Co-Chair of the Authority are elected by the Police Council annually from among its members.

The Authority's day-to-day operation are managed by the Authority's Chief of Police, who is appointed by the Police Council. The Police Council also appoints a Fiscal Officer and a Clerk for the Authority. The current Chair of the Authority is Ford Greene, a councilmember in San Anselmo, the current Fiscal Officer is Dan Schwarz, the City Manager of Larkspur, and the current Clerk of the Authority is Zaneta Feleo, the Authority's professional staff supervisor.

The current members of the Police Council are:

Council Member	Position	Representing:
Ford Greene	Chair	San Anselmo
Bob Ravasio	Co-Chair	Corte Madera
Eli Beckman	Council Member	Corte Madera
Brian Colbert	Council Member	San Anselmo
Kevin Haroff	Council Member	Larkspur
Catherine Way	Council Member	Larkspur

Authority Management

Overall management of the Authority is the function of a management committee comprised of the City and Town Managers of Larkspur, Corte Madera and San Anselmo. The current members of the Authority's management committee are:

Committee Member	Position	Representing:
Todd Cusimano	Town Manager	Corte Madera
Dan Schwarz	City Manager	Larkspur
Dave Donery, *Executive Manager*	Town Manager	San Anselmo

Day-to-day management of the Authority is the responsibility of its Chief of Police, Michael Norton. After receiving his Juris Doctor degree from the University of San Francisco in 1999, Chief Norton entered the field of law enforcement when he was hired by the Twin Cities Police Authority in 2001. He has served in a variety of positions throughout his career and rose through the ranks, eventually being promoted to Chief of Police in 2017.

Authority Personnel/Divisions

The Central Marin Police Authority has a staff of 58 full-time employees (45 sworn), Reserve Officers, part-time Cadets, and Volunteers. The Authority's personnel serves across three primary divisions:

Administration. Administration bears the responsibility for managing the operations of the entire Authority including fiscal management, budget preparation, crime analysis, policy, training, disaster management, planning, research, payroll, scheduling, recruitment, testing, background investigations, grant writing, staff reports and administrative tasks delegated by the Police Council and Management Committee. The Chief of Police has ultimate responsibility for developing and articulating the vision of the Authority with the Police Council and Management Committee.

Field Operations. Provides law enforcement services, responds to calls for service, and initiates most investigations. Patrol of our communities is conducted twenty-four hours a day and seven days a week. Patrol officers operate in marked police vehicles, on mountain bicycles, and on foot. The Traffic Division and Directed Patrol Unit are also included in Field Operations.

Support Services. Conducts and provides management and direction to Investigations, Communications, the School Resource Program, Records, Evidence, Training, Backgrounds, and Budget Management.

Authority Facilities

The Authority staffs two police stations and one sub-station. The Authority's stations include:

Larkspur Station – 250 Doherty Dr, Larkspur. Completed in January 2012, the Larkspur Station serves as the headquarters of the Authority. The administration, patrol, traffic, records, and evidence staff operate out of this station. The facility maintains office spaces, a community room, a holding facility to process prisoners, and variety of other areas essential to the functions of the Authority.

San Anselmo Station - 525 San Anselmo Avenue, San Anselmo. The San Anselmo Station previously operated as a stand-alone police station for the San Anselmo Police Department. Under the Authority, this station now serves the Support Services Division. ll members of the Investigations unit operate out of this facility.

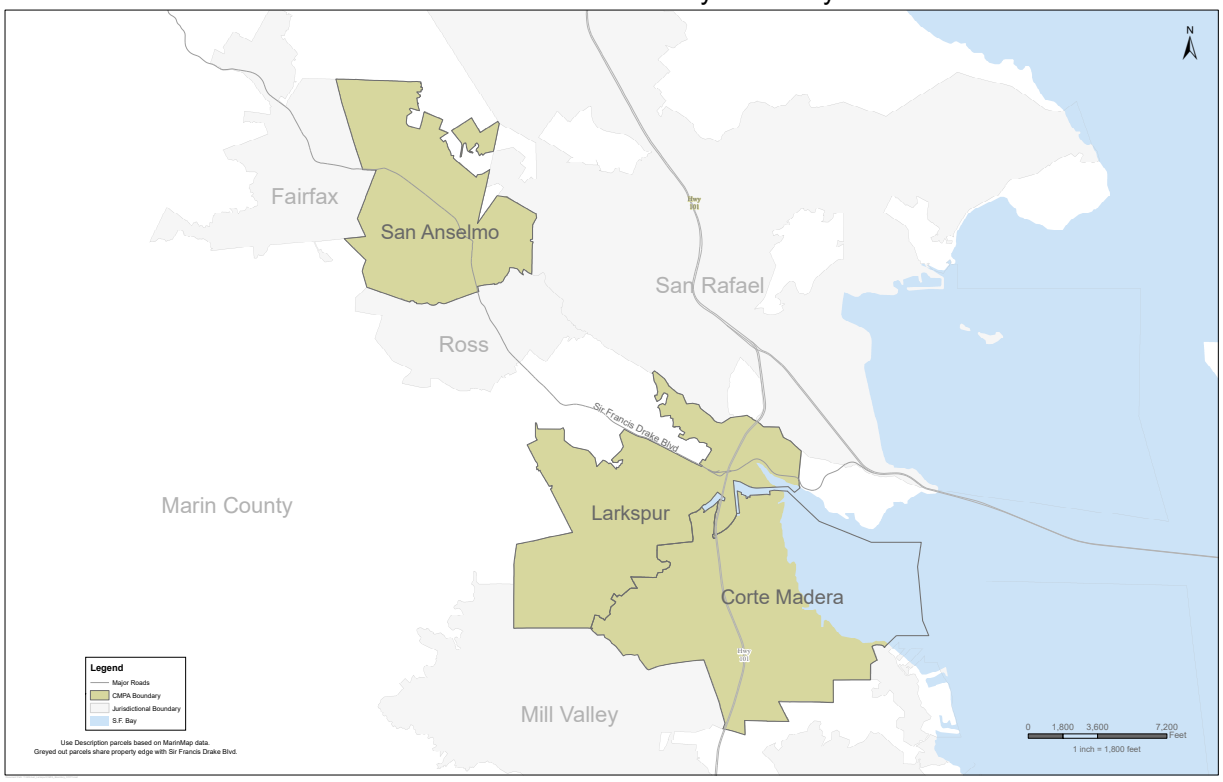
Corte Madera Substation - 5600 Paradise Drive, Corte Madera. The Corte Madera Substation is located in the Central Marin Fire Department's Station #13 and provides for a more convenient location for the residents of the bayside community. No staff operate full-time from this station, however, there are accommodations for officers to write reports and meet with residents.

Authority Service Area

The Authority serves an approximate population of 35,000. A map of the boundaries of the Authority's service area is presented below.

CENTRAL MARIN POLICE AUTHORITY
SERVICE AREA

Central Marin Police Authority Boundary



AUTHORITY FINANCIAL INFORMATION

Financial Statements and Budgetary Process

The Authority's accounting policies conform to generally accepted accounting principles. The audited financial statements also conform to the principles and standards for public financial reporting established by the Governmental Accounting Standards Board.

Basis of Accounting and Financial Statement Presentation. Governmental financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are

considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Audited Financial Statements. The Authority retained Badawi & Associates, Berkeley, California (the "Authority's Auditor"), to examine the general purpose financial statements of the Authority as of and for the year ended June 30, 2020. The audited financial statements for fiscal year ended June 30, 2020, are included in APPENDIX D—AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020. The Authority has not requested, and the Authority's Auditor has not provided, any review or update of such financial statements in connection with their inclusion in this Official Statement.

Budget Process. The Police Council annually adopts a budget resolution. The preliminary budget may be amended by the Police Council and is adopted by resolution by the Police Council on or before June 30. The final budget is then adopted by the Police Council on or before August 30. Budget appropriations lapse at the end of the year. The budget is prepared on a cash basis, which does not vary significantly from the basis of accounting used in the financial statements. Management can transfer budgeted amounts between expenditure accounts within an object level without the approval of the Police Council.

General Fund Balance Sheet

The following table shows the Authority's audited general fund balance sheet for the past five fiscal years.

TABLE 1
CENTRAL MARIN POLICE AUTHORITY
GENERAL FUND
BALANCE SHEET

	Fiscal Year Ended June 30,				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited
ASSETS					
Cash and investments	$68,575	$468,332	$1,194,245	$2,002,940	$2,827,028
Accounts receivable	233,355	64,342	88,490	137,730	217,539
Prepaid	3,450	-	-	46,875	-
Total Assets	305,380	532,674	1,282,735	2,187,545	3,044,567
LIABILITIES					
Accounts payable	124,590	270,105	218,683	101,470	184,412
Accrued liabilities	37,025	123,757	82,807	442,623	652,043
Deposits payable	11,289	8,358	13,958	20,646	25,769
Total Liabilities	172,904	402,220	315,448	564,739	862,224
FUND BALANCES					
Nonspendable	3,450	-	-	46,875	-
Unassigned	129,026	130,454	967,287	1,575,931	2,182,343
Total Fund Balances	132,476	130,454	967,287	1,622,806	2,182,343
Total Liabilities and Fund Balances	305,380	532,674	1,282,735	2,187,545	3,044,567

Source: Central Marin Police Authority 2016-20 Audited Financial Statements.

General Fund Revenues, Expenditures and Changes in Fund Balances

The following table shows the Authority's audited results for general fund revenues and expenditures for Fiscal Years 2016-17 through 2019-20 and budgeted projections for Fiscal Year 2020-21.

TABLE 2
CENTRAL MARIN POLICE AUTHORITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

	Fiscal Year Ending June 30,				
	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Budget
REVENUES					
From other agencies:					
City of Larkspur	$ 3,465,854	$ 3,680,226	$ 3,925,442	$ 4,070,615	$ 4,070,615
Town of Corte Madera	3,096,000	3,298,128	3,511,174	3,642,545	3,642,545
Town of San Anselmo	3,954,712	4,113,516	4,384,691	4,540,998	4,540,998
State vehicle abatement	19,717	20,554	36,046	20,615	20,000
State COPS grant	309,956	515,635	466,205	490,306	300,000
Other agencies	284,627	413,681	246,685	395,916	140,000
Investment earnings	2,881	8,821	50,618	54,369	10,000
Police charges	88,886	73,422	154,540	165,037	83,658
Revenue from CFD	400,000	400,000	400,000	400,000	400,000
Other revenue	106,293	38,538	87,166	32,694	35,001
Total Revenues	11,728,926	12,562,521	13,262,567	13,813,095	13,242,817
EXPENDITURES					
Current:					
Administration	3,507,747	3,246,233	3,669,224	3,470,828	3,244,879
Communications	1,010,550	1,049,204	1,081,223	1,135,170	1,136,739
Investigations	653,506	661,453	853,625	615,881	525,053
Juvenile	267,614	289,321	327,253	316,999	353,421
Field operations	5,341,143	5,393,876	5,611,070	6,369,612	6,619,620
Traffic	664,024	689,797	523,771	615,007	506,761
Capital outlay	-	218,647	152,790	220,136	78,306
Debt service – Principal	-	43,411	74,995	73,008	73,009
Debt service – Interest	-	339	3,311	5,027	5,027
Total Expenditures	11,444,584	11,592,281	12,297,262	12,821,668	12,542,815
EXCESS OF REVENUES OVER EXPENDITURES	284,342	970,240	965,305	991,427	700,002
OTHER FINANCING SOURCES					
Proceeds from capital lease financing	-	168,769	131,108	-	-
Proceeds from sale of property	14,435	7,824	9,106	18,110	-
Transfers In	-	-	-	-	-
Transfers Out	(301,799)	(310,000)	(450,000)	(450,000)	(550,000)
Total Other Financing Sources	(286,364)	(133,407)	(309,786)	(431,890)	(550,000)
Change in Fund Balances	(2,022)	836,833	655,519	559,537	150,002
FUND BALANCES, BEGINNING OF YEAR	132,476	130,454	967,287	1,622,806	2,182,343
FUND BALANCES, END OF YEAR	130,454	967,287	1,622,806	2,182,343	2,332,345

Source: Central Marin Police Authority 2017-20 Audited Financial Statements and Central Marin Police Authority.

No Material Impact of COVID-19 Pandemic on the Authority's General Fund. To date, the Authority's operations, revenues and expenditures have not been materially impacted by the COVID-19 Pandemic.

The Authority received the full required contributions from the Authority Members for the 2019-20 fiscal year and anticipates that it will continue to receive the full required contributions from the Authority Members in the future. The Authority Members have committed to fully fund the Authority to ensure that public safety is not affected.

Authority Financial Management Policies

The Police Council has adopted a comprehensive set of financial management policies to provide for: (i) establishing targeted general fund reserves and (ii) management of debt. The Authority's practice is to incur debt only after deliberation over the effect of such debt on the Authority's general fund and other resources of the Authority, and in those circumstances where the use of debt would be appropriate to the scale and economic life of the asset being financed and the accumulation or availability of reserves to fund the capital requirement.

General Fund Reserve Policy. On June 13, 2011, the Police Council adopted resolution #14-11 establishing a reserve policy. During fiscal year 2013-14, the Authority adopted a minimum dry period fund balance requirement of $750,000 or 10% of the Authority's annual adopted budget, whichever is greater. During fiscal year 2015-16, the Authority adopted its Resolution 2016/01 to lower this percentage rate to five percent (5%) and to apply the excess funds from the reserve fund to its insurance fund. During fiscal year 2016-17, the Authority temporarily suspended the 5% reserve policy for a period of two to three years to allow the Authority Members to contribute and rebuild the reserve fund. The current fund balance policy goal and reserve level is shown in the table below.

CENTRAL MARIN POLICE AUTHORITY
GENERAL FUND RESERVE POLICY

	Policy Guidance	Actual Fiscal Year 2019-20	Budgeted Fiscal Year 2020-21
% of Expenses	5.00%	4.03%	4.82%

Source: Central Marin Police Authority.

Debt Management Policy. In accordance with section 8855(i) of the California Government Code the Authority adopted a debt management policy on March 25, 2021, to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the Authority's interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the Authority.

Sources of Authority General Fund Revenues

The Authority's operations are principally financed by contributions from the Authority Members. The following table shows the Authority's general fund revenues by source for the five most recent fiscal years and budgeted projections for Fiscal Year 2020-21:

TABLE 3
CENTRAL MARIN POLICE AUTHORITY
GENERAL FUND REVENUES BY SOURCE

	Fiscal Year Ending June 30,					
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Budget
Larkspur Contributions	$ 3,625,147	$ 3,465,854	$ 3,680,226	$ 3,925,442	$ 4,070,615	$ 4,540,998
Corte Madera Contributions	3,003,000	3,096,000	3,298,128	3,511,174	3,642,545	4,070,615
San Anselmo Contributions	3,875,236	3,954,712	4,113,516	4,384,691	4,540,998	3,642,545
Total Authority Member Contributions	$10,503,383	$10,516,566	$11,091,870	$11,821,307	$12,254,158	$12,254,158
All Other Sources[1]	1,318,292	1,212,360	1,470,651	1,441,260	1,558,937	988,659
Total General Fund Revenues	$11,821,675	$11,728,926	$12,562,521	$13,262,567	$13,813,095	$13,242,817

Source: Central Marin Police Authority.
(1) Includes State vehicle abatement revenues, State COPS grants, contributions from other agencies, investment earnings, police charges, community facilities district taxes for services and other revenues.

Authority Member Contributions. Under the conditions of the Amended JPA Agreement the Authority Members contribute to the Authority according to a funding formula based on the Authority's expenditures during the fiscal year. The Amended JPA Agreement separates the Authority's expenditures into six categories: administration, communications, investigations, juvenile/school resource officers, field operations, and traffic. Costs relating to administration, communications, and investigations are shared by the three Authority Members equally with each Authority Member contributing 1/3 of the costs for those categories.

Costs for juvenile/school resource officers, field operations, and traffic are allocated according to a funding formula based upon the total number of calls for service, total crimes, citations, and accidents on a rolling three-year period. This method of cost allocation ensures that if one of the Authority Members has additional patrol field needs that the costs will be fairly allocated to the Authority Member receiving the services. On March 27, 2017, the Police Council passed Resolution No. 2017/06 which adopted the shared funding formula for Authority Members for fiscal year 2017-18 and future years.

The current funding formula effective for the Authority's 2019-20 and 2020-21 fiscal years assigns the following percentages of costs for juvenile/school resource officers, field operations, and traffic to each Authority Member: 38.43% to San Anselmo, 33.71% to Larkspur, and 27.86% Corte Madera. San Anselmo's contributions to the Authority includes amounts to pay San Anselmo's Safety Plan obligations to CalPERS, which the Authority pays on its behalf and is included in the Authority's Pension Obligations.

As part of their contributions to the Authority, approximately 21.5% of the annual amount paid by the Authority Members represents amounts for the payment of the Authority's Pension Obligations and the remainder is for police services.

Authority Member Financial Information. Each of the Authority Members pays their contributions to the Authority from their respective general funds. Information about the Authority Members, their general

funds, and information concerning the finances of State cities and towns generally can be found in APPENDIX C—AUTHORITY MEMBERS' FINANCIAL INFORMATION.

Other Revenues. Revenues come from various sources including grants, outside agency services, parking/alarm permits, vehicle abatements, transfers from other funds, and overtime reimbursements.

Labor Relations

Most full-time Authority employees are represented by one labor organization, the Central Marin Police Officers Association, which represents approximately 80% of all Authority employees. The current contract expires on June 30, 2021.

Risk Management

Bay Cities Joint Powers Insurance Authority. The Authority participates in a joint powers agreement with the Bay Cities Powers Insurance Authority ("BCJPIA"), which consists of workers compensation and general liability risk pools. BCJPIA was created in 1986 by an agreement between certain public agencies in Northern California to provide certain insurance coverage. It is governed by a Board of Directors which is comprised of officials appointed by each member Agency.

The Authority is self-insured up to $150,000 per claim. BCJPIA provides coverage from its own resources for the first $1,000,000 of loss per accident once the Authority's deductible has been met. Excess coverage is provided by an outside insurance carrier up to statutory limits.

The BCJPIA is "a claims servicing or account pool." The Authority manages separate accounts for each pool member from which losses and expenses of that member are paid, up to the retention limit. The Authority purchases commercial excess insurance. The annual assessment of each member includes allocation for loss payments, expenses, and excess insurance premiums.

Annually, the Authority evaluates the assets of each pool member in comparison with expected future liabilities. The "financial risk position" of each member is determined by subtracting case reserves, claims incurred but not reported amounts and claim development from members' deposit balances. If a negative risk position is found, a supplemental amount is added to the member's annual assessment.

BCJPIA covers general liability claims in an amount up to $1,000,000. The Authority is self-insured up to $100,000 per claim. Once the Authority's deductible is met, BCJPIA becomes responsible for payment of all claims up to the limit.

BCJPIA provides a risk sharing pool for its members from $1,000,000 up to $28,000,000 for each occurrence through the California Affiliated Risk Management Authorities.

For additional information about the Authority's Risk Management, see APPENDIX D—AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 11.

Marin Emergency Radio Authority

The Authority is a member of the Marin Emergency Radio Authority ("MERA"), a joint powers agency which operates under a joint powers agreement among the County and twenty-five local agencies within the County. MERA's purpose is to plan, finance, implement, manage, own and operate a multi-jurisdictional and County-wide public safety emergency radio system. Each agency member has agreed to fund a pro-rata share of the debt service of the system, which is a project comprised of certain real property, improvements and equipment constituting a public safety emergency and public services wireless radio communications system.

For additional information about the Authority's Risk Management, see APPENDIX D—AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 12.

Employee Retirement Plans

The information set forth below regarding the CalPERS program, other than the information provided by the Authority regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not be construed as a representation by either the Authority or the Underwriter. All CalPERS data in this section speaks to the Authority's Pension Obligations.

Plan Description. All qualified permanent and probationary employees are eligible to participate in the Authority's separate Safety and Miscellaneous Plans and San Anselmo's Safety Plans (together, the "Plans") Employee Pension Rate Plans. The Authority's Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan ("PERF C"), which is administered by the CalPERS. PERF C consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost- sharing multiple-employer defined benefit pension plan regardless of the number of rate plans the employer sponsors. The Authority sponsors seven rate plans, including two from San Anselmo (two miscellaneous and five safety). Benefit provisions under the Plan are established by State statute and Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Contributions. Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined

rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The Authority's contributions to its Miscellaneous and Safety Plans for the past four years is summarized in the following table.

TABLE 4
CENTRAL MARIN POLICE AUTHORITY
HISTORICAL PENSION CONTRIBUTIONS

Fiscal Year Ending June 30,	Miscellaneous Plan	Safety Plans	Total Contributions
2017	$ 162,154	$1,877,582	$2,039,736
2018	170,982	1,811,259	1,982,241
2019	200,351	2,243,924	2,444,275
2020	232,061	2,403,999	2,636,060

Source: Central Marin Police Authority 2017-20 Audited Financial Statements.

Changes in the Net Pension Liability. As of June 30, 2020, the Authority reported a net pension liability for its proportionate share of the net pension liability of $24,866,029 for the Plans.

The Authority's net pension liability for the Plans is measured as the proportionate share of the net pension liabilities. The net pension liabilities of the Plans are measured as of June 30, 2020, and the total pension liabilities for the Plans used to calculate the net pension liabilities were determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, using standard update procedures. The Authority's proportion of the net pension liabilities was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions. For the year ended June 30, 2020, the Authority recognized pension expense of $4,633,664 for the Plans. At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TABLE 5
CENTRAL MARIN POLICE AUTHORITY
DEFERRED OUTFLOWS/INFLOWS OF RESOURCES
FISCAL YEAR 2019-20

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	$2,636,060	$ -
Diff. btw. actual and expected experience	1,620,942	-
Changes in assumptions	1,033,429	(217,800)
Diff. btw. projected and actual earnings on investment	-	(349,984)
Diff. btw. actual and proportionate contributions	-	(899,405)
Change in proportion	212,493	(91,641)
Total	$5,502,924	(1,558,830)

Source: Central Marin Police Authority 2019-20 Audited Financial Statements.

For information concerning the Authority's pension obligations, including descriptions of the actuarial methods and assumptions, and an explanation of the discount rate used, please see APPENDIX D—AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 9.

Funded Status. The following table sets forth a summary of the funding progress for the Authority's Miscellaneous and Safety Plans for the three most recent actuarial valuation dates.

TABLE 6
CENTRAL MARIN POLICE AUTHORITY
HISTORICAL PENSION FUNDING PROGRESS

Date June 30,	Actuarially Determined Contribution (ARC)	Unfunded Liability	Annual Covered Payroll
2018	$2,039,736	$23,631,308	$4,564,736
2019	1,982,241	23,376,722	4,484,075
2020	2,444,275	24,866,029	4,789,867

Source: Central Marin Police Authority 2018-20 Audited Financial Statements.

Coronavirus Impacts on Pension Obligations. Recent investment losses in the CalPERS portfolio as a result of the general market downturn caused by the COVID-19 Pandemic will likely result in increases in the Authority's required contributions in future years. The Authority cannot predict the level of such increases, if any.

As of June 30, 2020, CalPERS estimated that the rate of return for its investment portfolio for the fiscal year was 4.7%. Investment returns below 7% create additional liabilities for public agencies, including the Authority. Any increase in the unfunded actuarial liability created by the Fiscal Year 2019-20 rate of return will begin affecting the Authority's UAL costs starting in Fiscal Year 2021-22. Pursuant to CalPERS methodology, the amounts payable will increase annually during the first five years and then level out for the remaining 15 years over which to amortize investment losses.

Actions Taken by CalPERS. At its April 17, 2013, meeting, CalPERS' Board of Administration (the "Board of Administration") approved a recommendation to change the CalPERS amortization and

smoothing policies. Prior to this change, CalPERS employed an amortization and smoothing policy that spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. As a result, CalPERS now employs an amortization and smoothing policy that will pay for all gains and losses over a 20-year period with a five-year ramp-up, and five-year ramp-down, period. The new amortization and smoothing policy was used for the first time in the June 30, 2013 actuarial valuations in setting employer contribution rates for Fiscal Year 2015-16.

On February 18, 2014, the Board of Administration approved new demographic actuarial assumptions based on a 2013 study of recent experience. The largest impact, applying to all benefit groups, is a new 20-year mortality projection reflecting longer life expectancies and that longevity will continue to increase. Because retirement benefits will be paid out for more years, the cost of those benefits will increase as a result. The Board of Administration also assumed earlier retirements for Police 3%@50, Fire 3%@55, and Miscellaneous 2.7%@55 and 3%@60, which will increase costs for those groups. As a result of these changes, rates increased beginning in Fiscal Year 2016-17 (based on the June 30, 2014 valuation) with full impact in Fiscal Year 2020-21.

On November 18, 2015, the Board of Administration adopted a funding risk mitigation policy intended to incrementally lower its discount rate – its assumed rate of investment return – in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. The policy establishes a mechanism to reduce the discount rate by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, which at that time was 7.5%, by at least four percentage points. CalPERS staff modeling anticipates the policy will result in a lowering of the discount rate to 6.5% in about 21 years, improve funding levels gradually over time and cut risk in the pension system by lowering the volatility of investment returns. More information about the funding risk mitigation policy can be accessed through CalPERS' web site at the following website address: https://www.calpers.ca.gov/page/newsroom/calpers-news/2015/adopts-funding-risk-mitigation-policy. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the Authority, the Underwriter or the Municipal Advisor and is not incorporated in this Official Statement by reference.*

On December 21, 2016, the Board of Administration voted to lower its discount rate from the current 7.5% to 7.0% over the next three years according to the following schedule.

Fiscal Year	Discount Rate
2017-18	7.375%
2018-19	7.250
2019-20	7.000

For public agencies like the Authority, the 7.0% discount rate took effect on July 1, 2019. Lowering the discount rate means employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Public Employees' Pension Reform Act will also see their contribution rates rise. The three-year reduction of the discount rate will result in average employer rate increases of about 1 percent to 3 percent of normal cost as a percent of payroll for most miscellaneous retirement plans, and a 2 percent to 5 percent increase for most safety plans. Additionally, many CalPERS employers will see a 30 to 40 percent increase in their current unfunded accrued liability payments. These payments are made to amortize unfunded liabilities over 20 years to bring the pension fund to a fully funded status over the long-term.

CalPERS Amortization Period Reform. On February 13, 2018 the CalPERS Board voted to shorten the period over which actuarial gains and losses are amortized from 30 years to 20 years for new pension liabilities. The new 20-year amortization period begins with new gains or losses accrued starting with the June 30, 2020 actuarial valuations. The first payments on the new 20-year amortization schedule will take place in 2021.

A shorter amortization period will increase annual Unfunded Accrued Liability ("UAL") contributions for cities that participate in CalPERS so long as CalPERS remains underfunded. The shortened amortization period will also lead to reductions of periods of negative amortization of the UAL, interest cost savings, and faster recoveries of funded status after market downturns.

Public agencies that participate in CalPERS will also see additional volatility in their future UAL contributions due to market performance as gains or losses will be amortized faster under the new amortization period.

The Authority cannot currently estimate the impact the shorter amortization period will have on its required contributions for its Miscellaneous and Safety Plans.

Other Post-Employment Benefits

Plan Description. The Authority's Post Employment Benefit Plan is an agent multiple-employer plan. The cost of the benefits provided by the Plan is currently being paid by the Authority on a pay-as-you-go basis. The long-term strategy for funding the benefits provided under the Plan is currently being evaluated. Coverage requires the employee to satisfy the requirements under CalPERS, which requires attainment of age 50 (age 52, if a new member on or after January 1, 2013).

Employees Covered. Membership of the plan consisted of 46 retirees and beneficiaries receiving benefits, 4 inactive members entitled to but not yet receiving benefits and 47 active plan members at June 30, 2019, the date of the latest actuarial valuation.

Changes In Net OPEB Liability. The following table shows the changes in the Authority's net OPEB obligation to the Plan:

TABLE 7
CENTRAL MARIN POLICE AUTHORITY
CHANGE IN NET OPEB LIABILITY
Fiscal Year 2019-20

Service cost	$ 702,235
Interest on OPEB liability	872,343
Dif. btw. actual and expected experience	(5,294,805)
Changes in assumptions	834,388
Employer contributions	(657,580)
Investment income	(22,479)
Administrative expense	69
Net changes	(3,565,829)
Net OPEB obligation, beginning of the year	23,404,495
Net OPEB obligation, end of the year	$19,838,666

Source: Central Marin Police Authority 2019-20 Audited Financial Statements.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

For information concerning the Authority's OPEB obligations, including descriptions of the actuarial methods and assumptions, please see APPENDIX D—AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020, Note 10.

Debt Obligations

The Authority has no outstanding obligations payable from its general fund. It does have community facilities district bonds outstanding that are payable from special taxes levied against the real property located within the community facilities districts.

RISK FACTORS

This section provides a general overview of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in evaluating an investment in the Bonds. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. Potential investors in the Bonds are advised to consider the following factors, among others, and to review this entire Official Statement to obtain information essential to the making of an informed investment decision. Any one or more of the risk factors discussed below, among others, could lead to a decrease in the market value and/or in the marketability of the Bonds. There can be no assurance that other risk factors not discussed herein will not become material in the future.

Bonds are Unsecured General Fund Obligations of the Authority

The obligation of the Authority to make debt service payments on the Bonds does not constitute an obligation of the Authority for which the Authority is obligated to levy or pledge any form of taxation or for which the Authority has levied or pledged any form of taxation.

The Trust Agreement does not create a pledge, lien or encumbrance upon the funds of the Authority. Pursuant to law, the Bonds are payable from any available funds of the Authority. The Authority covenants in the Trust Agreement to punctually pay the interest on and principal of every Bond in strict conformity with the terms thereof and of the Trust Agreement. The Authority is liable and may become liable on other obligations payable from general revenues, some of which may have a priority over payments of the principal of, and interest on, the Bonds, or which the Authority, in its discretion, may determine to pay prior to the principal of, and interest on, the Bonds.

A variety of national, state or regional factors, which are beyond the control of the Authority could reduce the Authority's general fund revenues or increase the Authority's general fund expenditures. If the amounts which the Authority is obligated to pay in a Fiscal Year exceed the Authority's revenues for such year, the Authority may choose to make some payments rather than making other payments, including payments on the Bonds, based on the perceived needs of the Authority. The same result could occur if, because of State Constitutional limits on expenditures, the Authority is not permitted to appropriate and spend all of its available revenues or is required to expend available revenues to preserve the public health, safety and welfare.

The Authority has the capacity to enter into other obligations payable from the Authority's general fund without the consent of or prior notice to the Owners of the Bonds, and has expressly reserved the right to issue or incur other obligations for any of its corporate purposes. To the extent that additional obligations are incurred by the Authority, the funds available to make payments of the principal of, and interest on, the Bonds may be decreased. In the event the Authority's revenue sources are less than its total obligations, the Authority could choose to fund other activities before making payment of the principal of, and interest on, the Bonds. The same result could occur if State constitutional expenditure limitations were to prohibit the Authority from appropriating and spending all of its otherwise available revenues.

While the Authority Members are obligated to make their contributions to the Authority pursuant to the Amended JPA Agreement, a failure by one or more of the Authority Members to make its annual contribution could have a material impact on the Authority's ability to make debt service payments on the Bonds.

Cash Management

The Authority has numerous internal or external means to manage its cash flow, including but not limited to interfund borrowing, intrafund borrowing and tax and revenue anticipation notes which may be employed to the extent the Police Council is required to make budget adjustments in order to maintain a balanced budget. If the Authority does not take required actions and the budget remains out of balance, the cash requirements of the Authority may exceed available cash flow. The ability of the Authority to borrow on an interim basis to meet any cash shortfalls also may be limited if the budget remains out of balance for a sustained period of time. The Authority has the legal authority to issue "warrants" in place of cash to meet various types of expenditures or appropriations as an additional means to manage its cash flow. See "AUTHORITY FINANCIAL INFORMATION."

Limitation on Remedies; Bankruptcy

The enforceability of the rights and remedies of the Owners of the Bonds are subject to a number of limitations, including bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in equity or at law), to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities in the State.

In addition, the rights and remedies of the Owners may be limited by and are subject to the provisions of federal bankruptcy laws and to other laws or equitable principles that may affect the enforcement of creditors' rights. The Authority is a governmental unit and therefore cannot be the subject of an involuntary case under the United States Bankruptcy Code (the "Bankruptcy Code"). However, the Authority is a governmental unit and therefore may seek voluntary protection from its creditors pursuant to Chapter 9 of the Bankruptcy Code for purposes of adjusting its debts. Should the Authority file for bankruptcy, there could be adverse effects on the Owners. In two situations in the State, holders of pension obligations bonds issued by entities that participate in CalPERS experienced significant losses in their investment in such pension obligation bonds as a result of the entities subsequently seeking voluntary protection from their creditors pursuant to Chapter 9 of the Bankruptcy Code.

If the Authority is in bankruptcy, the parties (including the Trustee and the Owners) may be prohibited from taking any action to collect any amount from the Authority or to enforce any obligation of the Authority, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the Bonds from funds in the Trustee's possession.

The Bonds are not secured by any property other than the funds that the Authority has actually deposited with the Trustee, and the Authority is not obligated to deposit any funds with the Trustee until the third business day prior to the applicable bond payment debt. The Bonds are not secured by the funds in the Authority treasury allocated to pay debt service on the Bonds. If the Authority is in bankruptcy, it may not be obligated to make any further deposits with the Trustee, it may not be obligated to make any further allocations to the payment of debt service, and it may not be obligated to turn over to the Trustee any moneys that have been allocated in the Authority treasury. As a result, the Bonds would likely be treated as unsecured obligations of the Authority in the bankruptcy case. Under such circumstances, the Owners could suffer substantial losses.

The Authority may be able, without the consent and over the objection of the Trustee or the Owners, to alter the priority, interest rate, payment terms, maturity dates, payment sources, covenants, and other terms or provisions of the Trust Agreement and the Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Authority that could result in delays or reductions in payments on the Bonds, or result in losses to the Owners. Regardless of any specific adverse determinations in a Authority bankruptcy proceeding, the fact of a Authority bankruptcy proceeding could have an adverse effect on the liquidity and value of the Bonds.

Treatment of Pension Obligation Bonds in Recent Municipal Bankruptcies. Recent bankruptcies in the cities of Stockton, San Bernardino and the City of Detroit, Michigan have addressed obligations held by holders of pension obligation securities. In the Stockton bankruptcy the bankruptcy court found that CalPERS was an unsecured creditor of the city with a claim on parity with those of other unsecured creditors. In the San Bernardino bankruptcy, the bankruptcy court held that in the event of a municipal bankruptcy, payments on pension obligation bonds, such as the Bonds, were unsecured obligations and not entitled to the same priority of payments made to CalPERS. A variety of events, including, but not limited to, additional rulings adverse to the interests of bond owners in the Stockton, San Bernardino and Detroit bankruptcy cases or additional municipal bankruptcies, could prevent or materially adversely affect the rights of Beneficial Owners to receive payments on the Bonds in the event the Authority files for bankruptcy. Accordingly, in the event of bankruptcy, Beneficial Owners may not recover the full amount of principal and interest due on the Bonds.

The opinion to be delivered by Bond Counsel concurrently with the execution and delivery of the Bonds will be subject to various limitations on remedies including those related to bankruptcy and the various other legal opinions to be delivered concurrently with the issuance of the Bonds will be similarly qualified. See APPENDIX G—FORM OF OPINION OF BOND COUNSEL. In the event that the Authority fails to comply with its covenants under the Trust Agreement or fails to pay debt service payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interest of the Beneficial Owners of the Bonds.

Pension Benefit Liability

Many factors influence the amount of the Authority's pension benefit liabilities, including, without limitation, inflationary factors, changes in statutory provisions of CalPERS retirement system laws, changes in the level of benefits provided or in the contribution rates of the Authority, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods (including but not limited to the assumed rate of return), and differences between actual and anticipated investment experience of CalPERS. Any of these factors could give rise to additional liability of the Authority to its pension plans as a result of which the Authority would be obligated to make additional payments to its pension plans in order to fully fund the Authority's obligations to its pension plans. It is expected that required contributions to CalPERS will increase in future years.

Natural Calamities

General. From time to time, the Authority's service area has been and could be subject to natural calamities, including, but not limited to, earthquake, flood or wildfire, that may adversely affect economic

activity of the Authority Members, and which could have a negative impact on the finances of the Authority Members.

Seismic. Like most regions in California, the Authority is in an area of significant seismic activity. There are numerous earthquake faults near the Authority Members, including particularly the San Andreas and Hayward faults. The San Andreas fault runs along the Marin and Sonoma Coast through the Santa Cruz Mountains. The Hayward fault covers the hills on the east side of the San Francisco Bay and into San Pablo Bay, to the east of the Authority Members. Both can cause damaging earthquakes. Numerous other faults can produce damaging earthquakes similar in magnitude to the 1989 Loma Prieta earthquake. Soils in lowland areas away from major faults may also be unable to support buildings during major earthquakes. Landslides are likely on hillsides during major earthquakes. Coastal areas are also at risk of tsunamis, generated from earthquakes on local faults or across the Pacific.

Damage resulting from such an event could have a material adverse effect on the Authority Members' financial condition through unexpected recovery costs and reduced tax and other revenues.

Flood. Like most of California, the Authority Members are subject to unpredictable seasonal rainfall, with periods of intense and sustained precipitation occurring every few years.

Wildfire. In recent years, wildfires have caused extensive damage to cities throughout the State. In some instances, entire neighborhoods have been destroyed. Areas effected by wildfires may be more prone to flooding and mudslides. There can be no assurances that wildfires will not occur within the boundaries of the Authority Members. Damage resulting from such an event could have a material adverse effect on the financial conditions of the Authority Members through unexpected recovery costs and reduced tax and other revenues.

Climate Change/Sea Level Rise. Certain property within the boundaries of the Authority Members may be vulnerable to property damage or reductions in assessed value because of future sea level rise in the San Francisco Bay or other negative impacts resulting from climate change.

The predictions for sea level rise in the San Francisco Bay vary. A report released by the San Francisco Bay Conservation Development Commission ("BCDC") predicts sea levels in the Bay to rise 16 inches by 2050 and 55 inches by 2100. The State's Fourth Climate Change Assessment, released in 2017, estimates sea level rise for the year 2100 in the range of 14 inches to 94 inches (36 cm to 239 cm) with an additional very low probability, worst case estimate that exceeds 108 inches (274 cm). A draft paper from the California Climate Change Center posits that increases in sea level will be a significant consequence of climate change over the next century.

Hazardous Substances

One of the most serious risks in terms of the potential reduction in the value or use of a parcel of property is a claim with regard to a hazardous substance. In general, the owners, lessors and/or lessees of a parcel of real property 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 State laws with regard to hazardous substances are also stringent and similar in application. 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 contributed to or caused contamination with the hazardous substances. The effect, therefore, should property in the Authority's service area be affected by a hazardous substance, is to reduce both marketability and the value of property by the costs of remedying the condition. While the Authority is not currently aware of any such condition, it is possible that such hazardous substance conditions do currently exist and that the Authority has not been made aware of their existence.

Secondary Market Risk

There can be no assurance that there will be a secondary market for purchase or sale of the Bonds, and from time to time there may be no market for them, depending upon prevailing market conditions, the financial condition or market position of firms who may make the secondary market and the financial condition of the Authority.

Risks Related to Cyber Security

The Authority relies on computers and technology to conduct its operations. The Authority and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. The Authority owns and operates its own enterprise class data network serving the Authority and its operations. The Authority has retained information technology professionals to support, maintain and protect these operations locally in a purpose-built and physically secure environment. This network and its operations are governed by and in compliance with all applicable governmental regulations as well as the Authority's own administrative regulations. Within the Authority's operations and guidance is an active cyber-security program designed to protect from, and to quickly identify and mitigate, a multitude of complex security threats. While no network is completely immune from all possible compromise, the Authority exercises its due diligence in protecting the data it possesses and the systems it operates. To date, there have been no significant cyber-attacks on the Authority's computers and technologies.

While the Authority is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the Authority's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the Authority's computer and technology could negatively impact the Authority's operations, and the costs related to such attacks could be substantial.

Changes in Law

There can be no assurance that the electorate of the State will not at some future time adopt additional initiatives or that the Legislature will not enact legislation that will amend the laws or the Constitution of the State resulting in a reduction of the general fund revenues of the Authority and the Authority Members and consequently, having an adverse effect on the security for the Bonds.

Withdrawal of Authority Member; Dissolution of Authority

Any Authority Member may terminate its participation and withdraw from the Authority upon written notice to the other Authority Members first given on or before June 30th of any year, effective no sooner than June 30th two (2) years thereafter. If an Authority Member terminates its participation in and withdraws from the Authority, it shall pay its percentage share of the Authority's costs for which it is responsible to pay up to the effective date of its termination and withdrawal. In addition, a withdrawing

Authority Member shall also pay its percentage share of (i) the Authority's remaining unpaid costs and debts as budgeted for the two (2) relevant fiscal years related to any and all tangible and intangible Authority property including, but not limited to, costs of equipment, leases, facilities, improvements, etc., (ii) any bonded indebtedness of the Authority incurred prior to the date of withdrawal, (iii) any unpaid contributions assessed against the Authority by CalPERS relating to the period during which the terminating Authority Member was an Authority Member, (iv) any unpaid contributions in connection with post-employment benefits other than pensions as part of compensation for services rendered by Authority employees, and (v) the actual costs associated with its withdrawal including, but not limited to, Authority staff time required to change existing services and systems. All payments shall be paid not later than ninety (90) days following the date of termination and withdrawal. Termination of and withdrawal by any Authority Member shall not be construed as a completion of the purpose of the Authority. Remaining monies of the Authority shall be distributed to the respective Authority Members in proportion to their percentage shares, provided said distribution may be deferred by the parties in whole or in part for up to five (5) years as a reserve to meet liabilities known and unknown. If a member withdraws from the Authority, then, to the extent that doing so does not substantially adversely impact the Authority's ability to continue to provide police protection services to the remaining Authority Members, the withdrawing Authority Member shall be entitled to its Percentage Share of the capital assets of the Authority accrued by the withdrawing Authority Member as of the date of its withdrawal to permit the withdrawing Authority Member to reestablish its ability to provide police protection to its jurisdiction.

If the Authority is dissolved, a process which would require unanimous approval of all of the Authority Members, the responsibility of each Authority Member to provide police protection to their citizens will revert to the individual Authority Members.

ABSENCE OF LITIGATION

At the time of delivery of and payment for the Bonds, the Authority will certify that there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court or regulatory agency, public board, or body pending or threatened against the Authority affecting the existence or the titles its officers or seeking to restrain or to enjoin the issuance, sale, or delivery of the Bonds, or the application of the proceeds thereof in accordance with the Trust Agreement, or in any way contesting or affecting the validity or enforceability of the Bonds, any agreement entered into between the Authority and any purchaser of the Bonds, the Trust Agreement or any other applicable agreements or any action of the Authority contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the Authority or its authority with respect to the Bonds or any action of the Authority contemplated by any of said documents, nor, to the knowledge of the Authority, is there any basis therefor.

CONTINUING DISCLOSURE

Pursuant to the Rule, the Authority has agreed, for the benefit of holders of the Bonds, to provide certain financial information and operating data relating to the Authority and the balances of funds relating to the Bonds, by not later than March 31 of each fiscal year commencing with the report for the 2020-21 fiscal year (the "Annual Information"), and to provide notices of the occurrence of certain enumerated events. The Annual Information and notices of enumerated events will be filed by the Authority with the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access

("EMMA") system. The nature of the information to be provided in the Annual Information and the notices of enumerated events is set forth in APPENDIX E—FORM OF CONTINUING DISCLOSURE CERTIFICATE.

For the last five years, the Authority has been in compliance with its continuing disclosure obligations except that it was 62 days late in filing its fiscal year 2015-16 audited financial statements with respect to its outstanding community facilities district bonds.

MUNICIPAL ADVISOR

Wulff, Hansen & Co. (the "Municipal Advisor"), is registered as a "Municipal Advisor" with the Securities Exchange Commission and Municipal Securities Rulemaking Board. The Municipal Advisor has assisted the Authority in connection with the planning, structuring, sale and issuance of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of or to assume responsibilities for the accuracy, completeness or fairness of the information contained in this Official Statement not provided by the Municipal Advisor. The fees of the Municipal Advisor in respect to the Bonds are contingent upon their sale and delivery.

LEGAL MATTERS

All legal matters in connection with the execution and delivery of the Bonds are subject to the approval of Quint & Thimmig LLP, Larkspur, California, Bond Counsel. Bond Counsel's opinion with respect to the Bonds will be substantially in the form set forth in APPENDIX G—FORM OF OPINION OF BOND COUNSEL. Certain legal matters will also be passed on for the Authority by Quint & Thimmig LLP, as Disclosure Counsel, and for the Underwriter by its counsel Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. The fees and expenses of Bond Counsel, Disclosure Counsel and Underwriter's Counsel are contingent upon the execution and delivery of the Bonds.

VALIDATION

On February 4, 2021, the Authority, acting pursuant to the provisions of sections 860 *et seq.* of the California Code of Civil Procedure, filed a complaint in the Superior Court of the State for the County of Marin seeking judicial validation of the Bonds and certain other matters, including the Trust Agreement. On March 22, 2021, the court entered a judgment to the effect, among other things, that the Bonds and were valid, legal and binding obligations of the Authority. The Trust Agreement was also the subject of the judgment. The time period for the filing of appeals with respect to the judgment has expired and no appeals were filed, therefore the judgment is final and unappealable. In issuing its opinion as to the validity of the Bonds, Bond Counsel has relied upon the entry of the foregoing judgment.

TAX MATTERS

In the opinion of Quint & Thimmig LLP, Bond Counsel, under existing law, interest on the Bonds is exempt from State personal income taxes. Bond Counsel expresses no opinion as to any other tax

consequences regarding the Bonds. INTEREST ON THE BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES.

The complete text of the final opinion that Bond Counsel expects to deliver upon the delivery of the Bonds is set forth in APPENDIX G—FORM OF OPINION OF BOND COUNSEL.

UNDERWRITING

The Bonds are being purchased by Oppenheimer & Co., Inc. (the "Underwriter"). The Underwriter agrees to purchase the Bonds at a price of $26,440,062.75 (representing the $26,505,000 aggregate principal amount of the Bonds, less $64,937.25 of Underwriter's discount).The Purchase Agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said Purchase Agreement, approval of certain legal matters by counsel and certain other conditions. After a bona fide initial public offering at the price stated on the inside cover page hereof, the Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the initial public offering price. The offering price may be changed from time to time by the Underwriter.

The Underwriter and its respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriter and its respective affiliates have, from time to time, performed, and may in the future perform, such services for the Authority for which they received or will receive customary fees and expenses.

In the ordinary course of its various business activities, the Underwriter and its respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATING

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") has assigned the rating of "AAA" to the Bonds. Such rating reflects only the view of S&P and any desired explanation of the significance of such rating should be obtained from S&P at the following address: 55 Water Street, New York, NY 10041, (212) 208-8000. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price for the Bonds.

FINANCIAL STATEMENTS

The Authority's Audited Financial Statements for fiscal year ended June 30, 2020 are set forth in APPENDIX D—AUDITED FINANCIAL STATEMENTS OF THE CENTRAL MARIN POLICE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020. The Authority's Auditor was not requested to consent to the inclusion of its report in Appendix D and it has not undertaken to update financial statements included in Appendix D. No opinion is expressed by the Authority's Auditor with respect to any event subsequent to its report.

ADDITIONAL INFORMATION

All of the preceding summaries of the Bonds, the Trust Agreement and 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 Authority for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the Bonds.

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

References are made herein 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.

The Authority will furnish a certificate dated the date of delivery of the Bonds, from an appropriate officer of the Authority, to the effect that to the best of such officer's knowledge and belief, and after reasonable investigation, (i) neither the Official Statement nor any amendment or supplement thereto contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (ii) since the date of the Official Statement, no event has occurred which should have been set forth in an amendment or supplement to the Official Statement which has not been set forth in such an amendment or supplement, and the Bonds, the Trust Agreement and other applicable agreements conform as to form and tenor to the descriptions thereof contained in the Official Statement; and (iii) the Authority has complied with all the agreements and has satisfied all the conditions on its part to be performed or satisfied under the Trust Agreement at and prior to the date of the issuance of the Bonds.

The execution and delivery of the Official Statement by the Authority have been duly authorized by the Police Council on behalf of the Authority.

CENTRAL MARIN POLICE AUTHORITY

By /s/ Michael A. Norton
Michael A. Norton
Chief of Police

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APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT

Definitions

"*Authority*" means the Central Marin Police Authority, a joint exercise of powers entity organized and existing under the Constitution and laws of the State of California.

"*Bond Counsel*" means (a) Quint & Thimmig 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 of public entities.

"*Bond Law*" means the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with section 53570 of said Code, as in effect on the Closing Date or as thereafter amended in accordance with its terms.

"*Bond Year*" means any twelve-month period beginning on February 2 in any year and extending to the next succeeding February 1, both dates inclusive; except that the first Bond Year begins on the Closing Date and ends on February 1, 2022.

"*Bond Proceeds Fund*" means the fund by that name established and held by the Trustee under the Trust Agreement.

"*Bonds*" means the Central Marin Police Authority Pension Obligation Bonds, Series 2021 (Federally Taxable) issued by the Authority under the Bond Law and this Agreement.

"*Business Day*" means a day of the year (other than a Saturday or Sunday) on which banks in California are not required or permitted to be closed, and on which the New York Stock Exchange is open.

"*Certificate of the Authority*" means a certificate in writing signed by the Chair of the Council, the Co-Chair of the Council, the Chief of Police, the Director of Finance, or any other officer of the Authority duly authorized by the Authority for that purpose.

"*Closing Date*" means the date on which the Bonds are delivered by the Authority to the Original Purchaser.

"*Costs of Issuance*" means all items of expense directly or indirectly payable by or reimbursable to the Authority relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to: printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Trustee and its counsel, including the Trustee's first annual administrative fee; fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals; fees and charges for preparation, execution and safekeeping of the Bonds; and any other cost, charge or fee in connection with the original issuance of the Bonds.

"*Costs of Issuance Fund*" means the fund by that name established and held by the Trustee under the Trust Agreement.

"*Council*" means the Police Council of the Authority.

"*Debt Service Fund*" means the fund by that name established and held by the Trustee under the Trust Agreement.

"*Depository*" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under the Trust Agreement.

"*Depository System Participant*" means any participant in the Depository's book-entry system.

"*DTC*" means The Depository Trust Company, New York, New York, and its successors and assigns.

"*Event of Default*" means any of the events described in the Trust Agreement.

"*Federal Securities*" means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period under a Certificate of the Authority filed with the Trustee.

"*Independent Accountant*" means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State of California, appointed by or acceptable to the Authority, and who, or each of whom: (a) is in fact independent and not under domination of the Authority; (b) does not have any substantial interest, direct or indirect, with the Authority; and (c) is not connected with the Authority as an officer or employee of the Authority, but who may be regularly retained to make reports to the Authority.

"*Information Services*" means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board (at http://emma.msrb.org) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services providing information with respect to called bonds as the Authority may designate to the Trustee.

"*Interest Account*" means the account by that name established and held by the Trustee under the Trust Agreement.

"*Interest Payment Date*" means each February 1 and August 1, commencing February 1, 2022.

"*Moody's*" means Moody's Investors Service, its successors and assigns.

"*Nominee*" means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated under the Trust Agreement.

"*Office*" means, with respect to the Trustee, the corporate trust office of the Trustee at the address set forth in the Trust Agreement, or at such other or additional offices as may be specified by the Trustee in writing to the Authority.

"*Original Purchaser*" means Oppenheimer & Co., Inc., as original purchaser of the Bonds upon the negotiated sale thereof.

"*Outstanding*", when used as of any particular time with reference to Bonds, means (subject to the provisions of the Trust Agreement) all Bonds 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 the Trust Agreement; and (c) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by the Authority under the Trust Agreement.

"*Owner*" means, with respect to any Bond, the person in whose name the ownership of such Bond is registered on the Registration Books.

"*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 moneys proposed to be invested therein:

(a) Federal Securities.

(b) Direct obligations of any of the following agencies of the United States of America, which are not fully guaranteed by the full faith and credit of the United States of America: (i) senior debt obligations of the Federal National Mortgage Association rated Aaa by Moody's and AAA by S&P; (ii) participation certificates and senior debt obligations rated Aaa by Moody's and AAA by S&P of the Federal Home Loan Mortgage Corporation; (iii) consolidated debt obligations of the Federal Home Loan Banks; (iv) debt obligations of the Student Loan Marketing Association; and (v) debt obligations of the Resolution Funding Corporation.

(c) Direct, general obligations of any state of the United States of America or any subdivision or agency thereof whose uninsured and unguaranteed general obligation debt is rated, at the time of purchase, Aa or better by Moody's and AA or better by S&P, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose uninsured and unguaranteed general obligation debt is rated, at the time of purchase, Aa or better by Moody's and AA or better by S&P.

(d) Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, P-1 by Moody's and A-1 or better by S&P.

(e) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee or its affiliates) in amounts that are continuously and fully insured by the Federal Deposit Insurance Corporation, including the Bank Insurance Fund or collateralized by Permitted Investments described in clause (a) hereof for amounts in excess of insurance.

(f) Certificates of deposit, deposit accounts, federal funds or bankers' acceptances (in each case having maturities of not more than 365 days following the date of purchase) of any domestic commercial bank or United States branch office of a foreign bank (including the Trustee or its affiliates), provided that such bank's short-term certificates of deposit are rated P-1 by Moody's and A-1 or better by S&P (not considering holding company ratings).

(g) Money market funds (including funds for which the Trustee, its affiliates or subsidiaries, receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise) rated AAAm or AAAm-G by S&P but excluding such funds with a floating net asset value.

(h) The Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee.

"*Principal Account*" means the account by that name established and held by the Trustee under the Trust Agreement.

"*Record Date*" means, with respect to any Interest Payment Date, the close of business on the 15th calendar day of the month preceding such Interest Payment Date, whether or not such 15th calendar day is a Business Day.

"*Redemption Fund*" means the account by that name established and held by the Trustee under the Trust Agreement.

"*Registration Books*" means the records maintained by the Trustee under the Trust Agreement for the registration and transfer of ownership of the Bonds.

"*Request of the Authority*" means a request in writing signed by the Chair of the Council, the Co-Chair of the Council, the Chief of Police, the Director of Finance or any other officer of the Authority duly authorized by the Authority for that purpose.

"S&*P*" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, New York, New York, or its successors.

"*Securities Depositories*" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; 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 to the Trustee.

"*Sinking Account*" means the account by that name established and held by the Trustee under the Trust Agreement.

"*Supplemental Agreement*" means any agreement or other instrument which amends, supplements or modifies this Agreement and which has been duly entered into between the Authority and the Trustee; but only if and to the extent that such Supplemental Agreement is specifically authorized under the Trust Agreement.

"*Trust Agreement*" means the Trust Agreement, dated as of May 1, 2021, by and between the Authority and the Trustee, as amended or supplemented from time to time by any Supplemental Agreement entered into under the provisions hereof.

"*Trustee*" means U.S. Bank National Association, as Trustee under the Trust Agreement, or any successor thereto appointed as Trustee under the Trust Agreement in accordance with the provisions of the Trust Agreement.

Costs of Issuance Fund

There is established a separate fund to be known as the "Costs of Issuance Fund", to be held by the Trustee in trust. The Trustee shall disburse moneys in the Costs of Issuance Fund from time to time to pay Costs of Issuance upon submission of a Request of the Authority stating (a) the person to whom payment is to be made, (b) the amounts to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the Costs of Issuance Fund, and (e) that such amounts have not been the subject of a prior Request of the Authority; in each case together with a statement or invoice for each amount requested thereunder. Each such Request of the Authority shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On August 25, 2021, the Trustee will transfer any amounts remaining in the Costs of Issuance Fund to the Debt Service Fund, and the Trustee will thereupon close the Costs of Issuance Fund.

Repayment of Bonds; Equal Security

The Bonds are payable from any source of legally available funds of the Authority, including but not limited to amounts held by the Authority on deposit in its General Fund, and by a first and exclusive pledge and lien upon all of the moneys in the Debt Service Fund (including the Interest Account, the Principal Account therein) and the Redemption Fund, without preference or priority for date of execution or date of delivery. The Bonds are not secured by a pledge of or lien any specific revenues, income or funds of the Authority.

The obligations of the Authority under the Bonds, including the obligation to make all payments of interest and principal when due, are obligations of the Authority imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. However, the Bonds do not constitute an obligation of the Authority for which

the Authority is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligations of the Authority to make payments on the Bonds constitute an indebtedness of the Authority, the State of California, or any of its political subdivisions in contravention of any constitutional or statutory debt limitation or restriction. The Authority Council is obligated in each Fiscal Year to appropriate all amounts from such funds as may be required to pay the aggregate amount of the principal of and the interest on the Bonds coming due and payable in such Fiscal Year.

In consideration of the acceptance of the Bonds by those who hold the same from time to time, the Trust Agreement constitutes a contract between the Authority and the Owners from time to time of the Bonds, and the covenants and agreements in the Trust Agreement set forth to be performed on behalf of the Authority are 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 and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or in the Trust Agreement.

Deposit of Amounts to Pay Debt Service

The Authority shall pay or cause to be paid to the Trustee, not later than five Business Days prior to each date on which the principal of or interest on the Bonds is due and payable (including any date on which the Bonds are to be redeemed), an amount which is sufficient, together with other amounts then held by the Trustee in the Debt Service Fund, to pay the aggregate amount of principal of and interest on the Bonds coming due and payable on such date.

Debt Service Fund and Accounts Therein

There is established a separate fund to be known as the "Debt Service Fund,"to be held by the Trustee in trust for the benefit of the Owners. The Trustee will hold the Debt Service Fund for the uses and purposes set forth in the Trust Agreement, so long as any of the Bonds remain Outstanding. The Trustee will deposit all amounts paid to it by the Authority in the Debt Service Fund promptly upon receipt.

On or before the Business Day preceding each Interest Payment Date, the Trustee shall transfer from the Debt Service Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Debt Service 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 insufficiencies of any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

First: to the Interest Account, the aggregate amount of interest becoming due and payable on the next succeeding Interest Payment Date on all Bonds then Outstanding;

Second: to the Sinking Account, the mandatory sinking account payment becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any; and

Third: to the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any.

Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased prior to maturity pursuant to this Indenture).

Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely for the purposes of paying the principal of the Bonds when due and payable.

Application of Sinking Account. All amounts in the Sinking Account shall be used and withdrawn by the Trustee solely for the purposes of paying the sinking account installments of the Bonds when due and payable.

Redemption Fund

Upon receipt by the Trustee of written notice from the Authority of its intention to optionally redeem any Bonds, the Trustee will establish a separate fund to be known as the "Redemption Fund", to be held by the Trustee in trust for the benefit of the Owners. On or before the 5th Business Day preceding the redemption date, the Authority will pay to the Trustee for deposit in the Redemption Fund an amount required to pay the principal of on the Bonds to be so redeemed on such date. The Trustee will apply amounts in the Redemption Fund solely for the purpose of paying the principal of on the Bonds upon the redemption thereof, on the date set for such redemption. Interest due on the Bonds on any redemption date will be paid from amounts held by the Trustee for that purpose in the Interest Account as provided above.

Investment of Funds

The Trustee shall invest moneys in the funds and accounts held by it under the Trust Agreement in Permitted Investments as directed in a Request of the Authority filed with the Trustee at least 2 Business Days in advance of the making of such investments. In the absence of any such directions from the Authority, the Trustee shall invest any such moneys in Permitted Investments described in clause (g) of the definition thereof; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction specifying a specific money market fund and, if no such written direction is so received, the Trustee shall hold such moneys uninvested such funds shall remain uninvested. Permitted Investments purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. To the extent Permitted Investments are registrable, such Permitted Investments must be registered in the name of the Trustee.

Moneys in all funds and accounts shall be invested in Permitted Investments maturing not later than the date on which it is estimated that such moneys will be required by the Trustee.

All interest or gain derived from the investment of amounts in any of the funds or accounts held under the Trust Agreement shall be deposited into the fund or account from which such investment was made. For purposes of acquiring any investments under the Trust Agreement, the Trustee may commingle funds held by it under the Trust Agreement. The Trustee or an affiliate of the Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee has no liability for losses arising from any investments made under the Trust Agreement.

The Trustee may make any investments under the Trust Agreement through its own bond or investment department or trust investment department, or those of its parent or any affiliate. The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee under the Trust Agreement. The Trustee is authorized, in making or disposing of any investment permitted by the Trust Agreement, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or is dealing as a principal for its own account.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority will not receive such confirmations 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 will furnish the Authority a periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee under the Trust Agreement. 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.

Certain Covenants of the Authority

Punctual Payment. The Authority will punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds in strict conformity with the terms of the Bonds and the Trust Agreement. The Authority will faithfully observe and perform all of the conditions, covenants and requirements of the Trust Agreement and all Supplemental Agreements. Nothing in the Trust Agreement contained prevents the Authority from making advances of other legally available funds to make any payment referred to in the Trust Agreement.

Budget and Appropriation. So long as any Bonds remain Outstanding under the Trust Agreement, the Authority shall adopt all necessary budgets and make all necessary appropriations for the payment of principal of and interest on the Bonds from any source of legally available funds of the Authority. If any payment of principal of and interest on the Bonds requires the adoption by the Authority of a supplemental budget or appropriation, the Authority shall promptly adopt the same. The covenants on the part of the Authority contained in the Trust Agreement are duties imposed by law and it is the duty of each and every public official of the Authority to take such actions and do such things as are required by law in the performance of the official duty of such officials to enable the Authority to carry out and perform the covenants and agreements in the Trust Agreement.

Books and Accounts; Financial Statements; Additional Information. The Authority will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Authority, in which complete and correct entries are made of all transactions relating to its funds and accounts. Such books of record and accounts shall at all times during business hours be subject, upon prior written request, to the reasonable inspection of the Owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Authority will cause to be prepared annually, within 180 days after the close of each Fiscal Year so long as any of the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing its revenues and expenditures as of the end of such Fiscal Year. The Authority will furnish a copy of such statements upon reasonable request to any Owner.

Continuing Disclosure. The Authority will comply with and carry out all of the provisions of the Continuing Disclosure Certificate which has been executed and delivered by the Authority on the Closing Date. Notwithstanding any other provision of the Trust Agreement, failure of the Authority to comply with such Continuing Disclosure Certificate does not constitute an Event of Default under the Trust Agreement; *provided, however*, that any Participating Underwriter (as such term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Authority to comply with its obligations under the Trust Agreement.

The Trustee

Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in the Trust Agreement and no implied covenants or duties shall be read into the Trust Agreement against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by the Trust Agreement, and use the same degree of care and skill in their exercise, as a reasonable corporate trustee would exercise or use.

(b) The Authority may remove the Trustee at any time, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing)

or (ii) if at any time the Trustee ceases to be eligible in accordance with subsection (e) below, or becomes incapable of acting, or is adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property is appointed, or any public officer takes control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. The Authority may accomplish such removal by giving 30 days written notice to the Trustee, whereupon the Authority will appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Authority, and by giving notice of such resignation by first class mail, postage prepaid, to the Owners at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Authority will promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee becomes effective upon acceptance of appointment by the successor Trustee. If no successor Trustee has been appointed and accepted appointment within 45 days following giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any federal or state court for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under the Trust Agreement shall signify its acceptance of such appointment by executing and delivering to the Authority and to its predecessor Trustee a written acceptance thereof, and to the predecessor Trustee an instrument indemnifying the predecessor Trustee for any costs or claims arising during the time the successor Trustee serves as Trustee under the Trust Agreement, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee in the Trust Agreement; but, nevertheless, upon the receipt by the predecessor Trustee of the Request of the Authority or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under the Trust Agreement and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions in the Trust Agreement set forth. Upon request of the successor Trustee, the Authority will execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Authority will mail or cause the successor Trustee to mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts under the Trust Agreement to each rating agency which then maintains a rating on the Bonds, and to the Owners at the addresses shown on the Registration Books. If the Authority fails to mail such notice within 15 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Authority.

(e) Any Trustee appointed under the provisions of the Trust Agreement in succession to the Trustee must (i) be a company or bank having trust powers, (ii) have a corporate trust office in the State of California, (iii) have (or be part of a bank holding company system whose bank holding company has) a combined capital and surplus of at least $50,000,000, and (iv) be subject to supervision or examination by federal or state authority.

If such bank or company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in subsection (c) above.

Merger or Consolidation. Any bank or company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank or company resulting from any merger, conversion or consolidation to which it is a party or any bank or company to which the Trustee may sell or transfer all or

substantially all of its corporate trust business, provided such bank or company is eligible under subsection (e) above, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything in the Trust Agreement to the contrary notwithstanding.

Liability of Trustee.

(a) The recitals of facts in the Trust Agreement and in the Bonds contained are taken as statements of the Authority, and the Trustee assumes no responsibility for the correctness of the same, nor does it have any liability whatsoever therefor, nor does it make any representations as to the validity or sufficiency of the Trust Agreement or of the Bonds nor does it incur any responsibility in respect thereof, other than as expressly stated in the Trust Agreement. The Trustee is, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee is not liable in connection with the performance of its duties under the Trust Agreement, except for its own negligence or willful misconduct. The Trustee is not liable for the acts of any agents of the Trustee selected by it with due care. The Trustee may become the Owner of Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as 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 the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding. The Trustee, either as principal or agent, may engage in or be entrusted in any financial or other transaction with the Authority.

(b) The Trustee is not liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under the Trust Agreement.

(c) The Trustee is not liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Trust Agreement, except for actions arising from the negligence or willful misconduct of the Trustee. The permissive right of the Trustee to do things enumerated under the Trust Agreement shall not be construed as a mandatory duty.

(d) The Trustee will not be deemed to have knowledge of any Event of Default under the Trust Agreement unless and until a responsible officer of the Trustee has actual knowledge thereof, or unless and until a responsible officer of the Trustee has received written notice thereof at its Office. Except as otherwise expressly provided in the Trust Agreement, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements in the Trust Agreement or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default under the Trust Agreement or thereunder. The Trustee shall not be responsible for the Authority's payment of principal and interest on the Bonds, the Authority's observance or performance of any other covenants, conditions or terms contained in the Trust Agreement, or the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, and notwithstanding anything in the Trust Agreement to the contrary, the Trustee is not responsible for reviewing the contents of any financial statements furnished to the Trustee under the Trust Agreement and may rely conclusively on the Certificate of the Authority accompanying such financial statements to establish the Authority's compliance with its financial covenants under the Trust Agreement.

(e) No provision in the Trust Agreement requires the Trustee to risk or expend its own funds or otherwise incur any financial liability under the Trust Agreement. The Trustee will be entitled to receive interest on any moneys advanced by it under the Trust Agreement, at the maximum rate permitted by law.

(f) The Trustee may establish additional funds and accounts or subaccounts of the funds established under the Trust Agreement as the Trustee deems necessary or prudent in furtherance of its duties under the Trust Agreement.

(g) The Trustee has no responsibility or liability whatsoever with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, nor shall the Trustee have any obligation to review any such material, and any such review by the Trustee will not be deemed to create any obligation, duty or liability on the part of the Trustee.

(h) Before taking any action under the Trust Agreement, the Trustee may require indemnity satisfactory to the Trustee be furnished to it to hold the Trustee harmless from any expenses whatsoever and to protect it against any liability it may incur under the Trust Agreement.

(i) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(j) The permissive right of the Trustee to do things enumerated in the Trust Agreement shall not be construed as a duty.

(k) The Trustee may execute any of the trusts or powers of the Trust Agreement and perform any of its duties through attorneys, agents and receivers and shall not be answerable for the conduct of the same if appointed by it with reasonable care.

(l) The Trustee shall not be considered in breach of or in default in its obligations under the Trust Agreement or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(m) The Trustee agrees to accept and act upon facsimile or email transmission of written instructions and/or directions pursuant to this Indenture provided, however, that: (a) subsequent to such facsimile or email transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (b) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

(n) In no event shall the Trustee be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(o) The Trustee will not incur liability for not performing any act or not fulfilling any duty, obligation or responsibility under the Trust Agreement by reason of any occurrence beyond its control, including but not limited to any act or provision of any present or future law or regulation or governmental authority, natural catastrophes, civil or military disturbances, loss or malfunctions of utilities, any act of God or war, terrorism or the unavailability of the Federal Reserve Bank or other wire or communication facility.

Compensation and Indemnification. Absent any agreement to the contrary, the Authority will pay to the Trustee from time to time compensation for all services rendered under the Trust Agreement and also all expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including any allocated costs of internal counsel), agents and employees, incurred in and about the performance of its powers and duties under the Trust Agreement. The Trustee has a first lien on the funds and accounts held by the Trustee under the Trust Agreement to secure the payment to the Trustee of all fees, costs and expenses, including compensation to its experts, attorneys and counsel incurred in declaring such Event of Default and in exercising the rights and remedies

set forth in the Trust Agreement. Any such expenses incurred by the Trustee shall be deemed to constitute a substantial contribution to the trust estate which secures the Bonds.

To the extent permitted by law, the Authority further 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, whether or not litigated, which it may incur arising out of or in the exercise and performance of its powers and duties under the Trust Agreement, including the costs and expenses of defending against any claim of liability and of enforcing any remedies under the Trust Agreement and under any related documents, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Authority under the Trust Agreement shall survive resignation or removal of the Trustee under the Trust Agreement and payment of the Bonds and discharge of the Trust Agreement.

Modification or Amendment of the Trust Agreement

Amendments Permitted.

(a) **Amendment With Owner Consent**. The Trust Agreement and the rights and obligations of the Authority and of the Owners of the Bonds may be modified or amended by the Authority and the Trustee upon Request of the Authority at any time by the execution of a Supplemental Agreement, but only with the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Trust Agreement. Any such Supplemental Agreement becomes effective upon the execution and delivery thereof by the parties thereto and upon consent of the requisite Owners. No such modification or amendment may:

(i) extend the maturity of a Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the Authority to pay the principal thereof, or interest thereon, at the time and place and at the rate and in the currency provided therein, without the written consent of the Owner of that Bond;

(ii) reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification; or

(iii) modify any of the rights or obligations of the Trustee without its written consent.

(b) **Amendment Without Owner Consent**. The Trust Agreement and the rights and obligations of the Authority and of the Owners of the Bonds may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners of the Bonds, and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority contained in the Trust Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power in the Trust Agreement reserved to or conferred upon the Authority; or

(ii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained in the Trust Agreement, or in any other respect whatsoever as the Authority deems necessary or desirable, provided under any circumstances that such modifications or amendments do not materially adversely affect the interests of the Owners in the opinion of Bond Counsel filed with the Authority and the Trustee.

Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective under the Trust Agreement, the Trust Agreement 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, as the case

may be, shall thereafter be determined, exercised and enforced under the Trust Agreement subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Agreement shall be deemed to be part of the terms and conditions of the Trust Agreement for any and all purposes.

Events of Default and Remedies

Events of Default. The following events ("Events of Default") shall be events of default under the Trust Agreement:

(a) if default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) if default shall be made by the Authority in the observance of any of the covenants, agreements or conditions on its part in the Trust Agreement or in the Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the Authority; or

(d) if the Authority shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the Authority under the federal bankruptcy laws or any other applicable law of the United States of America, 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.

Remedies of Owners. Any Owner shall have the right, for the equal benefit and protection of all Owners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the Authority and its members, officers, agents or employees to perform each and every term, provision and covenant contained in the Trust Agreement and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the Authority and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Owners' rights; or

(c) upon the happening of any Event of Default, by suit, action or proceeding in any court of competent jurisdiction, to require the Authority and its members and employees to account as if it and they were the trustees of an express trust.

Remedies Not Exclusive. No remedy in the Trust Agreement conferred upon the Owners of Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given under the Trust Agreement or thereafter conferred on the Owners.

Defeasance of Bonds

If the Authority pays and discharges the entire indebtedness on any Bonds in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee or an escrow bank, at or before maturity, an amount of cash which, together with the available amounts then on deposit in the funds and accounts established under the Trust Agreement is fully sufficient to pay such Bonds, including all principal and interest;

(c) by irrevocably depositing with the Trustee or an escrow bank, non-callable Federal Securities described in clause (a) of the definition thereof, in such amount as an Independent Accountant determines will, together with the interest to accrue thereon and available moneys then on deposit in any of the funds and accounts established under the Trust Agreement, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal and interest) at or before maturity; or

(d) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been duly given or provision satisfactory to the Trustee has been made for the giving of such notice, then, at the election of the Authority, and notwithstanding that any such Bonds have not been surrendered for payment, all obligations of the Trustee and the Authority under the Trust Agreement with respect to such Bonds shall cease and terminate, except only:

(a) the obligation of the Trustee to transfer and exchange Bonds under the Trust Agreement,

(b) the obligation of the Authority to pay or cause to be paid to the Owners of such Bonds, from the amounts so deposited with the Trustee, all sums due thereon, and

(c) the obligations of the Authority to compensate and indemnify the Trustee under the Trust Agreement.

The Authority must file notice of such election with the Trustee. The Trustee shall pay any funds thereafter held by it, which are not required for said purpose, to the Authority.

In the case of a defeasance or payment of all of the Bonds Outstanding in accordance with the Trust Agreement, the Trustee shall pay all amounts held by it in any funds or accounts under the Trust Agreement, which are not required for said purpose or for payment of amounts due the Trustee under the Trust Agreement, to the Authority.

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APPENDIX B

GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY OF LARKSPUR, THE TOWN OF CORTE MADERA, THE TOWN OF SAN ANSELMO, AND MARIN COUNTY

The following information concerning Larkspur, Corte Madera, San Anselmo, and the County is included only for the purpose of supplying general information regarding Larkspur, Corte Madera, San Anselmo and the County. The Bonds are not a debt of Larkspur, Corte Madera, San Anselmo, the County, the State or any of its political subdivisions, and none of the County, the State nor any of their political subdivisions, except for the Authority, are liable therefor.

Although reasonable efforts have been made to include up-to-date information in this Appendix B, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.

Introduction

City of Larkspur. The City of Larkspur ("Larkspur") is located in Marin County (the "County"), California to the south of San Rafael and to the north of Corte Madera and Mill Valley. Larkspur is the location for the one of the main ferry terminals for commuter passenger ferry service between the County and San Francisco's Financial District. The ferry has a ridership of over 8,500 per day, on average. A commuter rail service, SMART, extends to the ferry and provides daily trips as far north as Charles M. Schulz–Sonoma County Airport and plans eventually extend to Cloverdale, California. Larkspur's Downtown Historic District, known also as Old Downtown Larkspur, is a historic district that was listed on the National Register of Historic Places in 1982.

Town of San Anselmo. The Town of San Anselmo ("San Anselmo") is located 1.5 miles (2.4 km) west of San Rafael. San Anselmo is bordered by San Rafael to the east, Fairfax to the west, and Ross to the south. Mount Tamalpais dominates the view to the south. There are three main roads running through San Anselmo. Their junction is known locally as the Hub, which lies near the central business district. Sir Francis Drake Boulevard runs north from Ross, turns north-west at the Hub, and then proceeds west to Fairfax. Red Hill Avenue (also called "The Miracle Mile") runs west from San Rafael, after 4th Street and 3rd Street merge, and into the Hub where it becomes Center Boulevard. Center Boulevard runs northwest from the Hub to Fairfax and Sir Francis Drake parallels Center Boulevard to Fairfax, offset to the north.

Town of Corte Madera. The Town of Corte Madera ("Corte Madera") is located 3.25 miles (5.2 km) south of San Rafael. Corte Madera extends from San Francisco Bay on the east side of the Highway 101 to Mt. Tamalpais on the west. Corte Madera occupies an area of 4.4 square miles of land, plus surrounding water tidelands. In Spanish, *corte madera* translates to the imperative command "chop wood". The area was famous for producing redwood tree lumber which was used in the construction of the City of San Francisco.

Marin County. Marin County, located in the San Francisco-Oakland metro area, is one of 58 counties in California. One of the nine Bay Area counties, the County is linked to San Francisco by the Golden Gate Bridge and to the East Bay by the Richmond-San Rafael Bridge. The County is bordered on the north and northeast by Sonoma County and on the west by the Pacific Ocean. According to the U.S. Census Bureau, the County has a total area of 828 square miles (2,140 km^2), of which 520 square miles (1,300 km^2) is land and 308 square miles (800 km^2) (37.2%) is water. The County is the fourth-smallest county in California by land area.

Most of the County's population resides in the eastern side of the County with a string of communities running along San Francisco Bay, from Sausalito to Tiburon to Corte Madera to San Rafael. The interior of the County contains large areas of agricultural and open space. West Marin, through which State Route 1 runs alongside the California coast, contains many small unincorporated communities whose economies depend on agriculture and tourism. West Marin has beaches which are popular destinations for surfers and tourists year-round. Notable features of the County include the Sausalito shoreline, Richardson Bay, the Tiburon Peninsula, Ring Mountain, and Triangle Marsh at Corte Madera.

Population

The table below summarizes the population of Larkspur, San Anselmo, Corte Madera, the County and the State of California for the last five years.

LARKSPUR, CORTE MADERA, SAN ANSELMO, MARIN COUNTY and CALIFORNIA
Population

Year	City of Larkspur	Town of San Anselmo	Town of Corte Madera	Marin County	State of California
2016	12,494	12,926	9,751	263,327	39,131,307
2017	12,460	12,898	9,737	263,018	39,398,702
2018	12,387	12,872	10,142	262,652	39,586,646
2019	12,331	12,845	10,138	262,240	39,695,376
2020	12,253	12,757	10,114	260,831	39,782,870

Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2010-20, with 2010 Census Benchmark.

Employment

The following table summarizes historical employment and unemployment for the County, the State of California and the United States:

MARIN COUNTY, CALIFORNIA, and UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate [1]
2016	Marin County	141,100	136,500	4,600	3.2%
	California	19,102,700	18,065,000	1,037,700	5.4
	United States	159,187,000	151,436,000	7,751,000	4.9
2017	Marin County	141,300	137,300	4,000	2.9
	California	19,312,000	18,393,100	918,900	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018	Marin County	141,100	137,700	3,400	2.4
	California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9
2019	Marin County	140,000	136,800	3,200	2.3
	California	19,411,600	18,627,400	784,200	4.0
	United States	163,539,000	157,538,000	6,001,000	3.7
2020[2]	Marin County	130,100	121,500	8,700	6.7
	California	18,821,200	16,913,100	1,908,100	10.1
	United States	160,742,000	147,795,000	12,947,000	8.1

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2016-2020, and US Department of Labor.

(1) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.

(2) Latest available full-year data.

Major Employers

The following table lists the top 10 employers within the County as of June 30, 2019.

MARIN COUNTY
Top 10 Employers
as of June 30, 2019

Employer	Employees	% of Total
County of Marin	2,317	1.68%
Kaiser Permanente Medical Center	2,014	1.46
BioMarin	1,765	1.28
San Quentin State Prison	1,614	1.17
Marin General Hospital	1,279	.93
Glassdoor	875	.64
San Rafael City Schools	865	.63
Novato Unified School District	800	.58
Marin County Office of Education	656	.48
Dominican University	421	.31
Total	12,606	9.15

Source: Marin County Fiscal Year 2018-19 CAFR. Latest available full-year data.

Construction Activity

The following table reflects the five-year history of building permit valuation for Larkspur, San Anselmo, Corte Madera, and the County:

CITY OF LARKSPUR
Building Permits and Valuation
(Dollars in Thousands)

	2015	2016	2017	2018	2019[1]
Permit Valuation:					
New Single-family	$ 7,466	$ 4,157	$ 3,128	$ 8,214	$ 877
New Multi-family	-	-	-	-	-
Res. Alterations/Additions	15,667	15,306	11,263	8,798	14,024
Total Residential	23,134	19,464	14,392	17,013	14,901
Total Nonresidential	8,775	7,442	5,695	14,656	7,789
Total All Building	31,909	26,906	20,087	31,669	22,691
New Dwelling Units:					
Single Family	8	5	3	7	1
Multiple Family	-	-	-	-	-
Total	8	5	3	7	1

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

TOWN OF SAN ANSELMO
Building Permits and Valuation
(Dollars in Thousands)

	2015	2016	2017	2018	2019[1]
Permit Valuation:					
New Single-family	$ 3,377	$ 2,646	$ 3,083	$ 1,164	$ 4,480
New Multi-family	-	-	-	-	-
Res. Alterations/Additions	14,867	12,727	13,265	10,962	13,731
Total Residential	18,245	15,373	16,349	12,126	18,211
Total Nonresidential	1,083	1,093	1,497	2,268	437
Total All Building	19,328	16,467	17,846	14,394	18,649
New Dwelling Units:					
Single Family	5	4	5	8	9
Multiple Family	-	-	-	-	-
Total	5	4	5	8	9

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

TOWN OF CORTE MADERA
Building Permits and Valuation
(Dollars in Thousands)

	2015	2016	2017	2018	2019[1]
Permit Valuation:					
New Single-family	$ 240	$ 175	$ 12,174	$ 5,050	$ 4,264
New Multi-family	-	-	-	-	-
Res. Alterations/Additions	8,402	5,922	12,116	13,634	12,831
Total Residential	8,642	6,097	24,291	18,684	17,095
Total Nonresidential	5,451	13,882	8,044	39,441	42,538
Total All Building	14,094	19,979	32,336	58,126	59,634
New Dwelling Units:					
Single Family	1	1	16	13	6
Multiple Family	-	-	-	-	-
Total	1	1	16	13	6

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

MARIN COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2015	2016	2017	2018	2019[1]
Permit Valuation:					
New Single-family	$ 75,834	$ 62,804	$ 86,748	$ 94,556	$ 115,771
New Multi-family	2,426	7,869	-	23,600	13,650
Res. Alterations/Additions	203,754	194,742	194,772	180,662	202,353
Total Residential	282,015	265,416	281,520	298,818	331,775
Total Nonresidential	550,397	125,041	126,066	156,050	243,210
Total All Building	832,412	390,458	407,586	454,868	574,986
New Dwelling Units:					
Single Family	121	89	104	133	130
Multiple Family	20	17	-	102	86
Total	141	106	104	235	216

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

Household Income

The following table summarizes the median household effective buying income for Larkspur, San Anselmo, Corte Madera, the County, the State of California and the nation for the past five years.

LARKSPUR, CORTE MADERA, SAN ANSELMO, MARIN COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Median Household Effective Buying Income

	2016	2017	2018	2019	2020
Larkspur	$ 75,906	$ 86,568	$ 84,939	$ 87,903	$ 95,021
San Anselmo	88,103	92,697	95,695	101,378	109,065
Corte Madera	93,947	100,382	105,617	115,700	130,648
Marin County	80,608	85,923	88,348	94,399	101,513
California	55,681	59,646	62,637	65,870	67,956
United States	48,043	50,735	52,841	55,303	56,790

Source: Nielsen Claritas, Inc.

APPENDIX C

AUTHORITY MEMBERS' FINANCIAL INFORMATION

The Authority's operations are principally financed by contributions from the Authority Members. Each of the City of Larkspur, the Town of Corte Madera and the Town of San Anselmo contributes to the Authority from their respective general funds. The purpose of this Appendix C is to provide certain financial information for the general fund of each of the Authority Members, as well as to provide information on the finances of California cities and towns generally. No funds of the Authority Members are pledged for or available to pay debt service on the Bonds.

Authority Principally Financed By Contributions From Authority Members

Under the conditions of the Amended JPA Agreement, the Authority Members contribute to the Authority according to a funding formula based on the Authority's expenditures during the fiscal year. The Amended JPA Agreement separates the Authority's expenditures into six categories: administration, communications, investigations, juvenile/school resource officers, field operations, and traffic. Costs relating to administration, communications, and investigations are shared by the three Authority Members equally with each Authority Member contributing 1/3 of the costs for those categories.

Costs for juvenile/school resource officers, field operations, and traffic are allocated according to a funding formula based upon the total number of calls for service, total crimes, citations, and accidents on a rolling three-year period. This method of cost allocation ensures that if one of the Authority Members has additional patrol field needs that the costs will be fairly allocated to the Authority Member receiving the services. On March 27, 2017, the Police Council passed Resolution No. 2017/06 which adopted the shared funding formula for Authority Members for fiscal year 2017-18 and future years.

The current funding formula effective for the Authority's 2019-20 and 2020-21 fiscal years assigns the following percentages of costs for juvenile/school resource officers, field operations, and traffic to each Authority Member: 38.43% to San Anselmo, 33.71% to Larkspur, and 27.86% to Corte Madera. San Anselmo's contributions to the Authority includes amounts to pay San Anselmo's Safety Plan obligations to CalPERS, which the Authority pays on its behalf.

City of Larkspur Financial Information

The following table shows Larkspur's audited general fund revenues, expenditures, and changes in fund balances for fiscal years 2015-16 through 2019-20.

TABLE C1
CITY OF LARKSPUR
GENERAL FUND BALANCE SHEET
Fiscal Years 2015-16 through 2019-20

	Fiscal Year Ending June 30,				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited
ASSETS					
Cash and Investments	$ 9,357,223	$11,813,719	$11,744,058	$14,519,392	$14,268,860
Accounts Receivable	807,305	714,021	661,590	1,034,853	688,804
Due from Other Funds	-	33,325	-	-	1,516,346
Total Assets	10,164,528	12,561,065	12,405,648	15,554,245	16,474,010
LIABILITIES					
Accounts Payable	400,222	390,970	516,385	460,499	122,046
Accrued Liabilities	153,620	343,113	370,107	601,440	734,590
Deposits Payable	869,375	976,959	928,741	832,982	771,797
Unearned revenue	-	-	900	-	-
Advances from Other Funds	1,700,616	1,700,616	-	-	-
Total Liabilities	3,123,833	3,411,658	1,816,133	1,894,921	1,628,433
FUND BALANCES					
Assigned	321,614	321,614	321,614	321,614	321,614
Unassigned	6,719,081	8,827,793	10,267,901	13,337,710	14,523,963
Total Fund Balances	7,040,695	9,149,407	10,589,515	13,659,324	14,845,577
Total Liabilities and Fund Balances	10,164,528	12,561,065	12,405,648	15,554,245	16,474,010

Sources: City of Larkspur Fiscal Year2015-16 through Fiscal Year2019-20 Audited Financial Statements.

The following table shows Larkspur's audited general fund revenues, expenditures, and changes in fund balances for fiscal years 2015-16 through 2019-20.

TABLE C2
CITY OF LARKSPUR
GENERAL FUND REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Years 2015-16 through 2019-20

	Fiscal Year Ending June 30,				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited
REVENUES					
Taxes	$14,771,783	$15,553,107	$16,261,519	$17,568,046	$17,073,051
Licenses and Permits	720,809	716,204	548,692	793,079	510,486
Penalties and Fines	84,211	94,590	79,174	89,103	87,848
Use of Money and Property	27,520	52,730	109,345	172,178	258,189
Other Agencies	458,590	700,254	312,482	7,826	60,102
Charges for Services	873,794	772,538	714,111	775,900	829,679
Donations	-	-	-	2,293	-
Other Revenue	82,290	196,470	60,064	21,659	19,099
Total Revenues	17,018,997	18,085,893	18,085,387	19,430,174	18,838,454
EXPENDITURES					
General Administration	2,558,773	3,206,112	3,026,066	3,005,959	5,061,831(1)
Planning and Community Development	1,494,931	1,482,306	1,468,331	1,549,868	3,727,433(1)
Police Services	3,625,147	3,465,854	3,680,226	3,925,442	4,070,615
Fire	4,015,210	4,305,994	4,533,396	4,323,079	14,740,583(1)
Public Works – Streets	983,035	1,000,093	1,019,867	1,133,826	2,468,852
Public Works – Parks	532,163	558,935	518,192	613,242	1,320,916
Recreation	628,650	662,601	680,879	699,370	1,521,698
Library	818,035	846,134	834,340	879,619	1,406,125
Debt Service - Principal	180,855	266,273	272,756	279,396	573,184
Debt Service – Interest	68,388	73,760	67,278	60,638	53,835
Total Expenditures	14,905,187	15,868,062	16,101,331	16,464,439	34,945,072
REVENUES OVER EXPENDITURES	2,113,810	2,217,831	1,984,056	2,965,735	(16,106,618)
OTHER FINANCING SOURCES					
Other revenues	-	-	-	-	
Transfers in	170,138	142,609	258,231	262,709	17,888,635(1)
Transfers out	(414,927)	(251,728)	(802,179)	(158,635)	(595,764)
Total Other Financing Sources	(244,789)	(109,119)	(543,948)	104,074	17,292,871
NET CHANGE IN FUND BALANCES	1,869,021	2,108,712	1,440,108	3,069,809	1,186,253
FUND BALANCES – BEGINNING OF YEAR	5,171,674	7,040,695	9,149,407	10,589,515	13,659,324
FUND BALANCES – END OF YEAR	7,040,695	9,149,407	10,589,515	13,659,324	14,845,577

Source: City of Larkspur Fiscal Year 2015-16 through Fiscal Year 2019-20 Audited Financial Statements and City of Larkspur Finance Department.
(1) Totals for Fiscal Year2019-20 in these categories include amounts related to paying off CalPERS unfunded accrued liabilities for Larkspur's Miscellaneous Plans by use of the sale of pension obligation bonds.

Town of Corte Madera Financial Information

The following table shows Corte Madera's audited general fund balance sheet for fiscal years 2015-16 through 2019-20.

TABLE C3
TOWN OF CORTE MADERA
GENERAL FUND BALANCE SHEET
Fiscal Years 2015-16 through 2019-20

	Fiscal Year Ending June 30,				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited
ASSETS					
Cash and investments	$5,600,670	$7,658,323	$10,525,425	$15,264,283	$14,226,699
Receivables	2,993,905	2,067,577	2,374,508	2,733,263	1,562,685
Prepaid expenses	3,035	3,121	3,924	45,969	3,924
Total Assets	8,597,610	9,729,021	12,903,857	18,043,515	15,793,308
LIABILITIES					
Accounts payable	936,695(1)	1,177,175(1)	1,367,590(1)	709,318	450,919
Accrued liabilities	-(1)	-(1)	-(1)	726,643	208,302
Compensated absences	330,340	191,611	33,048	-	-
Deposits payable	-	-	375,966	196,519	215,361
Total Liabilities	1,267,035	1,368,786	1,776,604	1,632,480	874,582
FUND BALANCES					
Non-spendable	3,535	3,621	4,424	-	-
Committed	1,600,000	1,800,000	4,300,000	-	-
Restricted	-	-	-	-	692,012
Assigned	-	4,056,614	4,665,640	-	12,310,800
Unassigned	5,727,040	2,500,000	2,157,189	16,411,035	1,915,914
Total Fund Balances	7,330,575	8,360,235	11,127,253	16,411,035	14,918,726
Total Liabilities and Fund Balances	8,597,610	9,729,021	12,903,857	18,043,515	15,793,308

Sources: Town of Corte Madera Fiscal Year2015-16 through Fiscal Year2019-20 Audited Financial Statements.

(1) Accounts payable and accrued libilities are combined into a single line item in Corte Madera's audited financial statements for Fiscal Year2015-16 through Fiscal Year2017-18.

The following table shows Corte Madera's audited general fund revenues, expenditures, and changes in fund balances for fiscal years 2015-16 through 2019-20. Corte Madera retained new auditors beginning in its 2018-19 fiscal year. As such, categories of revenues and expenditures in Corte Madera's Fiscal Year2018-19 and Fiscal Year2019-20 audits may not directly match those from prior years.

TABLE C4A
TOWN OF CORTE MADERA
GENERAL FUND REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Years 2015-16 through 2017-18

	Fiscal Year Ending June 30,		
	2016 Audited	2017 Audited	2018 Audited
REVENUES			
Property tax	$5,514,444	$6,002,434	$6,399,601
Sales tax	9,604,840	8,840,369	8,689,138
Transient occupancy tax	1,052,398	1,002,827	1,215,917
Franchise tax	1,088,160	1,080,588	1,091,728
Business license tax	546,898	546,579	582,371
Real property transfer tax	146,382	89,431	98,977
Paramedic special tax	486,353	489,313	495,121
Fines and forfeitures	7,095	9,756	10,548
Use of money and property	617,323	826,595	779,526
Intergovernmental	745,146	470,176	818,556
Charges for services	2,299,440	2,260,738	2,529,286
Street impact fees	205,147	225,797	473,770
Other revenues	155,215	23,002	1,452
Total Revenues	22,468,841	21,867,605	23,185,991
EXPENDITURES			
General government	2,497,505	2,697,736	3,086,450
Pension liability	-	-	1,342,301
Community development	1,295,114	1,395,709	1,401,061
Public safety	8,809,537	8,808,192	8,114,751
Public works	2,214,318	2,677,808	3,925,751
Culture and leisure	2,574,163	2,598,816	1,298,489
Debt service	850,707	467,405	664,139
Capital outlay	1,239,340	2,131,575	251,578
Total Expenditures	19,480,684	20,777,241	20,084,520
REVENUES OVER EXPENDITURES	2,988,157	1,090,364	3,101,471
OTHER FINANCING SOURCES			
Other revenues	72,058	30,200	107,547
Transfers in	9,274,644	-	262,140
Transfers out	(9,279,957)	(90,904)	(704,140)
Total Other Financing Sources	(30,271)	(60,704)	(334,453)
NET CHANGE IN FUND BALANCES	2,957,886	1,029,660	2,767,018
FUND BALANCES – BEGINNING OF YEAR	4,372,689	7,330,575	8,360,235
FUND BALANCES – END OF YEAR	7,330,575	8,360,235	11,127,253

TABLE C4B
TOWN OF CORTE MADERA
GENERAL FUND REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Years 2018-19 through 2019-20

	Fiscal Year Ending June 30,	
	2019 Audited	2020 Audited
REVENUES		
Property tax	$ 6,629,879	$ 6,982,402
Sales tax	11,807,526	9,603,029
Business licenses	614,045	603,550
Paramedic tax	493,105	503,686
Transient occupancy taxes	1,199,914	909,753
Franchise fees	1,195,057	1,241,581
Permits and fees	2,041,928	629,810
Intergovernmental	310,693	181,424
Charges for services	911,889	1,765,319
Use of money and property	1,513,622	1,408,158
Other revenues	683,575	1,244,025
Total Revenues	27,401,233	25,072,737
EXPENDITURES		
Personnel	6,708,165	8,446,114
Public safety – fire	4,220,000	4,635,907
Public safety – police	3,511,174	3,642,545
Outside services	2,235,369	2,259,686
Public works/streets	767,557	934,737
Utilities	351,073	387,696
Recreation services	772,715	867,275
Community development	202,406	1,087,652
Debt service	741,687	736,312
Capital projects	1,932,133	3,042,122
Total Expenditures	21,442,279	26,040,046
REVENUES OVER EXPENDITURES	5,958,954	(967,309)
OTHER FINANCING SOURCES		
Other revenues		-
Transfers in	785,684	986,907
Transfers out	(1,456,250)	(1,511,907)
Total Other Financing Sources	(670,566)	(525,000)
NET CHANGE IN FUND BALANCES	5,288,388	(1,492,309)
FUND BALANCES – BEGINNING OF YEAR	11,122,647	16,411,035
FUND BALANCES – END OF YEAR	16,411,035	14,918,726

Source: Town of Corte Madera Fiscal Year 2015-16 through Fiscal Year 2019-20 Audited Financial Statements.
Note: Corte Madera retained new auditors beginning in its 2018-19 fiscal year. As such, categories of revenues and expenditures in Corte Madera's Fiscal Year2018-19 and Fiscal Year2019-20 audits may not directly match those from prior years.

Town of San Anselmo Financial Information

The following table shows San Anselmo's audited general fund balance sheet for fiscal years 2015-16 through 2019-20.

TABLE C5
TOWN OF SAN ANSELMO
GENERAL FUND BALANCE SHEET
Fiscal Years 2015-16 through 2019-20

	Fiscal Year Ending June 30,				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited
ASSETS					
Cash and Investments	$3,840,404	$5,273,646	$5,602,006	$4,622,422	$5,085,441
Receivables	658,392	587,674	601,172	1,457,160	1,199,491
Prepaid expenses	33,771	31,104	41,119	40,486	33,191
Cash with trustee	-	-	-	501,422	546,140
Total Assets	4,532,567	5,892,424	6,244,297	6,621,490	6,864,263
LIABILITIES					
Payables	400,230	339,361	216,959	277,342	95,117
Cash overdraft	-	-	-	257,397	-
Deposits	636,640	848,739	1,020,839	1,389,396	-
Accrued liabilities	-	-	-	-	1,665,152
Total Liabilities	1,036,870	1,188,100	1,237,798	1,924,135	1,760,269
FUND BALANCES					
Non-spendable	-	31,104	-	-	33,191
Restricted	85,272	355,764	67,501	542,831	855,449
Assigned	224,788	236,264	238,615	471,918	694,191
Unassigned	3,185,637	4,081,192	4,700,383	3,682,606	3,521,163
Total Fund Balances	3,495,697	4,704,324	5,006,499	4,697,355	5,103,994
Total Liabilities and Fund Balances	4,532,567	5,892,424	6,244,297	6,621,490	6,864,263

Sources: Town of San Anselmo Fiscal Year2015-16 through Fiscal Year2019-20 Audited Financial Statements.

The following table shows San Anselmo's audited general fund revenues, expenditures, and changes in fund balances for fiscal years 2015-16 through 2019-20.

TABLE C6
TOWN OF SAN ANSELMO
GENERAL FUND REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Years 2015-16 through 2019-20

	Fiscal Year Ending June 30,				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Audited
REVENUES					
Property taxes	$10,920,266	$11,398,139	$12,048,996	$12,825,891	$13,329,141
Sales taxes	-(2)	2,974,499	2,392,689	2,613,863	2,175,352
Other taxes	1,932,360(2)	109,848	-		-
Francise fees	721,628	746,714	752,222	764,120	815,250
Licenses and permits	969,297	1,025,720	1,068,554	1,037,296	857,559
Fines and forfeitures	143,642	124,079	183,119	227,425	170,423
Use of money and property	3,398	10,887	32,811	65,360	74,246
Intergovernmental	139,913	123,083	22,484	452,828	510,948
Charges for services	125,484	133,448	112,633	140,931	180,890
Other revenues	190,406	132,075	103,904	118,645	100,104
Total Revenues	15,146,394	16,778,492	16,717,412	18,246,359	18,213,913
EXPENDITURES					
Town administration	1,131,399	1,235,845	1,345,872	1,379,514	1,383,294
Nondepartmental	620,564	659,730	716,103	940,094	989,137
Public safety – Police	7,342,739(1)	7,819,570(1)	8,072,237(1)	4,385,056	4,545,041
Public safety – Fire	-(1)	-(1)	-(1)	4,086,420	4,312,375
Public works/streets	734,119	838,175	829,945	918,778	961,461
Planning/engineering	1,365,108	1,555,324	1,540,575	1,867,953	2,179,915
Library	587,663	586,463	624,212	640,668	655,432
Parks and recreation	581,431	614,299	676,121	630,764	704,380
Capital projects	964,530	861,829	1,175,738	1,494,650	679,583
Debt service	468,818	484,791	501,735	518,433	535,011
Total Expenditures	13,796,371	14,656,026	15,482,538	16,862,330	16,945,629
REVENUES OVER EXPENDITURES	1,350,023	2,122,466	1,234,874	1,384,029	1,268,284
OTHER FINANCING SOURCES					
Other revenues	-	-	-	-	-
Transfers in	282,101	287,778	305,818	558,344	346,872
Transfers out	(948,517)	(1,201,617)	(1,238,517)	(2,251,517)	(1,208,517)
Total Other Financing Sources	(666,416)	(913,839)	(932,699)	(1,693,173)	(861,645)
NET CHANGE IN FUND BALANCES	683,607	1,208,627	302,175	(309,144)	406,639
FUND BALANCES – BEGINNING OF YEAR	2,812,090	3,495,697	4,704,324	5,006,499	4,697,355
FUND BALANCES – END OF YEAR	3,495,697	4,704,324	5,006,499	4,697,355	5,103,994

Source: Town of San Anselmo Fiscal Year 2015-16 through Fiscal Year 2019-20 Audited Financial Statements.
(1) Public safety expenditures for police and fire are combined in a single line item in San Anselmo's Fiscal Year2015-16 through Fiscal Year2017-18 audits.
(2) In fiscal year 2015-16, sales taxes were combined with "Other Taxes."

Principal Sources of General Fund Revenues for California Cities and Towns

Cities and towns in California rely on several sources to balance their general fund budget. The most important of these revenue sources (based on percentage of the total revenue budget) are taxes and fees including the following: property taxes, sales taxes, and charges for services.

Cities and towns in California have experienced declines in sales tax, transient occupancy tax, and other general fund revenue sources as a result of the COVID-19 Pandemic. For additional information on the COVID-19 Pandemic and its effects on California cities and towns, see the caption "COVID-19 Pandemic." However, while the revenues and expenditures of the Authority Members may have individually been affected by the COVID-19 Pandemic, the Authority Members have committed to fully fund the Authority to ensure that public safety is not affected.

Property Taxes

Under Proposition 13, an amendment to the California Constitution adopted in 1978 that added Article XIIIA of the California Constitution, the county assessor's valuation of real property is established as shown on the Fiscal Year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property may be increased annually to reflect inflation at a rate not to exceed 2% per year or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than that of similar properties more recently sold and may be lower than its actual market value. Likewise, changes in ownership of property and reassessment of such property to market value commonly will lead to increases in aggregate assessed value even when the rate of inflation or consumer price index would not permit the full 2% increase on any property that has not changed ownership.

Taxes are levied by the County for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due.

Local agencies and schools will share the growth of "base" sources from all tax rate areas in the County. Each year's growth allocation becomes part of each local agency's allocation in the following year. The availability of revenue from growth in the tax bases in such tax rate areas may be affected by the existence of redevelopment agencies (including their successor agencies) which, under certain circumstances, may be entitled to sources resulting from the increase in certain property values. State law exempts $7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt values is supplemented by the State.

For assessment and tax collection purposes, property is classified either as "secured" or "unsecured," and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the State Board of Equalization (the "SBE") is commonly identified for taxation purposes as "utility" property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of

10% attaches immediately to any delinquent payment. Property on the secured roll, with respect to which taxes are delinquent, becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of delinquent taxes and the delinquency penalty, plus costs and prepayment penalty of one and one-half percent per month to the time of prepayment. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county treasurer.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of one and one-half percent per month attaches to such taxes beginning the second month after the delinquent date, and on the first day of each month until paid. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the delinquent taxpayer.

The assessed valuation of property in a city is established by the County Assessor, except for public utility property which is assessed by the SBE. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIIIA of the California Constitution.

Certain classes of property, such as churches, colleges, not-for-profit hospitals and charitable institutions, are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions. Property taxes allocated to a city are collected by the County at the same time and on the same tax rolls as are county and special district taxes. The valuation of secured property by the County Assessor is established as of January 1 and is subsequently equalized in September of each year.

Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond a local agency's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year.

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction activity occurs.

The second type of appeal, commonly referred to as a Proposition 8 appeal (Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the

property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application, in the form prescribed by the SBE, with the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution.

In addition, Article XIIIA of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis.

Risk of Decline in Property Values; Fire; Earthquake Risk. Property values could be reduced by factors beyond the control of the Authority Members, including fire, earthquake and a depressed real estate market due to general economic conditions in the County, the region and the State.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the boundaries of the Authority Members in the future.

Assembly Bill 102. On June 27, 2017, the Governor of the State (the "Governor") signed into law Assembly Bill 102 ("AB 102"). AB 102 restructured the functions of the SBE and created two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration took over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE continues to perform the duties assigned by the State Constitution related to property taxes, however, effective January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within a local agency.

State-Assessed Property. Under the Constitution, the SBE assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The SBE also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the SBE is allocated by a formula to local jurisdictions in each county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the SBE. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the SBE. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in a local agency to non-utility companies will increase the assessed value of property in the local agency, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the local agency to a State-assessed utility will have the opposite effect, generally reducing the assessed value in the local agency as the value is shared among the other jurisdictions in the County. The Authority Members are unable to predict future transfers of State-assessed property within their boundaries and within the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the Authority Members.

Teeter Plan. The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in section 4701 et seq. of the California Revenue and Taxation Code. The Teeter Plan guarantees distribution of 100% of the general taxes levied to the taxing entities within the County, including the Authority Members, with the County retaining all penalties and interest penalties affixed upon delinquent properties and redemptions of subsequent collections. Under the Teeter Plan, the County apportions secured property taxes on a cash basis to local political subdivisions, including the Authority members, for which the County acts as the tax-levying or tax-collecting agency. At the conclusion of each fiscal year, the County distributes 100% of any taxes delinquent as of June 30th to the respective taxing entities.

The Teeter Plan is applicable to secured property tax levies. The Teeter Plan is not applicable to unsecured property tax levies. As adopted by the County, the Teeter Plan excludes Mello-Roos Community Facilities Districts, special assessment districts, and benefit assessment districts.

The County cash position is protected by a special fund, known as the "Tax Loss Reserve Fund," which accumulates moneys from interest and penalty collections. In each fiscal year, the Tax Loss Reserve Fund is required to be funded to the amount of delinquent taxes plus one percent of that year's tax levy. Amounts exceeding the amount required to be maintained in the tax loss reserve fund may be credited to the County's general fund. Amounts required to be maintained in the tax loss reserve fund may be drawn on to the extent of the amount of uncollected taxes credited to each agency in advance of receipt.

The Teeter Plan is to remain in effect unless the County Board orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the County Board receives a petition for its discontinuance joined in by resolutions adopted by at least two-thirds of the participating revenue districts in the County, in which event the County Board is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The County Board may

also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. If the Teeter Plan is discontinued subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the Authority members) for which the County acts as the tax-levying or tax-collecting agency, but penalties and interest would be credited to the political subdivisions.

Potential Impacts of COVID-19 (Coronavirus) Pandemic on Property Tax Revenues. In response to the COVID-19 outbreak described under the caption "RISK FACTORS—COVID-19 Pandemic," the Governor of California signed Executive Order N-61-20 ("Order N-61-20"). Under Order N-61- 20, certain provisions of the State Revenue and Taxation Code are suspended until May 6, 2021 to the extent said provisions require a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. Said penalties, costs and interest shall be canceled under the conditions provided for in Order N-61-20, including if the property is residential real property occupied by the taxpayer or the real property qualifies as a small business under certain State laws, the taxes were not delinquent prior to March 4, 2020, the taxpayer files a claim for relief with the tax collector, and the taxpayer demonstrates economic hardship or other circumstances that have arisen due to the COVID-19 pandemic or due to a local, state, or federal governmental response to COVID-19. The impacts the waiver of penalties, costs or interest on delinquent property taxes under the circumstances described in Order N-61-20 have on property tax revenues are unknown at this time.

The Authority cannot predict whether the County or the State will further relax their positions with respect to late payment penalties, which could result in significant property tax delinquencies. The waiver of late payment penalties and resulting property tax delinquencies could have a material adverse impact on the timely payment of property taxes with respect to property within the boundaries of the Authority Members. The COVID-19 outbreak may also result in increased property tax assessment appeals which could reduce property tax revenue growth in future years. See "COVID-19 Pandemic."

However, while the revenues and expenditures of the Authority Members may have individually been affected by the COVID-19 Pandemic, the Authority Members have committed to fully fund the Authority to insure that public safety is not affected.

Sales and Use Taxes

A sales tax is imposed on the privilege of consuming personal property in California. California does not tax services. The tax rate is established by the State Legislature, and is presently 7.25%, statewide (of which 1% is paid to the cities and towns). In addition, many of California's cities, counties, districts and communities have special taxing jurisdiction to impose a transaction (sales) or use tax. These so-called district taxes increase the tax rate in a particular area by adding the local option tax to the statewide tax. While more than one district tax may be in effect for a particular location, California counties, municipalities, and districts are allowed to increase the sales tax in specific jurisdictions up to a total of 10.25%.

The State's Department of Tax and Fee Administration actual administrative costs with respect to the portion of sales taxes allocable to a city or town is deducted before distribution and are determined on a quarterly basis.

Effects of COVID-19 Pandemic on Sales Tax Collections. Sales tax revenues have been and continue to be impacted by the COVID-19 Pandemic. "Stay at home" orders issued by State and County authorities have impacted consumers' ability (and desire) to go out shopping or to dine out. Similar orders closing bars and prohibiting "dine in" service negatively impact local restaurants. Many cities and towns have seen their sales tax receipts for Fiscal Years 2019-20 and 2020-21 decline from pre-pandemic levels.

On March 30, 2020, the Governor signed an executive order allowing the California Department of Tax and Fee Administration to offer a 90-day extension for sales, use and transactions tax returns and tax payment for all businesses filing a return for less than $1 million tax liability. In addition, on April 2, 2020, the Governor announced a one-year sales tax deferral for small businesses limited to $50,000.

Other Sources of General Fund Revenues

In addition to property taxes and sales taxes, California cities and towns typically receive the following general fund revenues:

Licenses and Permits. Charges for certain permits, licenses and fees for the cost recovery of providing current planning, building inspection, recreation and other municipal services.

Charges for Services. Fees and charges for services provided, including development and inspection fees, paramedic fees, charges for public works, police, fire, library and parks and recreation services. By law, cities and towns may not charge more than the cost of providing the service.

Fines, Forfeitures and Penalties. These revenues include parking citations and other fines for municipal code violations.

Reliance on State Budget

None of the Authority Members relies on the State for a material amount of revenues.

The economic uncertainty caused by the COVID-19 outbreak will significantly affect the State's fiscal outlook, including lower capital gains-related tax revenue due to the volatility in the financial markets, the likelihood that a recession is forthcoming due to pullback in activity across wide swaths of the economy, and substantially increased expenditures related to fighting the COVID-19 Pandemic. The Authority Members cannot predict the short or long-term impacts that the COVID-19 Pandemic will have on global, State-wide and local economies, which may impact the Authority Members' operations and local property values.

COVID-19 Pandemic

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a Pandemic by the World Health Organization and is currently affecting many parts of the world, including the County, California, and the United States. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America

and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

The COVID-19 Pandemic has resulted in the imposition of restrictions on mass gatherings and widespread temporary closings of businesses, universities and schools (including schools in the Authority's service area). The United States is restricting certain non-US citizens and permanent residents from entering the country. In addition, stock markets in the U.S. and globally have been volatile, with significant declines attributed to coronavirus concerns.

On March 4, 2020, the Governor of California proclaimed a state of emergency in California as a result of the threat of COVID-19. Under the California Emergency Services Act, during a state of emergency, the Governor has authority over all agencies of the state government and can exercise the State's police powers. His powers also include the power to promulgate, issue, and enforce orders and regulations as he deems necessary.

To mitigate the spread of the pandemic, several cities and counties throughout the state announced shelter-in-place ("Shelter-in-Place") emergency orders on March 13, 2020, which generally directed individuals to stay home, except for certain limited travel for the conduct of essential activities and services. Most retail establishments (e.g., restaurants, bars and nightclubs, entertainment venues, gyms, etc.) were closed in response to the Shelter-in-Place order. On March 17, 2020, the County Health Officer issued a Shelter-in-Place order and on March 19, 2020, California's Governor announced a similar Shelter-in-Place emergency executive order (N 33-20) effective for the entire State.

On August 29, 2020 the Governor announced a new, color-coded statewide system called "Blueprint for a Safer Economy." The new structure replaces the county monitoring list. The color-coded system became effective as of August 31, 2020. As detailed below, the new system features a color-coded list benchmarked to each county's rate of new cases per 100,000 residents per day (based on a seven-day average with seven-day lag), the percentage of positive COVID-19 tests, and as of October 6, 2020 a health equity metric targeted to ensure the test positivity rates in disadvantaged neighborhoods do not significantly fall behind overall county test positivity rate. The health equity metric evaluates whether test positivity in neighborhoods in the lowest quartile of the California Health Places Index (HPI) within each County fall within or near an acceptable range from the County's overall positivity rate. Hospitalizations and capacity at intensive care units are given less weight than under the prior system.

Under the new system, each county is given a designation of "purple" (widespread), "red" (substantial), "orange" (moderate) or "yellow" (minimal) that measures the spread of COVID-19 and dictates what types of businesses and activities are allowed to open in each county.

Each county will be assigned its tier every Tuesday, and a county must remain in a tier for 21 consecutive days before moving to the next one. To move forward, a county must meet the next tier's criteria for 14 consecutive days. A county can move backwards by failing to meet the criteria for two consecutive weeks, or if state officials see a rapid rise in hospitalizations. County guidelines may override the state's reopening thresholds, but only if they are stricter.

A brief summary of the four tiers is below:

Purple tier: County risk level is "widespread"

- *Benchmark* - More than seven daily new cases per 100,000 residents, or test positivity greater than 8%, or health equity metric > 8%.
- Most non-essential indoor businesses operations are closed, but indoor hair salons and barbershops can reopen effective immediately.
- All retail stores and shopping malls may open at a maximum of 25% capacity.

Red tier: County risk level is "substantial"

- Benchmark - Four to seven daily new cases per 100,000 residents, or test positivity between 5% and 8%, and health equity metric between 8% and 5.2%.
- Some non-essential indoor business operations (office spaces, card rooms) are closed, but gyms, movie theaters and indoor dining can reopen with modifications and capacity limitations.
- Schools can open for in-person instruction two weeks after a county moves from purple to red.
- All retail stores and shopping malls may increase occupancy to a maximum of 50% capacity.
- **The County is currently in the Red/Substantial tier.**

Orange tier: County risk is "moderate"

- Benchmark - One to four daily new cases per 100,000 residents, or test positivity between 2% and 5%, and health equity metric between 5.2% and 2.1%.
- Most non-essential indoor business operations including office spaces, card rooms, gyms, movie theaters and indoor dining can reopen with modifications and capacity limitations.
- Bars may open outdoor service with modification.

Yellow tier: County risk is "minimal"

- Benchmark - Less than 1 new daily case per 100,000 residents, or test positivity less than 2%, and health equity metric less than 2.1%.
- non-essential indoor business operations (office spaces, card rooms) are closed, but gyms, movie theaters and indoor dining can reopen with modifications. Capacity limitations are increased.
- Bars may open indoors with modifications and capacity limitations.

Additional information about the State's reopening plans and the County's current status can be found at the State's website, www.covid19.ca.gov. Also see the County's website www.coronavirus.marinhhs.org for up to date information regarding COVID-19 restrictions in place in the County. Reference to the State's and the County's website is included in this Official Statement for general information only and information on such website is not included in this Official Statement by reference to such website.

The COVID-19 Pandemic has negatively affected travel, commerce, investment values, and financial markets globally, and is widely expected to continue to negatively affect economic output worldwide and within the County. While federal and state governments (including California) have enacted legislation and taken executive actions seeking to mitigate the negative public health and economic impacts

of the COVID-19 Pandemic, no assurances can be given that these interventions will have the intended effects.

These negative economic impacts may reduce or otherwise negatively affect revenues to the Authority Members' general funds including declines in sales tax, property tax, and transient occupancy tax revenues. The COVID-19 Pandemic is ongoing, and the ultimate geographic spread of the coronavirus, the duration and severity of the outbreak, and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. The ultimate impact of the COVID-19 Pandemic on the Authority Members' operations and finances is unknown. As of the date of this Official Statement, the Authority believes that the impacts of the COVID-19 Pandemic will not prevent the Authority Members from making their contributions to the Authority in full when due.

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APPENDIX D

AUDITED FINANCIAL STATEMENTS OF THE CENTRAL MARIN POLICE AUTHORITY FOR THE YEAR ENDED JUNE 30, 2020

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APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the CENTRAL MARIN POLICE AUTHORITY (the "Authority") in connection with the issuance by the Authority of its $26,505,000 Central Marin Police Authority (Marin County, California) Pension Obligation Bonds, Series 2021 (Federally Taxable) (the "Bonds"). The Bonds are being issued pursuant to a trust agreement, dated as of May 1, 2021 (the "Trust Agreement"), by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). The Authority covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and, in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the date that is nine months after the end of the Authority's fiscal year (currently March 31 based on the Authority's fiscal year end of June 30).

"*Dissemination Agent*" shall mean, initially, NBS or any successor Dissemination Agent designed in writing by the Authority and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period under a certificate of the Authority filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the Authority in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Oppenheimer & Co., Inc. the original underwriter of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Authority for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) The Authority shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2022, with the report for fiscal year 2020-21 provide to the MSRB, in an electronic format as

prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the Authority shall provide the Annual Report to the Dissemination Agent (if other than the Authority). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the Authority) has not received a copy of the Annual Report, the Dissemination Agent shall contact the Authority to determine if the Authority is in compliance with the previous sentence. 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 Certificate; provided that the audited financial statements of the Authority may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the Authority's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(c). The Authority shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the Authority hereunder.

(b) If the Authority does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the Authority in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then–applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Authority, file a report with the Authority certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The Authority's Annual Report shall contain or incorporate by reference the following:

(a) The Authority's audited financial statements 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 Authority's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the Authority for preceding fiscal year, substantially similar to that provided in the Official Statement, as follows:

(i) Table 1: General Fund Balance Sheet,
(ii) Table 2: General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances,
(iii) Table 3: General Fund Revenues By Source;
(iv) Table C2: City of Larkspur General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances,
(v) Table C4B: Town of Corte Madera General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances, and
(vi) Table C6: Town of San Anselmo General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the Authority shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) 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 Authority or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The Authority shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The Authority shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Authority or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the Authority or an obligated person, or the sale of all or substantially all of the assets of the Authority or an 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, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the Authority or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority or other obligated person, any of which reflect financial difficulties.

(b) Whenever the Authority obtains knowledge of the occurrence of a Significant Event, the Authority shall, or shall cause the Dissemination Agent (if not the Authority) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Trust Agreement.

(c) The Authority acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The Authority shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the Authority determines the event's occurrence is material for purposes of U.S. federal securities law. The Authority intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018) or any further guidance or release provided by the SEC.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Authority in a proceeding under the United States 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 Authority, or if such jurisdiction has been assumed by leaving the existing governing 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 Authority.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Authority's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds. Notice of such termination shall be filed with the MSRB in the same manner as in Section 5(b) hereof for a Significant Event.

Section 8. Dissemination Agent. The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the Authority.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Authority may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the

Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Authority to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the Authority shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the Authority fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the Authority to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article IX of the Trust Agreement is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Trust Agreement. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Authority agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they 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 Dissemination Agent shall have no duty or obligation to review any information provided to it by the Authority hereunder and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Bond holders or any other party. The obligations of the Authority under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the Authority for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Authority, the Dissemination Agent, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Date: [Closing Date]

CENTRAL MARIN POLICE AUTHORITY

By _____
Authorized Officer

ACKNOWLEDGED:

NBS, as Dissemination Agent

By _____
Authorized Officer

EXHIBIT A

NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Central Marin Police Authority

Name of Issue: Central Marin Police Authority (Marin County, California) Pension Obligation Bonds, Series 2021 (Federally Taxable)

Date of Issuance: [Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated [Closing Date], furnished by the Issuer in connection with the Issue. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

NBS, as Dissemination Agent

By _____
Title _____

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APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this Appendix F, concerning The Depository Trust Company, New York, New York ("DTC"), and DTC's book-entry system, has been furnished by DTC for use in official statements and the Authority takes no responsibility for the completeness or accuracy thereof. The Authority cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest or principal with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix F. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC. Information Furnished by DTC Regarding its Book-Entry Only System

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (as used in this Appendix F, the "Securities"). The Securities 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 Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. 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 3.5 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 an S&P Global Ratings 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. Information set forth in such website is not incorporated herein by reference.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities 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 Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities 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.

5. 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 Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit the 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.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority 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 the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 Authority or the paying agent or bond 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 nor its nominee, the paying agent or bond trustee, or the Authority, 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 Authority or the paying agent or bond 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.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Authority or the paying agent or bond trustee. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

APPENDIX G

FORM OF OPINION OF BOND COUNSEL

[Letterhead of Quint & Thimmig LLP]

[Closing Date]

Central Marin Police Authority
250 Doherty Drive
Larkspur, California 94939

OPINION: $26,505,000 Central Marin Police Authority (Marin County, California) Pension Obligation Bonds, Series 2021 (Federally Taxable)

Members of the Police Council:

We have acted as bond counsel to the Central Marin Police Authority (the "Authority") in connection with the issuance by the Authority of $26,505,000 principal amount of Central Marin Police Authority (Marin County, California) Pension Obligation Bonds, Series 2021 (Federally Taxable) (the "Bonds"), pursuant to the provisions of Articles 9 and 11 of Chapter 3 (commencing with section 53550) of Division 2 of Title 5 of the California Government Code (the "Act"), a Trust Agreement, dated as of May 1, 2021, by and between the Authority and U.S. Bank National Association, as trustee (the "Trust Agreement"), and a resolution adopted by the Police Council of the Authority on December 10, 2020 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Trust Agreement, the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The Authority is duly created and validly existing as a joint exercise of powers entity with power to enter into the Trust Agreement, to perform the agreements on its part contained therein and to issue the Bonds.

2. The Bonds constitute legal, valid and binding obligations of the Authority enforceable in accordance with their terms and payable solely from the sources provided therefor in the Trust Agreement.

3. The Trust Agreement has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable against the Authority in accordance with its terms.

4. Interest on the Bonds is includible in gross income for federal income tax purposes.

5. Interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Trust Agreement may be subject to the bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,