DRAFT DATED 5/6/22

This is a Preliminary Official Statement, subject to correction and change. The Series 2022A Issuers have authorized the distribution of the Preliminary Official Statement to prospective purchasers and others. Upon the sale of the Series 2022A Obligations, the Series 2022A Issuers will complete and deliver a final Official Statement substantially in this form.

PRELIMINARY OFFICIAL STATEMENT DATED ___________, 2022

$176,850,000(1)

Oregon Education Districts

Full Faith and Credit Pension Obligations, Series 2022A

(Federally Taxable)

DATED: June 22, 2022 (estimated "Date of Delivery") **DUE: June 30, as shown on the inside cover**

S&P GLOBAL RATINGS— Applied for. See "Ratings" herein.

SERIES 2022A OBLIGATIONS— The $176,850,000(1) Full Faith and Credit Pension Obligations, Series 2022A (Federally Taxable) (the "Series 2022A Obligations") are being issued by U.S. Bank Trust Company, National Association (the "Series 2022A Trustee") on behalf of certain Oregon school districts and education service district (the "Series 2022A Issuers") pursuant to a Trust Agreement between the Series 2022A Issuers and the Series 2022A Trustee. The Series 2022A Issuers have each issued a pension bond to the Series 2022A Trustee (the "Series 2022A Pension Bonds"), and the Series 2022A Obligations represent undivided proportionate interests in and the right to receive payments due under the Series 2022A Pension Bonds (the "Pension Bond Payments") to be made by the Series 2022A Issuers under the Series 2022A Pension Bonds.

PURPOSE— The proceeds of the Series 2022A Obligations will be transferred to the Series 2022A Issuers as proceeds of each of the Series 2022A Pension Bonds, and will be used to finance all or a portion of the unfunded actuarial liability ("UAL") of each Series 2022A Issuer with the Oregon Public Employees Retirement System ("PERS"), as more fully described herein, and to pay costs of issuing and selling the Series 2022A Pension Bonds and Series 2022A Obligations. See "Purpose and Use of Proceeds" herein.

BOOK-ENTRY ONLY SYSTEM— The Series 2022A Obligations will be issued, executed and delivered in fully registered form under a book-entry only system and registered in the name of Cede & Co., as owner and nominee for The Depository Trust Company ("DTC"). DTC will act as initial securities depository for the Series 2022A Obligations. Individual purchases of the Series 2022A Obligations will be made in book-entry form, in the denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Series 2022A Obligations purchased.

PRINCIPAL AND INTEREST PAYMENTS— The interest component of the Pension Bond Payments evidenced and represented by the Series 2022A Obligations ("Interest") is payable on December 30, 2022 and semiannually thereafter on June 30 and December 30 of each year to the early redemption or maturity of the Series 2022A Obligations. The principal component of the Pension Bond Payments evidenced and represented by the Series 2022A Obligations ("Principal") is payable on each June 30, as shown in the inside front cover of this Official Statement. Principal and Interest will be payable by the Series 2022A Trustee to DTC which, in turn, will remit such principal and interest components to the DTC participants for subsequent disbursement to the Owners of the Series 2022A Obligations at the address appearing upon the registration books on the 15th day of the month preceding a payment date (the "Record Date").

MATURITY SCHEDULE— See inside front cover.

REDEMPTION— The Series 2022A Obligations are subject to optional redemption prior to their stated maturities as further described herein.

SECURITY— Each Series 2022A Issuer has pledged its full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay amounts due under its Pension Bond Payments. Each Series 2022A Issuer's Pension Bond will be payable from any and all of its legally available taxes, revenues and other funds as authorized by ORS 238.692 to 238.698, including any amendments thereto, and ORS Chapter 287A. The Series 2022A Issuers are not authorized to levy additional taxes to pay the Pension Bond Payments.

The Series 2022A Pension Bonds are further secured by an Intercept Agreement, defined herein, under which an amount equal to each Series 2022A Issuer's Pension Bond Payments is required to be diverted from State Education Revenues, defined herein, to the Series 2022A Trustee for the purpose of paying such Series 2022A Issuer's Pension Bond Payments. The Series 2022A Issuers are authorized to issue Future Pension Bonds and to require that State Education Revenues be diverted under the Intercept Agreement for payments with respect to such Future Pension Bonds. Neither the Series 2022A Pension Bonds, nor the Series 2022A Obligations constitute a debt or indebtedness of the Oregon Department of Education, the State of Oregon or any political subdivision thereof other than the Series 2022A Issuers.

THE OBLIGATION OF THE SERIES 2022A ISSUERS TO PAY THE PENSION BOND PAYMENTS IS NOT SUBJECT TO ANNUAL APPROPRIATION BY THE SERIES 2022A ISSUERS, AND THE PENSION BOND PAYMENTS AND PAYMENTS DUE ON THE SERIES 2022A OBLIGATIONS ARE NOT SUBJECT TO ACCELERATION.

Each Series 2022A Issuer is required to pay or cause to be paid its Pension Bond Payments, and the Series 2022A Trustee is required to deposit these Pension Bond Payments into an appropriate subaccount in the Trust Fund, which is part of the Trust Estate pledged to the benefit of the Owners of the Series 2022A Obligations.

NO SERIES 2022A ISSUER HAS ANY OBLIGATION OR LIABILITY FOR THE PAYMENTS TO BE MADE BY THE OTHER SERIES 2022A ISSUERS OR OTHER PARTIES UNDER THE SERIES 2022A TRUST AGREEMENT AND THE SERIES 2022A PENSION BONDS.

TAX MATTERS— *In the opinion of Hawkins Delafield & Wood LLP, Special Counsel to the Series 2022A Issuers ("Special Counsel"), under existing law the interest component of the Pension Bond Payments evidenced and represented by the Series 2022A Obligations ("Interest") (i) is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the "Code") and (ii) is exempt, under existing statutes, from State of Oregon personal income tax. See "Tax Matters (Federally Taxable)" herein.*

DELIVERY— The Series 2022A Obligations are offered for sale to the original purchaser subject to the final approving legal opinion of Special Counsel. It is expected that the Series 2022A Obligations will be available for delivery to the Paying Agent for Fast Automated Securities Transfer on behalf of DTC, on or about the Date of Delivery.

(1) Preliminary, subject to change.

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

PIPER | SANDLER

Oregon Education Districts
Full Faith and Credit Pension Obligations, Series 2022A (Federally Taxable)

DATED: Date of Delivery **DUE: June 30, as shown below**

MATURITY SCHEDULE—

Due June 30	Amounts	Interest Rates	Yields	CUSIP® 68587F	Due June 30	Amounts	Interest Rates	Yields	CUSIP® 68587F
2023	$ 3,115,000				2033	8,555,000			
2024	3,820,000				2034	9,420,000			
2025	4,390,000				2035	10,340,000			
2026	4,995,000				2036	11,310,000			
2027	5,640,000				2037	12,355,000			
2028	6,165,000				2038	13,450,000			
2029	5,600,000				2039	14,625,000			
2030	6,270,000				2040	15,870,000			
2031	6,985,000				2041	17,185,000			
2032	7,750,000				2042	9,010,000			

(1) Preliminary, subject to change.

Piper Sandler & Co. (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. The Series 2022A Issuers makes no representation regarding the accuracy or completeness of the information provided for matters relating to DTC and its book-entry system, the Series 2022A Trustee and the information under the heading "Underwriting."

The CUSIP® numbers herein are provided by CUSIP Global Services (CGS), which is managed on behalf of the American Bankers Association by S&P Capital IQ, a division of S&P Global Inc. CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers are provided for convenience of reference only. CUSIP numbers are subject to change. Neither the Series 2022A Issuers nor the Underwriter take any responsibility for the accuracy of such CUSIP numbers.

No website mentioned in this Official Statement is part of this Official Statement, and readers should not rely upon any information presented on any such website in determining whether to purchase the Series 2022A Obligations. Any references to any website mentioned in this Official Statement are not hyperlinks and do not incorporate such websites by reference.

No dealer, broker, salesman or other person has been authorized by the Series 2022A Issuers or the Underwriter to give information or to make any representations with respect to the Series 2022A Obligations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2022A Obligations by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The prices at which the Series 2022A Obligations are offered to the public by the Underwriter (and the yields resulting therefrom) may vary from the initial public offering prices appearing on this inside cover page hereof. In addition, the Underwriter may allow concessions or discounts from such initial public offering prices to dealers and others. In connection with the offering of the Series 2022A Obligations, the Underwriter may effect transactions that stabilize or maintain the market price of the Series 2022A Obligations at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Series 2022A Obligations have not been registered under the Securities Act of 1933, as amended, and the Series 2022A Trust Agreement and the Resolutions have not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. The registration or qualification of the Series 2022A Obligations in accordance with applicable provisions of securities laws of the States in which the Series 2022A Obligations have been registered or qualified and the exemption from the registration or qualification in other states cannot be regarded as a recommendation thereof. Neither these States nor any of their agencies have passed upon the merits of the Series 2022A Obligations or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

This Preliminary Official Statement has been "deemed final" by the Series 2022A Issuers, pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, except for information which is permitted to be excluded from this Official Statement under said Rule 15c2-12.

Series 2022A Issuer	Par Amount[1]
Hermiston School District No. 8R, Umatilla County	$62,135,000
Multnomah Education Service District, Multnomah, Clackamas and Washington Counties	60,620,000
Parkrose School District No. 3, Multnomah County	27,280,000
South Lane School District No. 45J3, Lane and Douglas Counties	26,815,000

Special Counsel

Hawkins Delafield &Wood LLP
Portland, Oregon
(503) 402-1320

Series 2022A Trustee, Paying Agent, and Registrar

U.S. Bank Trust Company, National Association
Portland, Oregon
503-464-3757

Underwriter's Counsel

Orrick, Herrington & Sutcliffe LLP
Portland, Oregon
(503) 943-4800

(1) Preliminary, subject to change.

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Appendices:

OFFICIAL STATEMENT
Oregon Education Districts

$176,850,000[(1)]

Full Faith and Credit Pension Obligations, Series 2022A (Federally Taxable)

The Oregon school districts and education service district shown on the inside cover page of this Official Statement (the "Series 2022A Issuers"), are furnishing this Official Statement in connection with the offering of $176,850,000[(1)] aggregate principal amount of Full Faith and Credit Pension Obligations, Series 2022A (Federally Taxable) (the "Series 2022A Obligations"). The Series 2022A Obligations are being issued by U.S. Bank Trust Company, National Association (the "Series 2022A Trustee") on behalf of Series 2022A Issuers pursuant to a Trust Agreement between the Series 2022A Issuers and the Series 2022A Trustee. The Series 2022A Issuers have each issued a pension bond to the Series 2022A Trustee (the "Series 2022A Pension Bonds"), and the Series 2022A Obligations represent undivided proportionate interests in and the right to receive payments due under the Series 2022A Pension Bonds (the "Pension Bond Payments") to be made by the Series 2022A Issuers under the Series 2022A Pension Bonds.

The proceeds of the Series 2022A Obligations will be transferred to the Series 2022A Issuers as proceeds of each of the Series 2022A Pension Bonds and are to be applied to finance all or a portion of the unfunded actuarial liability ("UAL") of each Series 2022A Issuer with the Oregon Public Employees Retirement System ("PERS"), as more fully described herein, and to pay costs of selling and issuing the Series 2022A Pension Bonds and the Series 2022A Obligations.

Certain statements contained in this Official Statement do not reflect historical facts, but are forecasts and "forward-looking statements." No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the forecasts described herein. In this respect, words such as "estimated," "projected," "anticipate," "expect," "intend," "plan," "believe" and similar expressions are intended to identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements, including risks and uncertainties related to COVID-19. All projections, assumptions and other forward-looking statements are expressly qualified in the entirety by the cautionary statements set forth in this Official Statement.

Piper Sandler & Co. (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. Special Counsel has reviewed this document only to confirm that the portions of it describing the Series 2022A Obligations and the authority to issue them conform to the Series 2022A Obligations and the applicable laws under which they are issued.

This Official Statement, which includes the cover page, inside cover and appendices, provides information concerning the Series 2022A Issuers, the Series 2022A Pension Bonds and the Series 2022A Obligations. Certain capitalized words and phrases used in this Official Statement have the meanings as defined in the Series 2022A Trust Agreement, described herein, and the Intercept Agreement (as defined herein). The Original Intercept Agreement and a form of the Eleventh Supplemental Intercept Agreement (both as defined herein) are attached hereto as Appendix D. A form of the Series 2022A Trust Agreement is attached hereto as Appendix E.

(1) Preliminary, subject to change.

Description of the Series 2022A Obligations

Security and Sources of Payment of the Series 2022A Obligations

Each Series 2022A Issuer has pledged its full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay amounts due under its Series 2022A Pension Bond (the "Pension Bond Payments"). Each Series 2022A Issuer's Pension Bond will be payable from any and all of its legally available taxes, revenues and other funds as authorized by ORS 238.692 to 238.698, including any amendments thereto, and ORS Chapter 287A. The Pension Bond Payments are not subject to annual appropriation by the Series 2022A Issuers. **The Series 2022A Issuers are not authorized to levy additional taxes to pay the Pension Bond Payments.**

The Series 2022A Obligations are further secured by an intercept agreement (the "Original Intercept Agreement") between the Series 2022A Issuers and the State of Oregon Department of Education ("ODE" or the "Agency"), as supplemented and amended (the "Intercept Agreement"), including as supplemented and amended by the Eleventh Supplemental Intercept Agreement between the Series 2022A Issuers and ODE (the "Eleventh Supplemental Intercept Agreement"), under which an amount equal to the Pension Bond Payments is required to be diverted from State Education Revenues, defined herein, to the Series 2022A Trustee for the purpose of paying the Pension Bond Payments. The Series 2022A Trustee is required to deposit all State Education Revenues transferred by ODE to the Series 2022A Trustee into the Obligation Account in the Trust Fund, which is part of the Trust Estate pledged to secure the payment of the Series 2022A Obligations (see "Authorization for Issuance" and "Security for the Series 2022A Obligations" herein).

The Series 2022A Issuers are required to pay the Pension Bond Payments or to cause such payments to be made on their behalf through the Intercept Agreement, as described in the previous paragraph. The Series 2022A Pension Bonds do not constitute a debt or indebtedness of ODE, the State of Oregon or any political subdivision thereof other than the Series 2022A Issuers.

The Series 2022A Issuers have previously issued bonds secured by the Intercept Agreement (see "Security for the Series 2022A Obligations – Outstanding Pension Bonds" herein) and the Series 2022A Issuers are authorized to issue additional bonds secured by the Intercept Agreement under certain circumstances and to require that the State Education Revenues be diverted under the Intercept Agreement for payment with respect to such bonds. See "Security for Series 2022A Obligations" herein for more information regarding the security for the Series 2022A Obligations, including the Intercept Agreement.

EXCEPT FOR THE PAYMENT OF ITS PENSION BOND PAYMENTS AND ADDITIONAL CHARGES WHEN DUE IN ACCORDANCE WITH THE SERIES 2022A TRUST AGREEMENT, THE SERIES 2022A PENSION BONDS, AND ANY OTHER OUTSTANDING PENSION BONDS ISSUED UNDER PRIOR INTERCEPT AGREEMENTS, NO SERIES 2022A ISSUER HAS ANY OBLIGATION OR LIABILITY (1) FOR ANY PAYMENT IN RESPECT OF THE SERIES 2022A OBLIGATIONS; OR (2) FOR THE TERMS, EXECUTION, DELIVERY OR TRANSFER OF THE SERIES 2022A OBLIGATIONS, OR THE DISTRIBUTION OF PENSION BOND PAYMENTS TO THE OWNERS BY THE SERIES 2022A TRUSTEE.

NO SERIES 2022A ISSUER HAS ANY OBLIGATION OR LIABILITY FOR THE PAYMENTS TO BE MADE BY THE OTHER SERIES 2022A ISSUERS OR OTHER PARTIES UNDER THE SERIES 2022A TRUST AGREEMENT AND THE SERIES 2022A PENSION BONDS. See "Security for the Series 2022A Obligations" herein.

Principal Amount, Date, Interest Rates and Maturities

The Series 2022A Obligations will be issued in the aggregate principal amount posted on the inside cover of this Official Statement and will be dated and bear interest from the Date of Delivery. The Series 2022A Obligations will mature on the dates and in the amounts set forth on the inside cover of this Official Statement. Interest on the Series 2022A Obligations is payable semiannually on June 30 and December 30 of each year, commencing December 30, 2022, until the maturity or earlier redemption of the Series 2022A Obligations and will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Oregon Education Districts
Full Faith and Credit Pension Obligations, Series 2022A (Federally Taxable)
Projected Debt Service Requirements

Fiscal	Series 2022A Pension Obligations		Total
Year	Principal	Interest	Debt Service
2022	$ 0	$ 0	$ 0
2023	3,115,000	8,135,100	11,250,100
2024	3,820,000	7,818,075	11,638,075
2025	4,390,000	7,646,175	12,036,175
2026	4,995,000	7,448,625	12,443,625
2027	5,640,000	7,223,850	12,863,850
2028	6,165,000	6,970,050	13,135,050
2029	5,600,000	6,692,625	12,292,625
2030	6,270,000	6,440,625	12,710,625
2031	6,985,000	6,158,475	13,143,475
2032	7,750,000	5,844,150	13,594,150
2033	8,555,000	5,495,400	14,050,400
2034	9,420,000	5,110,425	14,530,425
2035	10,340,000	4,686,525	15,026,525
2036	11,310,000	4,221,225	15,531,225
2037	12,355,000	3,712,275	16,067,275
2038	13,450,000	3,156,300	16,606,300
2039	14,625,000	2,551,050	17,176,050
2040	15,870,000	1,892,925	17,762,925
2041	17,185,000	1,178,775	18,363,775
2042	9,010,000	405,450	9,415,450
	$176,850,000	$ 102,788,100	$ 279,638,100

(1) Principal and interest are provided for illustrative purposes only; amounts and structure are preliminary, subject to change.

NOTE: Columns may not foot due to rounding. Debt service schedules for each of the Series 2022A Issuer's Series 2022A Pension Bonds are provided in Appendix F.

Disbursement Features

Pension Bond Payments. The Pension Bond Payments will be payable by the Series 2022A Trustee to the Depository Trust Company ("DTC"), which, in turn, is obligated to remit such principal and interest components to its participants ("DTC Participants") for subsequent disbursement to the persons in whose names such Series 2022A Obligations are registered (the "Owners") as further described in Appendix B attached hereto.

Book-Entry System. The Series 2022A Obligations will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co. as owner and as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2022A Obligations. Individual purchases and sales of the Series 2022A Obligations may be made in book-entry form only in minimum denominations of $5,000 within a single maturity and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Series 2022A Obligations. See "Appendix B – Book-Entry Only System" for additional information.

Procedure in the Event of Revisions of Book-Entry Transfer System. Series 2022A Issuers representing 51 percent or more of the then Outstanding Principal amount of Series 2022A Pension Bonds may direct the Series 2022A Trustee to discontinue maintaining the Series 2022A Obligations in book-entry only form at any time. The Series

2022A Trustee shall discontinue maintaining the Series 2022A Obligations in book-entry only form if DTC determines not to continue to act as securities depository for the Series 2022A Obligations, or fails to perform satisfactorily as depository, and a satisfactory substitute depository cannot reasonably be found. If the Series 2022A Trustee discontinues maintaining the Series 2022A Obligations in book-entry only form, the Series 2022A Trustee shall authenticate and deliver replacement Series 2022A Obligations in fully registered form in authorized denominations in the names of the beneficial owners or their nominees. Thereafter, the provisions set forth in the Series 2022A Trust Agreement regarding registration, transfer and exchange of the Series 2022A Obligations shall apply.

Redemption Provisions

Optional Redemption. The Series 2022A Obligations maturing in years ____ through ____, inclusive, are not subject to optional redemption prior to maturity. A Series 2022A Issuer reserves the right to direct the Series 2022A Trustee to redeem all or any portion of the Series 2022A Obligations maturing on or after June 30, 20__ at the option of such Series 2022A Issuer on June 30, 20__ and on any date thereafter in whole or in part, in any order of maturity with maturities selected by such Series 2022A Issuer, at a price of par, plus accrued interest to the date of redemption. [A Term Series 2022A Obligation subject to optional redemption and redeemed in part will have the principal amount within the respective mandatory redemption dates selected by the Series 2022A Issuer.]

For as long as the Series 2022A Obligations are in book-entry only form, if fewer than all of the Series 2022A Obligations of a maturity are called for redemption, the selection of Series 2022A Obligations within a maturity to be redeemed shall be made by DTC in accordance with its operational procedures then in effect. See Appendix B attached hereto. If the Series 2022A Obligations are no longer held in book-entry only form, then the Series 2022A Trustee would select Series 2022A Obligations for redemption by lot.

[*Mandatory Redemption.* If not previously redeemed under the provisions for optional redemption, the Term Series 2022A Obligations maturing on June 30 in the years ____ and ____ are subject to mandatory redemption (in such manner as the Series 2022A Trustee and DTC will determine or by lot by the Series 2022A Trustee) on June 30 of the following years in the following principal amounts, at a price of par plus accrued interest to the date of redemption.]

[TO BE PROVIDED IN FINAL OFFICIAL STATEMENT]

Notice of Redemption (Book-Entry). So long as the Series 2022A Obligations are in book-entry only form and unless DTC consents to a shorter period, the Series 2022A Trustee shall notify DTC of any optional redemption not less than 20 days and not more than 60 days prior to the date fixed for redemption, and shall provide such information in connection therewith as required by a letter of representation submitted to DTC in connection with the issuance of the Series 2022A Obligations. Unless waived by the Series 2022A Trustee, official written notice of redemption will be given by the Series 2022A Issuers to the Series 2022A Trustee at least five calendar days prior to the date the notice is scheduled to be sent to DTC. The Series 2022A Issuers reserve the right to rescind any redemption notice as allowed in the Series 2022A Trust Agreement.

Notice of Redemption (No Book-Entry). During any period in which the Series 2022A Obligations are not in book-entry only form, unless waived by any Owner of the Series 2022A Obligations to be redeemed, official notice of any redemption of Series 2022A Obligations shall be given by the Series 2022A Trustee by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date of redemption, to the Owners of the Series 2022A Obligations to be redeemed at the address shown on the Series 2022A Obligation register or at such other address as is furnished in writing by such Owner to the Series 2022A Trustee. Unless waived by the Series 2022A Trustee, official written notice of redemption will be given by the Series 2022A Issuers to the Series 2022A Trustee at least five calendar days prior to the date the notice is scheduled to be sent to Owners of the Series 2022A Obligations. The Series 2022A Issuers reserve the right to rescind any redemption notice as allowed in the Series 2022A Trust Agreement.

Conditional Notice of Redemption. Any notice of optional redemption to the Series 2022A Trustee or to the Owners may state that the optional redemption is conditional upon receipt by the Series 2022A Trustee of moneys sufficient to pay the redemption price of such Series 2022A Obligations or upon the satisfaction of any other condition, and/or that such notice may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission or of the failure of any such condition shall be given by the Series 2022A Trustee to affected Owners of Series 2022A Obligations as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Defeasance

As outlined in the Series 2022A Trust Agreement, all or any portion of the Outstanding Series 2022A Obligations may be paid and discharged in any one or more of the following ways:

(A) By payment of the Pension Bond Payments attributable to such Series 2022A Obligations as and when the same become due and payable;

(B) By irrevocably depositing with the Series 2022A Trustee, in trust, before maturity, money which, together with the amounts then on deposit in the Obligation Account and the Redemption Account, is fully sufficient to pay all Pension Bond Payments attributable to such Series 2022A Obligations; or

(C) (i) By irrevocably depositing with the Series 2022A Trustee, in trust, Defeasance Obligations which have been calculated to be sufficient, together with the interest to accrue thereon, to pay all Pension Bond Payments attributable to such Series 2022A Obligations, as and when the same become due and payable, (ii) a report of an independent firm of nationally recognized certified public accountants verifying the sufficiency of the escrow established to pay such Series 2022A Obligations in full on the date of redemption of the Series 2022A Obligations ("Verification"), (iii) an Escrow Deposit Agreement, (iv) an opinion of nationally recognized bond counsel to the effect that such Series 2022A Obligations are no longer Outstanding, and (v) a certificate of discharge of the Series 2022A Trustee with respect to such Series 2022A Obligations; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed to the Series 2022A Issuers and the Series 2022A Trustee.

All obligations of the Series 2022A Trustee and the Series 2022A Issuers under the Series 2022A Trust Agreement with respect to such Series 2022A Obligations which are paid or deemed paid under the Series 2022A Trust Agreement shall cease and terminate, except for the obligation of Series 2022A Issuers to pay the Additional Charges as provided in the Resolutions authorizing the Series 2022A Pension Bonds, and the obligation of the Series 2022A Trustee to apply amounts on deposit to the payment of the Series 2022A Obligations in accordance with the Series 2022A Trust Agreement.

Events of Default

The occurrence of one or more of the following shall constitute an Event of Default under the Series 2022A Trust Agreement:

a. If default shall be made in the due and punctual payment of any principal or interest scheduled to be paid on the Series 2022A Obligations; or

b. The occurrence of any Pension Bond Default. "Pension Bond Default" means:

(1) failure by a Series 2022A Issuer to pay Series 2022A Pension Bond principal, interest or premium when due (whether at maturity, or upon prepayment after principal components of Bond Payments have been properly called for prepayment);

(2) except as provided in (1), failure by a Series 2022A Issuer to observe and perform any other covenant, condition or agreement which the Resolution requires the Series 2022A Issuer to observe or perform for the benefit of the Series 2022A Trustee, which failure continues for a period of 60 days after written notice to the Series 2022A Issuer by the Series 2022A Trustee specifying such failure and requesting that it be remedied; provided, however, that if the failure stated in the notice cannot be corrected within such 60 day period, it shall not constitute a Pension Bond Default so long as corrective action is instituted by the Series 2022A Issuer within

the 60 day period and diligently pursued, and the default is corrected as promptly as practicable after the written notice is provided; or

(3) the Series 2022A Issuer is adjudged insolvent by a court of competent jurisdiction, admits in writing its inability to pay its debts generally as they become due, files a petition in bankruptcy, or consents to the appointment of a receiver for the installment payments.

The occurrence of any Pension Bond Default by a Series 2022A Issuer does not constitute a Pension Bond Default of other Series 2022A Issuers.

Remedies

Upon the occurrence and continuance of any Event of Default, the Series 2022A Trustee may, and if the Owners of not less than fifty-one percent (51%) in Outstanding Principal amount of Series 2022A Obligations so request, upon being indemnified by such Owners to its reasonable satisfaction therefor, shall take whatever action at law or in equity may appear necessary or desirable to enforce or to protect any of the rights vested in the Series 2022A Trustee or the Owners of Series 2022A Obligations by the Series 2022A Trust Agreement, the Intercept Agreement or the Series 2022A Pension Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Series 2022A Trust Agreement or the Intercept Agreement or in aid of the exercise of any power granted in the Series 2022A Trust Agreement or the Intercept Agreement or for the enforcement of any other legal or equitable right vested in the Series 2022A Trustee by the Series 2022A Trust Agreement or the Intercept Agreement or by law; provided that in no event shall the Series 2022A Trustee have the right to accelerate the Pension Bond Payments or the payments of the Series 2022A Obligations. The Series 2022A Trustee shall not exercise remedies against a Series 2022A Issuer that has not caused a Pension Bond Default.

The Series 2022A Trustee

The Series 2022A Issuers have appointed U.S. Bank Trust Company, National Association as the Series 2022A Trustee. The Series 2022A Trustee is to carry out those duties assignable to it under the Series 2022A Trust Agreement. Except for the contents of this section, the Series 2022A Trustee has not reviewed or participated in the preparation of this Official Statement and does not assume any responsibility for the nature, completeness, contents or accuracy of the Official Statement.

Furthermore, the Series 2022A Trustee has no oversight responsibility, and is not accountable, for the use or application by the Series 2022A Issuer of any of the Series 2022A Pension Bonds authenticated or delivered pursuant to the Series 2022A Trust Agreement or for the use or application of the proceeds of such Series 2022A Pension Bonds by the Series 2022A Issuer, except as may be set forth in the Series 2022A Trust Agreement. The Series 2022A Trustee has not evaluated the risks, benefits, or propriety of any investment in the Series 2022A Pension Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any revenues pledged as security for the Series 2022A Pension Bonds, or the investment quality of the Series 2022A Pension Bonds, about all of which the Series 2022A Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

Additional information about the Series 2022A Trustee and its services may be found at U.S. Bank's website at http://www.usbank.com/corporatetrust. The U.S. Bank website is not incorporated into this Official Statement by such reference and is not a part hereof.

Authorization for Issuance

The Series 2022A Pension Bonds. The Series 2022A Pension Bonds are authorized and are being issued under the resolutions listed in the following table (the "Resolutions"), adopted by the applicable Series 2022A Issuer's governing body (the "Board of Directors"). The Series 2022A Pension Bonds are being issued pursuant to Oregon Revised Statutes ("ORS") 238.692 to 238.698, inclusive (the "Pension Bonding Act"), which authorizes public bodies, such as school districts and education service districts, to issue full faith and credit bonds to finance their pension liabilities, and pursuant to ORS 287A.315 and other applicable provisions of ORS 287A, which permit the Series 2022A Issuers to pledge their full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay the Series 2022A Pension Bonds.

Series 2022A Pension Bond Authorizing Resolutions

Series 2022A Issuer	Resolution Number	Resolution Adopted	Resolution Amended
Hermiston School District No. 8R	21-22-03	03/14/22	--------
Multnomah Education Service District	22-014	03/15/22	--------
Parkrose School District No. 3	--------	03/07/22	04/25/22
South Lane School District No. 45J3	22-06	03/07/22	--------

ORS 238.697 requires that each Series 2022A Issuer (1) obtain a statistically based assessment from an independent economic or financial consulting firm regarding the likelihood that investment returns on bond proceeds will exceed the interest cost of the bonds under various market conditions and (2) make a report (the "Report") available to the general public that describes (a) the result of the assessment and (b) discloses whether the Series 2022A Issuer has retained the services of an independent SEC-registered advisor;

In compliance with Oregon law, each Series 2022A Issuer has obtained an assessment, dated January 6, 2022 from ECONorthwest, an independent economic consulting firm, which has been submitted to the State Treasurer. Additionally, each Series 2022A Issuer has made the Report available to the general public as required by Oregon law, as it was attached to each Series 2022A Issuer's Resolution.

The Series 2022A Obligations. The Series 2022A Obligations represent proportionate and undivided interests in and the right to receive the Pension Bond Payments. Each Series 2022A Issuer is required to pay the Pension Bond Payments or to cause such payments to be made on its behalf through the Intercept Agreement, and the Series 2022A Trustee is required to deposit these payments into appropriate subaccounts in the Obligation Account in the Trust Fund, which is part of the Trust Estate pledged to the benefit of the Owners and defined herein. See "Security for the Series 2022A Obligations – Intercept Agreement" herein.

The Series 2022A Issuers and the Series 2022A Trustee are required to enter into the Series 2022A Trust Agreement at closing to provide for the issuance and payment by the Series 2022A Trustee of the Series 2022A Obligations. The Series 2022A Trust Agreement provides that it constitutes an intergovernmental agreement among the Series 2022A Issuers as authorized by the Pension Bonding Act, and the Series 2022A Issuers agree that the Series 2022A Pension Bonds and Series 2022A Obligations will be collectively issued, administered and paid as provided in the Series 2022A Trust Agreement.

Purpose and Use of Proceeds

Purpose

The Series 2022A Pension Bonds. Each Series 2022A Issuer is issuing its Series 2022A Pension Bonds to the Series 2022A Trustee, which evidence the obligation of each Series 2022A Issuer to make Pension Bond Payments. The proceeds of each of the Series 2022A Pension Bonds will be used by each Series 2022A Issuer to finance all or a portion of its total estimated UAL with PERS and to pay costs of issuing and selling the Series 2022A Pension Bonds and the Series 2022A Obligations. Each Series 2022A Issuer's total estimated UAL is that Series 2022A Issuer's allocated portion of the total School Pool UAL and Oregon Public Service Retirement Plan ("OPSRP") UAL, net of the balance in existing side accounts (the "Allocated Net Share of Total UAL"), as of the December 31, 2020 School Pool Valuation, as calculated by Milliman, the actuary for PERS (the "PERS Actuary") and as that liability is updated as of July 1, 2022, the date on which rate credits are expected to begin. School districts are pooled for actuarial purposes by PERS into the School Pool. See "Pension System" herein.

The Series 2022A Obligations. The Series 2022A Trustee is required to either transfer the Series 2022A Obligation proceeds from the Proceeds Account to PERS to finance the UAL for each Series 2022A Issuer, or hold funds in the Proceeds Account on behalf of the Series 2022A Issuers to be sent to PERS at a future date. The Series 2022A Issuers intend to transfer their proceeds to PERS on the Closing date. See "Security for the Series 2022A Obligations – Funds and Accounts" herein.

The following table presents information regarding each Series 2022A Issuer's use of Series 2022A Pension Bond proceeds to pay its estimated PERS UAL in whole or in part. The Allocated Net Share of Total UAL as of December 31, 2020 and as of a July 1, 2022 Lump Sum Payment from proceeds of the Series 2022A Pension Bond for each Series 2022A Issuer shown below were prepared by the PERS Actuary.

December 31, 2020 UAL and Pension Bond Principal

Series 2022A Issuer	Allocated Net Share of Total UAL as of 12/31/20(1)	Allocated Net Share of Total UAL Brought Forward to 07/01/2022(2)	July 1, 2022 Lump Sum Payment(3)	2022A Principal Amount(4)
Hermiston School District No. 8R	$ 58,294,440	$ 61,510,245	$ 61,510,245	$ 62,135,000
Multnomah Education Service District	54,483,987	60,011,402	60,011,402	60,620,000
Parkrose School District No. 3	26,327,261	27,004,489	27,004,489	27,280,000
South Lane School District No. 45J3	22,814,823	26,545,027	26,545,027	26,815,000
Total:	$ 195,034,376	175,071,163	$175,071,163	$ 176,850,000

(1) *Source: PERS Actuary; PERS.* The amounts in this column represent the allocated share of UAL, net of side accounts, as determined by the PERS Actuary allocated as of December 31, 2020.
(2) *Source: PERS Actuary; PERS.* The amounts in this column represent the allocated share of UAL, net of side accounts as determined by the PERS Actuary brought forward from the valuation to the anticipated payoff date of July 1, 2022.
(3) *Source: PERS Actuary; PERS.* The lump sum payment that is expected to be made on July 1, 2022 with Series 2022A Pension Bond proceeds for each Series 2022A Issuer. Preliminary, subject to change.
(4) Represents the principal of the Series 2022A Pension Bonds for each Series 2022A Issuer. Preliminary, subject to change.
Source: PERS Actuary; PERS; Series 2022A Issuer.

Sources and Uses of Funds

The proceeds of the Series 2022A Obligations are to be applied by the Series 2022A Trustee to purchase the Series 2022A Pension Bonds. The proceeds to be received by the Series 2022A Issuers from the sale of their Series 2022A Pension Bonds are expected to be applied as follows:

Estimated Sources and Uses of Funds

Sources of Funds(1)		
Par Amount of Series 2022A Obligations	$ 176,850,000	(2)
Original Issue Premium/(Discount)		
Total Sources of Funds	$	
Uses of Funds(1)		
Transfer to PERS	$	
Underwriting, Issuance Costs and Contingency		
Total Uses of Funds	$	

(1) Amounts will be provided in the final Official Statement.
(2) Preliminary, subject to change.

Security for the Series 2022A Obligations

General

The Series 2022A Issuers and the Series 2022A Trustee are entering into the Series 2022A Trust Agreement at closing to provide for the issuance and payment of the Series 2022A Obligations. Pursuant to the Series 2022A Trust Agreement, the Series 2022A Issuers have each issued a Series 2022A Pension Bond to the Series 2022A Trustee, and the Series 2022A Trustee has issued the Series 2022A Obligations, which represent undivided proportionate interests in and the right to receive payments due under the Series 2022A Bonds to be made by the Series 2022A Issuers under the Series 2022A Pension Bonds.

The Series 2022A Issuers and the Series 2022A Trustee have pledged, assigned and transferred all of their interest in and to the Trust Estate for the benefit of the Owners of the Series 2022A Obligations. The Trust Estate is comprised of all of the rights, title and interest of the Series 2022A Issuers and the Series 2022A Trustee in and to the Series 2022A Pension Bonds and to all funds held by the Series 2022A Trustee under the Series 2022A Trust Agreement (including proceeds of the Series 2022A Obligations and any investment income therefrom), but not the right of the Series 2022A Trustee to the Additional Charges and indemnification.

As described herein, each Series 2022A Pension Bond is payable from Security Payments and Intercept Payments made by or on behalf of the respective Series 2022A Issuer for payment of its Series 2022A Pension Bond. **In no event may payments made by or on behalf of a Series 2022A Issuer for payment of its Series 2022A Pension Bond be used to make Pension Bond Payments on behalf of other Series 2022A Issuers.**

Full Faith and Credit Pledge

Each Series 2022A Issuer has pledged its full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay amounts due under its Series 2022A Pension Bond (the "Pension Bond Payments") pursuant to ORS 287A.315. Each Series 2022A Issuer's Pension Bond will be payable from any and all of its legally available taxes, revenues and other funds as authorized by ORS 238.692 to 238.698, including any amendments thereto, and ORS Chapter 287A. The Pension Bond Payments are not subject to annual appropriation by the Series 2022A Issuers. **The Series 2022A Issuers are not authorized to levy additional taxes to pay the Pension Bond Payments.**

Intercept Agreement

Pursuant to ORS Chapter 238 and to provide additional security for the payment of its Pension Bond Payments, each Series 2022A Issuer is entering into the Eleventh Supplemental Intercept Agreement, which supplements the Original Intercept Agreement dated October 31, 2002, as amended by an Amendment to the Intercept Agreement, dated February 1, 2003, as further amended and restated by a Master Amendment dated as of February 1, 2015, as supplemented and amended by the First Supplemental Intercept Agreement, dated as of April 1, 2003, by the Second Supplemental Intercept Agreement, dated February 19, 2004, by the Third Supplemental Intercept Agreement, dated June 21, 2005, by the Fourth Supplemental Intercept Agreement dated October 31, 2007, by the Fifth Supplemental Intercept Agreement dated August 11, 2011, by the Sixth Supplemental Intercept Agreement dated January 31, 2012, by the Seventh Supplemental Intercept Agreement dated December 20, 2018, by the Eighth Supplemental Intercept Agreement dated July 15, 2021, by the Ninth Supplemental Intercept Agreement dated August 19, 2021, and by the Tenth Supplemental Intercept Agreement dated September 28, 2021. The Original Intercept Agreement as amended and supplemented, including as amended and supplemented by the Eleventh Supplemental Intercept Agreement is referred to herein as the "Intercept Agreement."

ORS 238.698 specifically provides that the Agency may enter into a diversion agreement such as the Intercept Agreement and that such agreement must provide that:

(1) moneys payable to the public body or group of public bodies by the State agency from appropriations from the General Fund or any other sources of moneys will be paid directly to a debt service trust fund established under ORS 238.696 in amounts equal to the debt service owed by the public body or group of public bodies;

(2) the Agency must pay the amounts required under the funds diversion agreement to the debt service trust fund established under ORS 238.696 specified in the agreement before paying any other amounts to the public body or group of public bodies;

(3) the agreement is irrevocable; and

(4) the agreement will remain in effect until all the bonds issued by the public body or under the intergovernmental agreement are mature or redeemed.

As mandated by statute, these terms and obligations of the Agency are contained in the Intercept Agreement.

The Original Intercept Agreement and form of Eleventh Supplemental Intercept Agreement area attached to this Official Statement as Appendix D.

Outstanding pension bonds issued under and in compliance with the Intercept Agreement (the "Outstanding Pension Bonds"), the Series 2022A Pension Bonds and any future pension bonds issued under and in compliance with the Intercept Agreement ("Future Pension Bonds") are referred to collectively in the Intercept Agreement and in this Official Statement as the "Pension Bonds." See "Future and Outstanding Pension Bonds" below.

In the Intercept Agreement, each Issuer authorizes the Agency to divert State Education Revenues for the purpose of paying debt service on such Issuer's Pension Bonds and pledges such diverted State Education Revenues (the "Intercept Payments") to secure payment of its Pension Bonds. "State Education Revenues" means any State funding for school districts and education service districts legally available to pay debt service on Pension Bonds. The Intercept Agreement requires the Agency to pay such Intercept Payments to the Series 2022A Trustee and any trustee for Outstanding Pension Bonds or Future Pension Bonds from the first State Education Revenues available for that Issuer after payment of any amounts due for criminal background checks under ORS 326.603(2) (as further described under "Available State Education Revenues – Criminal Background Checks" below) and diversions in connection with the OSBG program (as further described under "Available State Education Revenues – Oregon School Bond Guaranty Program"). With those exceptions, each Series 2022A Issuer has covenanted that it will not enter into any other agreement with the Agency that would permit State Education Revenues to be diverted in time or priority before diversion for payment of its Pension Bonds, including the Series 2022A Pension Bonds, any Outstanding Pension Bonds, and any Future Pension Bonds.

ORS 328.284 also authorizes the Agency to divert State Education Revenues for the purpose of paying debt service on qualified school construction bonds; however, such diversions are subordinate to diversions for payment of Pension Bonds, such as the Series 2022A Pension Bonds. See "Available State Education Revenues - Qualified School Construction Bonds with State Intercept" below.

PAYMENT OF DEBT SERVICE ON THE SERIES 2022A PENSION BONDS THROUGH THE INTERCEPT AGREEMENT DOES NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR THE AGENCY. The Agency is charged with distributing any funds mandated by Article VIII, Section 8 of the Oregon Constitution which provides, in part, that the Legislative Assembly shall appropriate in each biennium a sum of money sufficient to ensure that the State's system of public education meets quality goals established by law. The Intercept Agreement contains no default provisions, and the Series 2022A Trustee may have no remedy against the Agency if the Agency does not comply with the terms of the Intercept Agreement.

Each Series 2022A Issuer has represented, covenanted and warranted that all required action has been taken to ensure the enforceability of its obligations under the Intercept Agreement and has covenanted to take all actions that are required to continue to qualify it to receive State Education Revenues (see "Financial Factors-Financial Reporting" herein).

Available State Education Revenues

The Agency has agreed and the Series 2022A Issuers have directed that the first State Education Revenues available to a Series 2022A Issuer (after payment for background checks and diversions in connection with the OSBG program as described below) be used for debt service on the Pension Bonds, including the Series 2022A Pension Bonds, the Outstanding Pension Bonds, and any Future Pension Bonds. The amount and availability of such State Education Revenues are not, however, primarily within the control of the Agency or the Series 2022A Issuers. As discussed under "State School Funding" herein, the Legislative Assembly, which meets on an annual basis, but budgets on a biennial basis, is responsible for determining both the amount and the allocation formula for education funding. The formula currently allocates revenues based on weighted enrollment for each Series 2022A Issuer.

There can be no assurances, however, that the State Education Revenues available to the Agency and the Series 2022A Issuers will remain constant or that laws will not be enacted that affect the priority of claims against such revenues.

As described above, State Education Revenues available for debt service due on the Pension Bonds are net of payments under ORS 326.603(2) and diversions in connection with the OSBG Program.

Criminal Background Checks. ORS 326.603(2) and related Oregon Administrative Rules permit the Agency to charge each school district a fee for the cost of performing criminal background checks on certain persons seeking to provide services to a qualified district.

Oregon School Bond Guaranty Program. The OSBG program is a credit enhancement offered through the State Treasurer's office for voter-approved general obligation bonds of qualified Oregon school districts, education service districts, and community college districts. The OSBG does not guarantee payment of principal, premium or interest on pension bonds or other debt (including the Series 2022A Pension Bonds) that is not a voter-approved general obligation bond. The OSBG program allows the State Treasurer to intercept money in the State School Fund ("SSF"), the State's General Fund, the income of the Common School Fund and any other source of operating moneys provided by the State if an issuer of a guaranteed bond defaults and the State pays on the guaranty. None of the Series 2022A Issuers have had diversion payments made on their behalf in connection with the OSBG Program.

The total aggregate principal amount of the 574 outstanding bond issues as of April 19, 2022 that is guaranteed by OSBG is $9,913,891,010, of which 2.1% is for outstanding general obligation bonds issued by several of the Series 2022A Issuers as shown in the table that follows. Any Series 2022A Issuer may issue general obligation bonds through the OSBG program in the future. [PIPER TO UPDATE PRIOR TO POSTING OF POS]

Series 2022A Issuers with Outstanding General Obligation Bonds Guaranteed by OSBG

Series 2022A Issuer	Outstanding Principal	Outstanding Interest	Outstanding Debt Service
Hermiston School District No. 8R	$ 121,670,330	$ 64,353,949	$ 186,024,279
Parkrose School District No. 3	44,445,000	13,308,499	57,753,499
South Lane School District No. 45J3	39,728,589	20,562,436	60,291,025

Source: Series 2022A Issuers as of Date of Delivery.

Qualified School Construction Bonds with State Intercept. Hermiston School District No. 8R issued Qualified School Construction Bonds ("QSCB's") in 2009 secured by an intercept agreement with the Agency. The intercept payments in connection with the QSCBs (the "QSCB Intercept Payments") are on the same schedule as the Intercept Payments for the Pension Bonds, however the QSCB Intercept Payments are subordinate to payments for the Pension Bonds.

Series 2021A Issuer	Name of Issue	Payment Dates	Outstanding Principal	Outstanding Interest	Outstanding Debt Service
Hermiston School District No. 8R	2009C QSCB	6/15 & 12/15	$ 18,880,000	$ 1,651,520	$ 20,531,520

Source: Hermiston School District No. 8R, as of Date of Delivery.

Intercept Payments

Except with respect to the timing of the first invoice for the Series 2022A Pension Bonds, which the Series 2022A Trustee shall send on the Closing Date, the Series 2022A Trustee is to invoice the Agency on or before June 15 of each year indicating the amount of Intercept Payments the Agency shall transfer each month to the Trustee during the subsequent year. The Series 2022A Trustee will indicate the amount of Intercept Payment for each August through April based on the Series 2022A Trustee's calculation of the Series 2022A Issuer's Bond Payments attributable to each month, plus one-tenth of the Series 2022A Issuer's Bond Payment due in May of each year. The Series 2022A Trustee will indicate the amount of Intercept Payment for July based on the Series 2022A Trustee's calculation of the Series 2022A Issuer's Bond Payments attributable to July, plus the subsequent June, plus one-tenth of the Series 2022A Issuer's Bond Payment due each May. The Intercept Agreement provides that the Agency shall pay the amounts invoiced to it for each month not later than the 15th day of that month, but in no case later than the date the State Education Revenues are disbursed to the Series 2022A Issuers.

If the schedule of disbursements of State Education Revenues for the Series 2022A Issuers (the "Disbursement Schedule") changes, the Agency is required to provide the Series 2022A Trustee with the actual or anticipated alternate Disbursement Schedule; provided the Agency shall not be liable for any failure to provide such notice to the Series 2022A Trustee. The Series 2022A Trustee is required to provide the Series 2022A Issuer with a copy of any new Disbursement Schedule within 10 days after receipt of such Disbursement Schedule from the Agency. The Series 2022A Trustee is also required to provide an adjusted invoice to the Agency for the months indicated in the changed Disbursement Schedule. The amount of each invoice shall be equal to the amount required to provide the Series 2022A Trustee with a balance on hand at all times which is at least equal to the balance that the Series 2022A Trustee would have had if the Series 2022A Trustee were invoicing the Agency for substantially equal monthly payments.

Additionally, if the Series 2022A Trustee has reason to believe the Disbursement Schedule has changed but it has not received notice of such change, it is required to ask the Agency about such change.

The Intercept Agreement provides that to the extent State Education Revenues are not sufficient to make any Intercept Payments, for some or all Issuers, in full, the Agency shall pay the greatest amount of State Education Revenues available, and the Trustee shall require the Issuers whose Intercept Payment was not made in full by the Agency to fund the difference. The Intercept Agreement further provides that if the Agency is required to make more than one Intercept Payment each month for any Issuer or Issuers, and the Agency does not have sufficient funds to pay all the Intercept Payments for that Issuer or those Issuers, the Agency shall apply its available funds proportionally to pay all Intercept Payments due for that Issuer or those Issuers.

Security Payments

To secure the payment of the Series 2022A Pension Bonds, to the extent Intercept Payments are insufficient, the Series 2022A Issuers are required to make monthly payments not later than the 25th day of each month (the "Security Payments"). Security Payments are to be in an amount equal to the amount invoiced by the Series 2022A Trustee to meet such Series 2022A Issuer's Pension Bond Payments less payments received by the Series 2022A Trustee pursuant to the Intercept Agreement plus any prepayments received by the Series 2022A Trustee pursuant to the Series 2022A Trust Agreement.

Except with respect to the timing of the first annual invoice for the Series 2022A Pension Bonds, which the Series 2022A Trustee shall send on the Closing Date, the schedule set forth in the Series 2022A Trust Agreement for Intercept Payments and Security Payments is shown below.

Intercept and Security Payment Schedule

On or before June 15 of each year:	Series 2022A Trustee sends an invoice to the Agency, with a copy to each Series 2022A Issuer indicating the amount of Intercept Payments the Agency shall transfer each month to the Series 2022A Trustee during the subsequent fiscal year;
On or before the 15th day of the month in which an Intercept Payment is due:	Intercept Payments due;
On or before the 20th day of the month in which a Security Payment is due:	Notice to Series 2022A Issuer from the Series 2022A Trustee, to the extent funds available under the Intercept Agreement are insufficient; and
On or before the 25th day of the month in which a Security Payment is due:	Security Payments due.
30th day of June and December:	Series 2022A Obligation payment date.

THE INTERCEPT AND SECURITY PAYMENT SCHEDULE MAY CHANGE TO ACCOMMODATE CHANGES IN THE DISBURSEMENT SCHEDULE AND THE INTERCEPT SCHEDULE. THE SERIES 2022A TRUST AGREEMENT PROVIDES, HOWEVER, THAT ANY SUCH CHANGE SHALL ALWAYS PROVIDE THAT SECURITY PAYMENTS ARE DUE TO THE SERIES 2022A TRUSTEE NO LATER THAN THE 25TH DAY OF EACH MONTH THAT A SECURITY PAYMENT IS DUE.

Each time the Series 2022A Trustee invoices the Agency, the amount of the invoice for each Series 2022A Issuer shall be equal to the amount which is necessary, if the invoice is timely paid, to provide the Series 2022A Trustee at all times with a balance which is at least equal to the balance the Series 2022A Trustee would have on hand for each Series 2022A Issuer if the Agency were making substantially equal monthly Intercept Payments which are sufficient to allow the Series 2022A Trustee to collect each Pension Bond Payment on behalf of each Series 2022A Issuer when that Pension Bond Payment is due.

If the Series 2022A Trustee does not receive an Intercept Payment for a Series 2022A Issuer in full within five days after it is due, the Series 2022A Trustee shall require that Series 2022A Issuer commence making monthly Security Payments no later than the tenth day following the date the Intercept Payment was due. The Security Payments shall be substantially equal in amount, and shall be sufficient to provide the Series 2022A Trustee at all times with a balance which is equal to the balance the Series 2022A Trustee would have on hand if the Agency were making substantially equal monthly payments between the date of the failed Intercept Payment and the date the next Intercept Payment is due. In all cases the amount billed to the Series 2022A Issuers shall be sufficient to pay the Pension Bond Payment when due. If the Agency makes a partial Intercept Payment for any Series 2022A Issuer, the Series 2022A Trustee may credit the full amount of that partial payment against the first Security Payments that would have been billed to a Series 2022A Issuer.

Funds and Accounts

Under the Series 2022A Trust Agreement, the Series 2022A Trustee is required to establish a special fund known as the "Series 2022A School District Pension Obligation Trust Fund" (the "Trust Fund") separate and apart from all other funds and moneys. The Trust Fund is to include three separate accounts, the "Proceeds Account," the "Obligation Account" and the "Redemption Account" and within each Account, a separate subaccount for each Series 2022A Issuer. Each of these accounts is more fully described below.

Proceeds Account. The proceeds from the sale of the Series 2022A Obligations are to be applied by the Series 2022A Trustee to purchase the Series 2022A Pension Bonds, the proceeds of which, net of the Underwriter's discount, and any contingency are to be credited to each Series 2022A Issuer's subaccount in the Proceeds Account for the sole purpose of paying all or a portion of such Series 2022A Issuer's pension liabilities to PERS and to pay the costs of issuance. Between Closing and the date such payments are made, the Series 2022A Trustee shall hold money in the Proceeds Account and invest it in Permitted Investments as directed by each Series 2022A Issuer; however, to the extent the Series 2022A Trustee is not provided with instructions for investing money in the Proceeds Account, such funds shall be held uninvested. Amounts in a Series 2022A Issuer's subaccount shall not be used to pay the pension liability or costs of issuance of another Series 2022A Issuer, and each Series 2022A Issuer shall only be permitted to provide investment instructions to the Series 2022A Trustee regarding the proceeds of its respective Series 2022A Pension Bond. [As noted above, the Series 2022A Issuers intend to transfer their proceeds to PERS on the Closing Date.]

Any surplus remaining in a Series 2022A Issuer's subaccount of the Proceeds Account after payment of such Series 2022A Issuer's pension liability and costs of issuance shall be transferred by the Series 2022A Trustee to that Series 2022A Issuer's subaccount of the Obligation Account and credited against that Series 2022A Issuer's next Security Payments or Intercept Payments, as provided in the Series 2022A Trust Agreement.

Obligation Account. The Series 2022A Trustee shall establish a separate account within the Trust Fund to be designated the "Obligation Account," and shall also establish a separate subaccount in the Obligation Account for each Series 2022A Issuer. The Obligation Account and its subaccounts shall be maintained by the Series 2022A Trustee until all Series 2022A Obligations have been paid in full. Amounts in a Series 2022A Issuer's subaccount of the Obligations Account shall not be used to make Pension Bond Payments of other Series 2022A Issuers.

To secure the payment of Series 2022A Pension Bonds, to the extent funds provided in accordance with the Intercept Agreement are insufficient, the Series 2022A Pension Bonds require the Series 2022A Issuers to transfer the Security Payments to the Series 2022A Trustee for deposit in the Obligation Account. Each Series 2022A Issuer shall transfer the Security Payments to the Series 2022A Trustee no later than the 25th day of each month in which a payment is due. Under the Intercept Agreement, Series 2022A Issuers have requested the Agency to transfer certain amounts to the Series 2022A Trustee on behalf of such Series 2022A Issuer. The Series 2022A

Trustee shall credit any amounts it receives from the Agency on behalf of a Series 2022A Issuer and each Series 2022A Issuer's Security Payment, to that Series 2022A Issuer's subaccount of the Obligation Account. On each Payment Date the Series 2022A Trustee shall apply the Intercept Payments and Security Payments, on deposit in each of the subaccounts of the Obligation Account to pay the Pension Bond Payments of the Series 2022A Issuers for which those subaccounts were created, and shall transfer those Pension Bond Payments to the Owners.

If after the Series 2022A Trustee receives a Security Payment and/or an Intercept Payment, and prior to a Payment Date, funds in a Series 2022A Issuer's subaccount are insufficient to make its Pension Bond Payment due to an investment loss, such investment made by the Series 2022A Trustee under the direction of the Series 2022A Issuer, the Series 2022A Trustee shall notify such Series 2022A Issuer and demand payment for the balance of the Pension Bond Payment.

If on any Payment Date, the amount available in a Series 2022A Issuer's subaccount of the Obligation Account, is less than the Pension Bond Payment which is due from that Series 2022A Issuer on that Payment Date, the Series 2022A Trustee shall apply such amount to Owners proportionally, based on the amount of Principal and Interest that was paid on the Series 2022A Pension Bonds by the Series 2022A Issuer and other Series 2022A Issuers.

Any amounts in a subaccount of the Obligation Account which remain after a Pension Bond Payment is made shall be retained in that subaccount of the Obligation Account. The Series 2022A Trustee shall credit the amounts in each Series 2022A Issuer's subaccount against the next Intercept Payment invoiced to the Agency or Security Payment due from that Series 2022A Issuer. After payment of all amounts due under a Series 2022A Issuer's Series 2022A Pension Bond and payment of all Series 2022A Obligations which are entitled to be paid from such Pension Bond Payments, any surplus remaining in a Series 2022A Issuer's subaccount of the Obligation Account shall be used to pay that Series 2022A Issuer's share of any Additional Charges and any remaining amounts shall be paid to that Series 2022A Issuer.

Amounts specified as a contingency amount in the closing instructions, if any, are to be deposited in the applicable Series 2022A Issuer's subaccount of the Obligation Account at closing and credited against that Series 2022A Issuer's Security Payments or Intercept Payments as described in the Series 2022A Trust Agreement.

Redemption Account. The Series 2022A Trustee shall establish a separate account within the Trust Fund to be designated the "Redemption Account," and shall also establish a separate subaccount in the Redemption Account for each Series 2022A Issuer. The Redemption Account and its subaccounts shall be maintained by the Series 2022A Trustee until the Pension Bond Payments are paid in full or defeased pursuant to the terms of the Series 2022A Pension Bonds and the Series 2022A Trust Agreement.

The Series 2022A Trustee shall deposit all principal components of each Series 2022A Issuer's Security Payments which are prepaid to that Series 2022A Issuer's subaccount of the Redemption Account. Forty days prior to each Series 2022A Obligation redemption date, the Series 2022A Trustee shall determine the amount available in each subaccount of the Redemption Account, and shall apply that amount to redeem related principal components of the Series 2022A Obligations. For purposes of the preceding sentence, the Series 2022A Trustee may consider amounts deposited in a defeasance escrow held by the Series 2022A Trustee as available in the Redemption Account.

Any amounts remaining in a Series 2022A Issuer's subaccount of the Redemption Account, after a Series 2022A Obligation redemption Date and not required for the prepayment of such Series 2022A Pension Bond shall be transferred by the Series 2022A Trustee pursuant to the written direction of that Series 2022A Issuer. If the Series 2022A Issuer fails to provide written direction to the Series 2022A Trustee within five (5) Business Days after the Series 2022A Obligation redemption date, the Series 2022A Trustee shall transfer such remaining amounts to such Series 2022A Issuer's subaccount of the Obligation Account and credit such amounts against that Series 2022A Issuer's next Security Payments or Intercept Payments as provided in the Series 2022A Trust Agreement.

Investment of Funds. The moneys and investments held by the Series 2022A Trustee under this Series 2022A Trust Agreement are irrevocably held in trust for the purposes specified in the Series 2022A Trust Agreement, and such moneys and any other income or interest earned thereon shall be expended only as provided in this Series 2022A Trust Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Series 2022A Trustee or any Series 2022A Issuer or Owner. Amounts held by the Series 2022A Trustee in each Series 2022A Issuer's subaccount shall be invested only in Permitted Investments and at the written direction of each Series 2022A Issuer. In the absence of such direction, all funds in a Series 2022A Issuer's subaccount shall be held by the Series 2022A Trustee uninvested in cash, without liability for interest. The Series 2022A Trustee may conclusively rely upon each Series 2022A Issuer's written instructions as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments. The Series 2022A Trustee may make any and all investments permitted by the provisions of the Series 2022A Trust Agreement through its trust or investment departments. The Series 2022A Trustee is initially directed to invest and reinvest the Obligation Account in the investment indicated in Schedule A of the Series 2022A Trust Agreement, a form of which is attached here to as Appendix E.

Future Pension Bonds

The Series 2022A Pension Bonds are being issued as Future Pension Bonds, pursuant to the provisions of the Intercept Agreement. A Series 2022A Issuer has the right to issue Future Pension Bonds under the Intercept Agreement if the Series 2022A Issuer and any trustee for the Future Pension Bonds authorize, execute and enter into the Intercept Agreement, agree to receive disbursements from the Agency on the same schedule as disbursements are made for all Pension Bonds, and satisfy the Future Pension Bond test described herein in this subsection under the heading "Future Pension Bonds." As discussed below, all Series 2022A Issuers expect to meet the Future Pension Bonds Test. Future Pension Bonds are treated as Pension Bonds under the Intercept Agreement and are entitled to receive disbursements of State Education Revenues from the Agency as provided therein.

Future Pension Bonds Test. Pursuant to the Intercept Agreement, an issuer of proposed Future Pension Bonds or the trustee for the proposed Future Pension Bonds on behalf of the issuer of the proposed Future Pension Bonds must file a certificate with the Agency and the trustee for the Series 2002 Pension Bonds, dated as of the date of closing of the proposed Future Pension Bonds, demonstrating that the Prior Revenues for the issuer in each of the three most recently completed fiscal years are not less than two times the average aggregate annual debt service on the proposed Future Pension Bonds and any outstanding Pension Bonds. "Prior Revenues" means the amount of State Education Revenues distributed to the issuer of the proposed Future Pension Bonds in a fiscal year.

The Intercept Agreement provides that if a Series 2022A Issuer merges or otherwise consolidates with other districts, the resulting entity will be treated as having the debt service and Prior Revenues of the districts that merged into it. If a Series 2022A Issuer separates into more than one district, each resulting entity will be treated as having the portion of the debt service and Prior Revenues of the original entity attributable to such resulting entity.

The Series 2022A Pension Bonds are Future Pension Bonds and are required to comply with the Future Pension Bond Test. The following table sets forth for each Series 2022A Issuer the Prior Revenues, average annual Pension Bond debt service and debt service coverage.

Future Bonds Test and Coverage

Series 2022A Issuer	State Education Revenues[1] 2019	2020	2021	Outstanding Pension Bond Principal[2]	2022A Pension Bond Principal[3]	Total Pension Bond Principal[4]	Average Annual Debt Service	Coverage: Lowest State Education Revenues to Avg. Debt Service[5]
Hermiston School District No. 8R	$ 48,756,817	$ 51,751,992	$ 54,798,459	$ 14,350,000	$ 62,135,000	$ 76,485,000	$ 5,555,297	8.78
Multnomah Education Service District	18,568,259	18,554,495	23,316,210	21,300,000	60,620,000	81,920,000	5,885,347	3.15
Parkrose School District No. 3[6]	14,755,838	13,541,759	16,436,938	19,115,000	27,280,000	46,395,000	3,469,475	3.90
South Lane School District No. 45J3	26,676,675	26,118,212	27,153,386	13,028,484	26,815,000	39,843,484	3,007,733	8.68
				$ 79,508,388	$ 176,850,000	$ 256,358,388		

(1) Includes any State funding for school districts and education service districts legally available to pay debt service on the Pension Bonds.
(2) Includes Outstanding Pension Bonds as of the Date of Delivery and does not include Series 2022A Pension Bonds.
(3) Includes the Series 2022A Pension Bonds; preliminary, subject to change.
(4) Includes debt service on Outstanding Pension Bonds and Series 2022A Pension Bonds. Preliminary, subject to change.
(5) Represents the lowest level of State Education Revenues received in the past three fiscal years over the average annual debt service on the Pension Bonds. Preliminary, subject to change.
(6) During the period of COVID, Parkrose School District No. 3 received approximately $3 million less in State School Funding due to decline in enrollment.
Source: Audited financial reports of the Series 2022A Issuers and the Series 2022A Issuers.

Outstanding Pension Bonds

One hundred and eight individual school districts and education service districts previously issued pension bonds under the Intercept Agreement as shown in the following table. The Series 2022A Issuers have previously issued Pension Bonds under the Intercept Agreement, as described in the table below. The following Pension Bonds have been issued under the Intercept Agreement:

Prior Pension Bonds Issued Under the Intercept Agreement

Pension Bonds	Original Aggregate Principal Amount	Principal Amount Outstanding as of Closing Date	Final Maturity	Date of Intercept Agreement and Supplements	No. of Participants
Series 2002(1)	$ 774,662,846	$ 525,225,000	6/30/2028	October 31, 2002	41
Series 2003(2)	927,079,763	545,533,931	6/30/2028	April 21, 2003	44
Series 2004(3)	467,820,000	294,295,000	6/30/2028	February 19, 2004	20
Series 2005A	458,440,000	262,520,000	6/30/2028	June 21, 2005	14
Series 2005B	10,080,000	5,770,000	6/30/2028	June 30, 2005	1
Series 2007	110,160,000	61,820,000	6/30/2028	October 31, 2007	7
Series 2011	24,260,000	-	6/30/2021	August 11, 2011	20
Series 2012	22,000,000	-	6/30/2021	January 31, 2012	7
Series 2018(4)	35,757,000	33,355,000	6/30/2038	December 20, 2018	4
Series 2021	399,390,000	399,390,000	6/30/2040	July 15, 2021	1
Series 2021A	660,445,000	660,445,000	6/30/2040	August 19, 2021	22
Series 2021B	74.500,000	74.500,000	6/30/2040	September 28, 2001	1

(1) Hermiston School District No. 8R issued bonds under the Series 2002 Intercept Agreement.
(2) South Lane School District No. 45J3 issued bonds under the Series 2003 Intercept Agreement.
(3) Hermiston School District No. 8R, and Multnomah Education Service District issued bonds under the Series 2004 Intercept Agreement.
(4) Parkrose School District No. 3 issued bonds under the Series 2018 Intercept Agreement.
Source: Official Statements for individual issues.

Amendments to Resolutions, Series 2022A Pension Bonds and Series 2022A Trust Agreement

The Resolutions and the Series 2022A Pension Bonds may only be amended with the consent of the Series 2022A Trustee and an opinion of Special Counsel as described in the Series 2022A Trust Agreement. The Series 2022A Trust Agreement permits the Series 2022A Trustee, at the request of any Series 2022A Issuer, to consent to amendments of the Resolutions and the Series 2022A Pension Bonds without the consent of the Owners for certain purposes described in the Series 2022A Trust Agreement, a form of which is attached hereto as Appendix E. Any other amendment to the Series 2022A Pension Bonds and the Resolutions requires the consent of the affected Series 2022A Issuer, the Series 2022A Trustee and the Owners of not less than 51 percent in aggregate principal amount of the Series 2022A Obligations then Outstanding. However, the consent of the Owners of all affected Series 2022A Obligations then Outstanding is required for any amendment, change or modification of the Series 2022A Pension Bonds that would permit the termination or cancellation of the Series 2022A Pension Bonds, a reduction in or postponement of the Pension Bond Payments or a release of the full faith and credit pledge.

The Series 2022A Trust Agreement may be amended without the consent of the Owners for certain purposes described in Section 7.2 of the Series 2022A Trust Agreement, a form of which is attached hereto as Appendix E. Where amendments require Owner consent, the Series 2022A Trust Agreement requires the consent of the Owners of not less than 51 percent in Outstanding Principal amount of the 2022A Bonds; however, consent of the Owners of 100% in Outstanding Principal amount of the 2022A Bonds is required for (i) changes to the terms of payment or redemption of any portion of the Pension Bond Payments, (ii) the creation of a claim or lien upon, or a pledge of the Trust Estate ranking prior to or (except as expressly permitted in the Series 2022A Trust Agreement) on a parity with the claim, lien or pledge created by the Series 2022A Trust Agreement, (iii) the creation of a preference or priority of any 2022A Bond over any other 2022A Bond, or (iv) a reduction in the Outstanding Principal amount of 2022A Bonds.

See Appendix E herein for further information about how these documents may be amended.

Series 2022A Issuer Bonded Indebtedness

Debt Limitation

Pension Bonds. ORS 238.694 authorizes school districts, education service districts, community colleges and local governments to issue full faith and credit obligations to pay pension liabilities. ORS 238.694 does not limit the principal amount of pension bonds a school district or education service district may issue. Pension bonds are not general obligations as defined under State law and the Series 2022A Issuers are not authorized to levy additional taxes to make pension bond payments. **The Series 2022A Pension Bonds are pension bonds issued under ORS 238.694.**

Full Faith and Credit Obligations/Limited Tax Obligations. School districts, education service districts, community colleges and local governments may pledge their full faith and credit for "limited tax bonded indebtedness" or "full faith and credit obligations" in addition to pledging the full faith and credit for voter approved general obligation bonds. The Oregon Constitution and statutes do not limit the amount of limited tax bonded indebtedness that a school district, education service, community college, or city may issue. Full faith and credit obligations can take the form of bonds, certificates of participation, notes or capital leases. Collection of property taxes to pay principal and interest on such limited-tax debt is subject to the limitations of Article XI, Sections 11 and 11b. **The Series 2022A Pension Bonds are secured by the full faith and credit of the Series 2022A Issuers.**

General Obligation Bonds. ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Kindergarten through twelfth grade school districts may issue an aggregate principal amount up to 7.95 percent of the Real Market Value of all taxable properties within the district if the Series 2022A Issuer's voters approve the general obligation bonds. General obligation bonds are secured by the power to levy an additional tax outside the limitations of Article XI, Sections 11 and 11b. **The Series 2022A Pension Bonds are not general obligation bonds and are not subject to this debt limitation.**

Revenue Bonds. School Districts may issue revenue bonds that are secured solely by a specified source of revenues, such as transportation fees or construction excise taxes. **The Series 2022A Pension Bonds are not revenue bonds.**

Notes. Subject to any applicable limitations imposed by the Oregon Constitution or laws of the State or the resolution of an individual school district, ORS 287A.180 provides that public bodies, such as the Series 2022A Issuers, may borrow money in anticipation of tax revenues or other monies and to provide interim financing. **The Series 2022A Pension Bonds are not notes.**

Summaries of the Series 2022A Issuer's outstanding long-term debt and general obligation debt capacity follow.

Series 2022A Issuers
Outstanding Long-Term Debt
(As of the Date of Delivery)

	Full Faith and Credit Obligations			General Obligation Bonds			
Series 2022A Issuer	**Pension Bonds(1)**	**Other Full Faith and Credit Obs.(2)**	**Total Full Faith and Credit Obligations**	**General Obligation Bonds**	**M5 Real Market Value(3)**	**GO Debt Capacity(4)**	**Remaining GO Capacity**
Hermiston School District No. 8R	$ 76,485,000	$ -	$ 76,485,000	$121,670,330	$ 3,285,198,043	$ 261,173,244	$ 139,502,914
Multnomah Education Service District	81,920,000	-	81,920,000	-	196,714,274,013	15,638,784,784	15,638,784,784
Parkrose School District No. 3	46,395,000	1,305,934	47,700,934	44,445,000	7,938,363,034	631,099,861	586,654,861
South Lane School District No. 45J3	39,843,484	2,070,000	41,913,484	39,728,589	2,749,748,626	218,605,016	178,876,426

(1) Includes the Series 2022A Obligations and Outstanding Pension Bonds. Preliminary, subject to change.
(2) Includes any full faith and credit borrowings, including capital leases and similar contractual obligations, other than Pension Bonds.
(3) Fiscal Year 2022 M5 Real Market Value. Value represents the Real Market Value of taxable properties, including special assessed properties such as farms. This value is also commonly referred to as the "Measure 5 Value" by county assessors. Fiscal Year 2022 Real Market Value of all properties in the school district.
(4) General Obligation Debt Capacity calculated at 7.95% of Real Market Value.

Source: The Series 2022A Issuers, and Department of Assessment and Taxation of the counties where each of the Series 2022A Issuers are located.

Debt Payment Record

The Series 2022A Issuers have promptly met principal and interest payments on outstanding bonds and other indebtedness in the past ten years when due. Additionally, none of the Series 2022A Issuers have issued refunding bonds for the purpose of preventing an impending default.

Future Financings

Capital Projects. None of the Series 2022A Issuers have authorized but unissued borrowings, nor do they anticipate issuing additional long-term borrowings within the next twelve months.

Short-term Notes. None of the Series 2022A Issuers anticipate issuing short-term debt within the next twelve months.

The Series 2022A Issuers

Public School Districts

Under Oregon law (ORS Chapter 332), the Series 2022A Issuers are responsible for educating children residing within their boundaries. The Series 2022A Issuers discharges this responsibility by building, operating, and maintaining school facilities; developing and maintaining approved educational programs and courses of study, including vocational programs and programs for students with disabilities, in accordance with State standards; and carrying out programs for transportation and feeding of pupils in accordance with district, State, and federal programs.

Under Oregon law, local school districts are subject to supervision by the State. The State Board of Education, a group of seven persons appointed by the Governor, establishes standards for educational programs and facilities, adopts rules of general governance, and prescribes courses of study. The administrative functions of the State Board of Education are handled through the Department of Education, whose executive head is the Deputy Superintendent of Public Instruction. The Deputy Superintendent is appointed by the Governor, who serves as the Superintendent of Public Instruction.

Charter Schools

Under ORS Chapter 338 ("Charter School Law"), public charter schools are separate legal entities operating under a binding charter agreement with a sponsor, which may include the local board of education in which the public charter school is located, the State Board of Education or an institution of higher education. A charter school is a public school operated by parents, teachers and/or community members as a semi-autonomous school within a school district. A public charter school is subject to certain laws pertaining to school district public schools, is released from others and must operate consistent with its charter agreement. Funding for public charter schools is based upon providing a minimum of between 80 and 95 percent of the State's funding formula per ADMw (see "State School Fund herein"), with the excess retained by the sponsoring district. Student enrollment in a public charter school is voluntary.

Charter School Law could be modified by the Legislature at any time, the Charter Agreements could terminate, or the enrollment associated with the Charter School could decline. Such changes could affect the sponsoring district's sources of revenue in the future. However, the Series 2022A Issuers with Charter Agreements do not anticipate any such reductions would materially affect their ability to operate each of their respective districts or repay each of their respective Series 2022A Pension Bonds.

See "Revenue Sources – State School Funding" for additional information on SSF revenue for Oregon public charter schools.

Historical and Projected Weighted Average Daily Membership

The historical and projected Weighted Average Daily Membership ("ADMw") enrollment figures for each Series 2022A Issuer follows:

Historical and Projected Weighted Average Daily Membership

	Weighted Average Daily Membership[1]					
Series 2022A Issuer	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022[2]	Fiscal Year 2023[2]
Hermiston School District No. 8R	7,012.16	7,048.67	7,069.20	6,808.61	6,680.61	6,619.45
Multnomah Education Service District	115,226.69	114,352.45	112,992.76	112,043.70	108,799.64	104,964.44
Parkrose School District No. 3	4,019.96	3,920.53	3,883.98	3,655.90	3,526.80	3,502.10
South Lane School District No. 45J3	3,359.96	3,405.81	3,421.44	3,343.84	3,411.98	3,413.32

(1) Weighted Average Daily Membership is the enrollment figure, adjusted for part-time students and students with special needs, that is used to allocate revenues appropriated by the State to school districts. Includes charter schools. See "Revenue Sources – State School Funding – Charter Schools" herein for information on how funds are allocated.
(2) Preliminary, subject to change.
(3) Projected, subject to change.
Source: Oregon Department of Education, School Finance Office.

Historical and Projected Enrollment

The historical and projected enrollment figures for each Series 2022A Issuer follow:

Historical and Projected Enrollment

	Enrollment[1]					
Series 2022A Issuer	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022[2]
Hermiston School District No. 8R	5,645	5,710	5,766	5,740	5,508	5,446
Multnomah Education Service District	91,087	93,000	93,000	92,000	88,641	86,382
Parkrose School District No. 3	3,344	3,197	3,234	3,050	2,764	2,880
South Lane School District No. 45J3	2,571	2,554	2,611	2,558	2,439	2,407

Note: Some of the Series 2022A Issuers have seen enrollment declines for Fiscal Year 2021 due to impacts of COVID-19. Most anticipate enrollment levels to return to a historical level in future fiscal years.

(1) Enrollment is the number of students attending classes. Does not include Charter School enrollment.
(2) Projected, subject to change.
Source: The Series 2022A Issuers.

Revenue Sources

Oregon School District Funding

Oregon school districts receive revenue from two primary sources: State aid and *ad valorem* property taxes. The following section summarizes these primary revenue sources of the District.

The COVID-19 pandemic is ongoing, is altering the behavior of businesses and people in a manner that has negative effects on economic activity, and the duration and severity of the crisis is uncertain. There can be no assurances that COVID-19 will not materially affect the Series 2022A Issuers or have a material adverse impact upon the Series 2022A Issuers' revenues, and therefore adversely affect its financial condition. The Series 2022A Issuers cannot predict the effects of such events.

State School Funding

One of the largest sources of revenue for school districts and education service districts is State aid appropriated through the Oregon Department of Education ("ODE"). ODE funding supports pre-kindergarten through 12th grade education including funding for operation for the State's 197 school districts and 19 education service districts through the State School Fund ("SSF"). The SSF is funded primarily by State General Fund revenues with a smaller portion provided by Lottery Funds. General Fund dollars consist primarily of funds from income taxes. Educational districts are also expected to receive funds from the Corporate Activity Tax (see Corporate Activity Tax - Fund for Student Success" herein).

State School Fund Formula. State aid is provided to school districts pursuant to a formula set by the Legislative Assembly. The objective of the formula is to provide equitable funding for all school districts. Available State and local resources determine the actual amount of the allocation. Under the current formula, each student is given a factor as an enrolled student that is then adjusted to include additional factors such as English as a Second Language, students with disabilities with an Individualized Education Plan, attending a remote small school, and Impoverished (the "ADMw"). The formula allocates revenues to districts based on the ADMw for each district. Each district's share of the formula comprises a general purpose grant, transportation grant, small school district supplement and a high cost disability grant.

The SSF grant (the "SSF Grant") to each school district is the district's share of the formula minus local revenues. Local revenues include tax offsets, local property taxes for school operations (specifically excluding taxes for voter approved general obligation bonds and, subject to certain limitations, amounts raised from Local Option Levies), Federal Forest Fees, Common School Fund, county school fund, State timber revenues, ESD Equalization, and money received in lieu of property taxes. Collections from Local Option Levies are not included in the calculation as local revenue if they are less than the lesser of (i) $2,185.45 per, or (ii) 25 percent of a district's total state resources.

Under the SSF distribution formula for the general purpose grant, the total ADMw is multiplied by a statewide target grant (currently $4,500). A factor of $25 per year per student that a district's average teachers' experience exceeds the State average is added to (or subtracted from if below the State average) this calculation. The result is multiplied by a funding ratio to arrive at the State's general purpose grant.

The SSF distribution formula uses the Small Area Income Poverty Estimates published every year by the US Census Bureau. This data provides a count of children living in families in poverty in each school district and reflects current poverty in Oregon's school districts to ensure better distribution of the formula.

The facility grant ($3.0 million statewide in the 2021-23 biennium) is distributed on a pro-rata basis to all qualifying districts in the first two years a new school facility is put into use. The grant equals a maximum of eight percent of total construction costs of new school buildings, specifically excluding the cost of acquiring land, but including the addition of new structures to existing school buildings and pre-manufactured buildings if the new structures are used for instructing students. The facility grant is being phased out and replaced by the Oregon School Capital Improvement Matching ("OSCIM") program which school districts can apply for when they seek voter authorization for a general obligation bond measure.

The transportation grant for each school district is between 70 percent and 90 percent of approved transportation costs, depending upon the ranking of the school district. Such ranking is based upon the approved transportation costs per ADMw.

The high cost disability grant ($90.0 million statewide in the 2021-23 biennium) is distributed on a pro-rata basis to all qualifying districts and is equal to the approved costs of providing special education and related services to a resident pupil with disabilities in excess of $30,000.

School districts currently receive 95.5 percent of the total SSF distribution and education service districts ("ESDs") receive the remaining 4.5 percent. School districts are permitted to withdraw from their ESD and receive 90 percent of their district's prorated share of State funds allocated to the ESD. Hermiston School District No. 8R began opting out of the InterMountain ESD consortium during the 2015-16 school year and plans to continue opting out in the future. Multnomah Education Service District has not been informed by any of the districts it serves of notice to withdrawn for Fiscal Year 2023. None of the other Series 2022A Issuers have plans to withdraw from their ESDs.

ESD Funding. ESD's are required under State statutes to spend 90 percent of SSF revenues on services for the school districts located within its boundaries. The remaining 10 percent of SSF revenues are available for ESD operations.

Charter Schools. Per ORS 338.155, students of a public charter school shall be considered to be residents of the school district in which the public charter school is located for purposes of distribution of State School Fund ("SSF") revenue. A school district shall contractually establish, with any public charter school that is sponsored by the board of the school district, payment for provision of educational services to the public charter school's students. The payment shall equal an amount per weighted average daily membership (ADMw) of the public charter school that is at least equal to:

(a) Eighty percent of the amount of the school district's General Purpose Grant per ADMw as calculated under ORS 327.013 for students who are enrolled in kindergarten through grade eight; and

(b) Ninety-five percent of the amount of the school district's General Purpose Grant per ADMw as calculated under ORS 327.013 for students who are enrolled in grades 9 through 12.

The sponsoring district may collect the maximum amount of SSF revenue allowable per ADMw and retain any excess over the formula identified above.

State Legislature. The State has a citizen legislature consisting of the Senate, whose 30 members are elected to serve four-year terms, and the House of Representatives, which has 60 members elected for two-year terms (the "Legislature" or "Legislative Assembly").

The Legislature convenes annually at the State Capitol in Salem, but sessions may not exceed 160 days in odd-numbered years and 35 days in even-numbered years. Five-day extensions are allowed by a two-thirds vote in each house. The Legislative Assembly convenes on the second Monday in January in odd-numbered years, and in February in even-numbered years.

State K-12 Education Budget. SSF funding is set biennially in the State budget adopted by the Legislative Assembly in odd-numbered years (the "Legislatively Adopted Budget"). The State budget covers two fiscal years (a biennium) beginning July 1 of an odd-numbered year to June 30 of the next odd-numbered year, and sets funding for State agencies including ODE. The Legislative Assembly has the power to subsequently approve revisions to the Legislatively Adopted Budget. Such revised State budget is termed the "Legislatively Approved Budget."

The State Constitution requires the Legislative Assembly to balance the State's General Fund budget. The Department of Administrative Services Office of Economic Analysis (the "OEA") produces a forecast of projected revenues (a "Revenue Forecast") for the biennium generally each March, June (May in odd-numbered years), September and December. The OEA also produces a "Close of Session Forecast" after the end of the legislative session in odd years that reflects the May economic forecast adjusted for any changes made by the legislature.

Revenue Forecasts are based upon currently available information and upon a wide variety of assumptions. The actual results will be affected by future national and state economic activity and other events. If OEA's assumptions are not realized or if other events occur or fail to occur, the State's financial projections may not be achieved. Copies of the Revenue Forecasts are available from OEA at: *www.oregon.gov/DAS/OEA*.

If, over the course of a biennium, the forecasted revenues decline significantly from the Close of Session Forecast, the Legislative Assembly may meet to rebalance the budget, the Governor may direct that expenditures be reduced or the Legislative Assembly may adjust the budget when it meets in its regular session at the end of the biennium.

2021-23 Biennium State Budget. The budget adopted by the Legislature for the 2021-23 biennium (the "2021-23 Legislatively Adopted Budget") includes $112.789 billion total funds, a 0.24 percent increase from budget adopted by the Legislature for the 2019-21 biennium and amended during the 2020 special sessions (the "2019-21 Legislatively Approved Budget"). The total funds budget remained essentially flat between biennia primarily due to the influx of federal funding in both biennia that was provided to help offset economic and other impacts of the COVID-19 pandemic. The 2021-23 Legislatively Adopted Budget includes $2.315 billion of federal

American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery and Capital Projects Funds. The 2021-23 Legislatively Adopted Budget is comprised of planned expenditures of $25.447 billion in General Funds, $1.363 billion Lottery Funds, $48.568 billion Other Funds, and $37.411 billion Federal Funds. The combined General Fund and Lottery Funds figure was 12.1 percent higher than the 2019-21 Legislatively Approved Budget.

Revenue Forecasts. On February 9, 2022 the OEA released the March 2022 Revenue Forecast (the "March 2022 Forecast"). The March 2022 Forecast for gross General Fund revenues for the 2021-23 biennium is $24.998 billion, up $1.598 billion from the Close of Session Forecast and $789.5 million from the December 2021 Forecast. According to the March 2022 Forecast, the inflationary boom persists and all of the State's primary revenue instruments continue to outperform pre-pandemic expectations. The OEA does note that inflationary booms of the sort the State is experiencing today traditionally do not end well which puts recent revenue gains and longer term revenue growth at risk going forward. Tight labor markets are putting a considerable amount of upward pressure on wages, which is reflected in withholdings of personal income taxes which are growing at roughly double the rate seen during the last expansion. Personal and corporate income tax collections continue to set records, however, OEA notes that the State's regional economy is far more volatile than that of most states, given strong migration trends and dependence upon manufacturing and resource industries. General Fund tax revenues are even more volatile than the underlying economy, due to the prominence of personal and corporate income taxes. While the State's revenue sources have diversified in recent years with a shift toward consumption-based taxes, most of these sources are not deposited into the General Fund.

The next Revenue Forecast is due to be released on May 18, 2022. [Day we are currently scheduled to post POS. Let's delay 1 day and update before posting]

State General Fund Forecast Summary
($ in Millions)

	2021-23 Biennium Revenue Forecast			March 2022 Forecast Change From	
	Close of Session	**December 2021**	**March 2022**	**December 2021**	**Close of Session**
Structural Revenues					
Personal Income Tax	$ 20,628.1	$ 21,159.1	$ 21,388.0	$ 228.9	$ 760.0
Corporate Income Tax	1,344.0	1,594.2	1,977.8	383.5	633.8
All Other Revenues	1,428.4	1,455.6	1,632.6	177.0	204.2
Gross General Fund Revenues	**23,400.4**	**24,209.0**	**24,998.4**	**789.5**	**1,598.0**
Beginning Fund Balance	3,025.6	3,704.3	4,082.5	378.2	1,056.9
Offsets and Transfers	(171.5)	(180.9)	(198.9)	(18.0)	(27.4)
Administrative Actions	(21.5)	(21.5)	(21.5)	0.0	0.0
Legislative Actions	(224.6)	(224.6)	(220.7)	3.9	3.9
Net Available Resources	**$ 26,008.4**	**$ 27,486.3**	**$ 28,639.8**	**$ 1,153.5**	**$ 2,631.4**

Source: Oregon Office of Economic Analysis, "Oregon Economic and Revenue Forecast, March 2022." February 9, 2022.

Income Tax Rebate. When total actual revenue collections in the General Fund (excluding corporate income tax receipts) exceed the Close of Session forecast by two percent or more, the collections above the forecasted amount are returned to individual income taxpayers, commonly known as the "kicker." Any kicker recorded in one biennium is provided as a credit in the following biennium, reducing revenues available in that subsequent biennium. The March 2022 Forecast estimates a personal tax kicker of $964 million at the end of the 2021-23 biennium. Should the current outlook hold, the personal tax kicker would be given as a credit on 2023 tax returns filed in 2024.

When corporate income tax collections exceed the Close of Session forecast by two percent or more, the treatment is different: those revenues are retained in the General Fund and dedicated to funding K-12 education. However, there is no guarantee that future Legislatures will allocate budgets such that total K-12 spending is increased by the amount of revenue generated by any corporate tax kicker. The March 2022 Forecast estimates a corporate tax kicker of $634 million at the end of the 2021-23 biennium which should the current outlook hold, would be available for the 2023-25 biennium.

State School Fund Appropriations. Senate Bill 5514 ("SB 5514") and House Bill 5006 ("HB 5006") appropriated a combined total of $9.3 billion for the SSF in the 2021-23 biennium, representing a 3.3 percent increase over the 2019-21 Legislatively Approved Budget of $9.0 billion. While the SSF is said to be held harmless at funding of $9.1 billion, the Coalition of Oregon School Administrators ("COSA") advocated for current service level appropriations of $9.6 billion for the SSF and has stated that some districts will be forced to make cuts or use reserves at the appropriated funding level of $9.3 billion. However, additional funding for specific programs is projected to be available to schools; see "Revenues Sources – State School Funding - Corporate Activity Tax" herein. The District's General Fund budget for Fiscal Year 2022 is included in "Financial Factors – Budgetary Process."

Current and historical state funding levels are detailed in the following table.

State School Fund Appropriations
($ in Millions)

Biennium	Fiscal Year	Budget Appropriation
2021-23(1)	2023	$ 4,743
	2022	4,557
2019-21	2021	4,590
	2020	4,410
2017-19	2019	4,100
	2018	4,100
2015-17	2017	3,747
	2016	3,629
2013-15	2015	3,440
	2014	3,210

(1) Preliminary, subject to change.

Source: Oregon Department of Education, School Finance Unit: https://www.oregon.gov/ode/schools-and-districts/grants/Pages/School-District-and-ESD-payment-Statements.aspx

ODE provides SSF Grant estimates to each school district. Estimates are revised periodically throughout the year. The most recent ODE estimates for the total revenue available in Fiscal Years 2022 and 2023, are shown in the following table.

Oregon Education Districts
Assumptions for Allocation of State Education Revenues

	Fiscal Year 2022 (As of Nov. 12, 2021)	Fiscal Year 2023 (As of Feb. 24, 2022)
School District Local Revenue	$ 2,135,170,711	$ 2,216,991,853
ESD Local Revenue	144,577,663	150,248,688
Total Local Revenue	**$ 2,279,748,374**	**$ 2,367,240,541**
State Budget Appropriation:	$ 4,556,902,000	$ 4,742,898,000
Less Reserve Account	(20,000,000)	(20,000,000)
Less TAG, Speech and Virtual School Funding	(1,050,000)	(1,050,000)
Less Long Term Care and State Schools	(12,500,000)	(11,500,000)
English Language Learner Improvement Funds	(6,250,000)	(6,250,000)
Educator Advancement Fund (EAF)	(3,129,000)	(3,129,000)
Less Small High School Grant	(2,500,000)	(2,500,000)
Less Charter School Closure Funds	(300,000)	(300,000)
Less Local Option Equalization Grant	(2,000,000)	(2,000,000)
Less Office of School Facilities	(4,000,000)	(6,000,000)
Skilled Nursing Facilities (pediatric nursing)	(2,577,479)	(2,577,479)
Free Lunch program	(1,425,188)	(1,425,188)
Corrections from Prior years and donations	0	0
Menstrual Hygiene HB 3294	0	(2,923,566)
State Revenue for Formula	**$ 4,501,170,334**	**$ 4,683,242,767**
Total Revenue for Formula	**$ 6,780,918,708**	**$ 7,050,483,308**
School District share (95.5%)	6,475,777,366	6,733,211,559
ESD Share (4.5%)	305,141,342	317,271,749
Less High Cost Disability Grants	(55,000,000)	(55,000,000)
Less Facility Grants	(3,500,000)	(1,500,000)
Less share of NQTL	(8,735,125)	(8,735,125)
District Total Transfers/Deductions	(67,235,125)	(65,235,125)
Less ESD testing contract	(550,000)	(550,000)
Less share of NQTL	(8,735,125)	(8,735,125)
ESD Total Transfers/Deductions	(9,285,125)	(9,285,125)
Formula Revenue for Distribution		
School Districts	**$ 6,408,542,241**	**$ 6,667,976,434**
ESDs	**$ 295,856,217**	**$ 307,986,624**

Source: Oregon Department of Education, School Finance Office.

School districts are required to file their annual audited financials with ODE within six months of the end of the fiscal year pursuant to ORS 327.137. Extensions may be granted by ODE for extenuating circumstances such as natural disasters. Any school district failing to file prior to the deadline and without an extension will not receive SSF payments until after the audit report has been filed. ODE will schedule the payment with the next regularly scheduled SSF payment date.

School districts that do not meet the rules and regulations of the State Board of Education (e.g., there must be at least 265 consecutive calendar days between the first and last instructional day of each school year) are classified as "non-standard." Under ORS 327.103, the Superintendent of Public Instruction may withhold portions of SSF monies otherwise allocated to any district that is found to be non-standard if deficiencies are not corrected before the beginning of the school year immediately following the date such district was found to be non-standard unless withholding of SSF monies would create an undue hardship or an extension has been granted by the

Superintendent of Public Instruction. Such extension may not exceed 12 months. **The Series 2022A Issuers have never been classified as "non-standard."**

Corporate Activity Tax. During the 2019 Legislative Session, House Bill 3427 ("HB 3427," also known as the Student Success Act) was approved and signed by the Governor. HB 3427 imposes a tax on certain taxable commercial activity (the "Corporate Activity Tax") and designates the revenues be deposited in the newly created Fund for Student Success. Funds will be used to expand 16 existing programs and create 12 new programs focusing on equity in early learning programs and prekindergarten through grade 12 level education.

A prescribed amount of Corporate Activity Tax revenues are allocated to the SSF with the balance allocated between three separate accounts. Of the balance, at least 20 percent will be allocated to an Early Learning Account, up to 30 percent will be allocated to the Statewide Education Initiatives Account and at least 50 percent is to be allocated to a Student Investment Account, which districts are required to apply for through a non-competitive grant process. Each program has rules on how funds will be distributed to districts; some are based on a per student formula and others may be requested by submitting an application. Funds were first available to districts in Fiscal Year 2021.

In response to the weak June 2020 Revenue Forecast, the Legislature reduced the funding level for the Student Investment Account in Fiscal Year 2021 to $150 million, roughly a third of the original appropriation. ODE prepared preliminary allocations in February 2021 for Fiscal Years 2022 and 2023. Revenue estimates may be further affected by the continuation of the COVID-19 pandemic, which is altering the behavior of businesses and people in a manner that may reduce these estimates. See "Revenue Forecast– State School Funding – Revenue Forecasts" herein. The Series 2022A Issuers' allocations for Fiscal Year 2021 and preliminary estimated allocations for future years are detailed below.

Estimated Corporate Activity Tax Funds
(Fiscal Years)

Series 2022A Issuer	2021	2022	2023
Hermiston School District No. 8R	$ 1,551,696	$ 4,520,276	$ 4,710,277
Parkrose School District No. 3	853,349	2,480,044	2,584,289
South Lane School District No. 45J3	750,971	2,181,173	2,272,854

Note: Multnomah Education Service District does not receive corporate activity tax funds.
Source: https://www.oregon.gov/ode/StudentSuccess/Pages/StudentInvestmentAccount.aspx

State Reserve Funds. The 2007 Legislative Assembly created two budgetary reserve funds, the Rainy Day Fund and the Education Stability Fund. With the approval of three-fifths of each house, the Legislative Assembly may appropriate up to two-thirds of the money in the Rainy Day Fund or Education Stability Fund for use in any biennium if certain economic or revenue triggers occur.

Rainy Day Fund. The Rainy Day Fund may be drawn on for any General Fund purpose in the event of a decline in employment, a projected budgetary shortfall or a declaration of a state of emergency. The initial deposit of $319 million was made in 2007, and the Rainy Day Fund retains interest. Additionally, the Rainy Day Fund receives biennial deposits from the ending General Fund balance in an amount equal to the lesser of (a) the actual General Fund ending balance for the preceding biennium or (b) one percent of the amount of General Fund appropriations for the preceding biennium. The amount on deposit with the Rainy Day Fund is capped at 7.5 percent of General Fund revenues for the prior biennium.

Education Stability Fund. The Education Stability Fund must be spent on public education. Under the Oregon Constitution, 18 percent of the net proceeds from the State Lottery must be deposited in the Education Stability Fund on a quarterly basis. The Education Stability Fund currently does not retain earnings in the fund. The amount in the Education Stability Fund may not exceed five percent of the amount that was collected as revenues in the State's General Fund during the prior biennium.

The March 2022 Forecast indicates that the Rainy Day Fund and the Education Stability Fund balances as of January 2022 were $965 million and $489 million, respectively.

Property Taxes

Most local governments, school districts, education service districts and community college districts ("local governments") have permanent authority to levy property taxes for operations ("Permanent Rates") up to a maximum rate (the "Operating Tax Rate Limit"). Local governments that have never levied property taxes may request that the voters approve a new Operating Tax Rate Limit.

Local governments may not increase their Operating Tax Rate Limits; rather they may only request that voters approve limited term levies for operations or capital expenditures ("Local Option Levies") or levies to repay general obligation bonded indebtedness ("General Obligation Bond Levies").

Local Option Levies that fund operating expenses are limited to five years, and Local Option Levies that are dedicated to capital expenditures are limited to ten years. Education service districts are not authorized to request Local Option Levies.

ORS 327.333 through 327.339 provides local option equalization grants to school districts with Local Option Levies that have a total assessed property value per student less than the total assessed property value per student of a designated target district. For the biennium commencing July 1, 2021, $4,000,000 was transferred from the State School Fund for the Local Option Equalization Grants Account. If the amount of money available is insufficient to make grant payments, the grant payments are to be proportionally reduced.

None of the other Series 2022A Issuers currently have a Local Option Levy. Parkrose School District No. 3's School Board is considering seeking voter approval of a Local Option Levy of $1.00 per $1,000 Assessed Value at the November 2022 election.

Local governments impose property taxes by certifying their levies to the county assessor of the county in which the local government is located. Property taxes ordinarily can only be levied once each Fiscal Year. The local government ordinarily must notify the county assessor of its levies by July 15.

Valuation of Property – Real Market Value. "Real Market Value" is the minimum amount in cash which could reasonably be expected by an informed seller acting without compulsion, from an informed buyer acting without compulsion, in an "arms-length" transaction during the period for which the property is taxed.

Property subject to taxation includes all privately owned real property (land, buildings and improvements) and personal property (machinery, office furniture and equipment) for non-residential taxpayers. There is no property tax on household furnishings (exempt since 1913), personal belongings, automobiles (exempt since 1920), crops, orchards, business inventories or intangible property such as stocks, bonds or bank accounts, except for centrally assessed utilities, for which intangible personal property is subject to taxation.

Property used for charitable, religious, fraternal and governmental purposes is exempt from taxation. Special assessments that provide a reduction in the taxable Real Market Value may be granted (upon application) for veterans' homesteads, farm and forest land, open space and historic buildings. The Real Market Value of specially assessed properties is often called the "Taxable Real Market Value" or "Measure 5 Real Market Value." The assessment roll, a listing of all taxable property, is prepared as of January 1 of each year.

Valuation of Property – Assessed Value. Property taxes are imposed on the assessed value of property. The assessed value of each parcel cannot exceed its Taxable Real Market Value, and ordinarily is less than its Taxable Real Market Value. The assessed value of property was initially established in 1997 as a result of a constitutional amendment. That amendment (now Article XI, Section 11, often called "Measure 50") assigned each property an assessed value and limited increases in that assessed value to three percent per year, unless the property is improved, rezoned, subdivided, or ceases to qualify for exemption. When property is newly constructed or reassessed because it is improved, rezoned, subdivided, or ceases to qualify for exemption, it is assigned an assessed value that is comparable to the assessed value of similar property.

The Oregon Department of Revenue ("ODR") appraises and establishes values for utility property, forestland and most large industrial property for county tax rolls. It collects taxes on harvested timber for distribution to schools, county taxing districts, and State programs related to timber. Certain properties, such as utilities, are valued on the unitary valuation approach. Under the unitary valuation approach, the taxpaying entity's operating system is defined and a value is assigned for the operating unit using the market value approach (cost, market value and income appraisals). Values are then allocated to the entities' operations in Oregon, and then to each county the entity operates in and finally to site locations.

Generally speaking, industrial properties are valued using an income approach, but ODR may apply additions or retirements to the property value through a cost of materials approach. Under the income and cost of materials approaches, property values fluctuate from year-to-year.

Tax Rate Limitation – Measure 5. A tax rate limitation was established in 1990 as the result of a constitutional amendment. That amendment (now Article XI, Section 11b, often called "Measure 5") separates property taxes into two categories: one to fund the public school system (kindergarten through grade twelve school districts, education service districts and community college districts, collectively, "Education Taxes") and one to fund government operations other than the public school system ("General Government Taxes"). Education Taxes are limited to $5 per $1,000 and General Government taxes are limited to $10 per $1,000 of the Taxable Real Market Value of property (the "Measure 5 Limits"). If the taxes on a property exceed the Measure 5 Limit for Education or General Government, then tax rates are compressed to the Measure 5 Limit. Local Option Levy rates compress to zero before there is any compression of Permanent Rates. Compression is taken into account in the State School Fund Distribution Formula described herein (see "State School Funding").

Taxes imposed to pay the principal and interest on the following bonded indebtedness are not subject to Measure 5 Limits: (1) bonded indebtedness authorized by a specific provision of the Oregon Constitution; and (2) general obligation bonded indebtedness incurred for capital costs approved by the electors of the issuer and bonds issued to refund such bonds.

The Oregon Supreme Court has determined that taxes levied by general purpose governments (such as cities and counties) may be subject to the $5 per $1,000 limit if those taxes are used for educational services provided by public schools.

Property Tax Collections. Each county assessor is required to deliver the tax roll to the county tax collector in sufficient time to mail tax statements on or before October 25 each year. All tax levy revenues collected by a county for all taxing districts within the county are required to be placed in an unsegregated pool, and each taxing district shares in the pool in the same proportion as its levy bears to the total of all taxes levied by all taxing districts within the county. As a result, the tax collection record of each taxing district is a *pro-rata* share of the total tax collection record of all taxing districts within the county combined.

Under the partial payment schedule, taxes are payable in three equal installments on the 15th of November, February and May of the same Fiscal Year. The method of giving notice of taxes due, the county treasurer's account for the money collected, the division of the taxes among the various taxing districts, notices of delinquency, and collection procedures are all specified by detailed statutes. The lien for property taxes is prior to all other liens or encumbrances of any kind on real or personal property subject to taxation. By law, a county may not commence foreclosure of a tax lien on real property until three years have passed since the first delinquency.

A Senior Citizen Property Tax Deferral Program (1963) allows certain homeowners to defer taxes until death or sale of the home. A similar program is offered for Disability Tax Deferral (2001), which does not have an age limitation.

The following tables represent historical tax information for the Series 2022A Issuers.

Real Market Value and Assessed Property Values
(Fiscal Years)

Series 2022A Issuer	M5 Real Market Value[1] 2020	M5 Real Market Value[1] 2021	M5 Real Market Value[1] 2022	AV Used to Calculate Rate[2] 2020	AV Used to Calculate Rate[2] 2021	AV Used to Calculate Rate[2] 2022
Hermiston School District No. 8R[3]	$ 2,867,735,855	$ 3,036,956,204	$ 3,285,198,043	$ 2,215,348,820	$ 2,286,565,454	$ 2,355,746,184
Multnomah Education Service District	178,818,482,075	186,081,820,027	196,714,274,013	78,958,266,579	82,556,014,755	86,733,047,877
Parkrose School District No. 3	7,615,052,167	7,965,783,759	7,938,363,034	4,492,369,906	4,821,336,325	4,673,325,107
South Lane School District No. 45J3	2,362,225,871	2,506,780,581	2,749,748,626	1,625,697,024	1,693,878,533	1,755,370,726

(1) Value represents the Real Market Value of taxable properties, including the reduction in Real Market Value of specially assessed properties such as farm and forestland. This value is also commonly referred to as the Measure 5 Real Market Value by county assessors.
(2) Assessed value of property in the Series 2022A Issuers on which the Permanent Rate is applied to derive *ad valorem* property taxes, excluding urban renewal, exempt property within enterprise zones and any other offsets.
(3) A fire at Shearer's Foods in February 2022 may result in a significant adjustment to Umatilla County's assessed property values. Shearer's is one of Hermiston School District No.8R's and Umatilla County's principal taxpayers. According to the county tax assessor, they do not yet know the impact of the fire on assessed values or if the company will file to have a reassessment done prior to the tax rolls being certified.

Note: General obligation bonds may be levied on the Total Assessed Value, the Assessed Value Used to Calculate Rates, or a combination of the two, depending on the type of urban renewal plan and the original approval date of the bond issue.

Source: Sources: Departments of Assessment and Taxation of the Counties where each of the Series 2022A Issuers are located.

Tax Collection Record

Percentages of Taxes Collected in the Year of the Levy (As of June 30)

County	2017	2018	2019	2020	2021
Clackamas County(1)	98.09%	98.01%	98.54%	98.40%	98.48%
Douglas County(2)	96.02%	96.36%	96.60%	96.88%	96.89%
Lane County(2)	97.42%	98.29%	98.26%	98.09%	98.32%
Multnomah County(3)	98.07%	98.48%	98.49%	98.47%	98.66%
Umatilla County(4)	96.70%	97.26%	97.05%	97.34%	97.95%
Washington County(1)	98.37%	98.95%	98.99%	98.96%	99.02%

Footnotes for the counties in the table above indicate that the following Series 2022A Issuers are completely or partially located within such county:

(1) Multnomah Education Service District.

(2) South Lane School District No. 45J3.

(3) Multnomah Education Service District, and Parkrose School District No. 3.

(4) Hermiston School District No. 8R.

NOTE: Percentage of total tax levy. Pre-payment discounts are considered to be collected when outstanding taxes are calculated.

Sources: Departments of Assessment and Taxation of the Counties where each of the Series 2022A Issuers are located.

Property Tax Exemption Programs. Oregon statutes authorize a wide variety of full and partial property tax exemptions, including exemptions for property owned or used by cities, counties, schools and other local governments, property of the federal government, property used by religious and charitable entities, property used for low-income housing, historical property and transit-oriented property.

The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions for three to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by State statutes and the local sponsor.

The Strategic Investments Program ("SIP") provides tax incentives for capital investments by "traded-sector" businesses, including manufacturing. SIP recipients receive a 15-year property tax exemption on new construction over $25 million outside of urban areas, and over $100 million in urban areas. The exemption value ($25 million or $100 million) then increases three percent per year. SIP recipients pay an annual Community Service Fee which is equal to 25 percent of the value of the tax break, which is allocated to local governments through local negotiations. The Community Service Fee is not considered a property tax and thus is outside of the Measure 5 Limit. There are no SIP Agreements within the Series 2022A Issuers' boundaries.

GASB Statement No. 77 requires local governments to disclose information related to tax abatement programs and amounts abated. Tax abatements result from agreements entered into by the reporting government, as well as those that are initiated by other governments, which reduce the reporting government's tax revenues. None of the Series 2022A Issuers administer any tax abatement programs, however, overlapping jurisdictions (cities, counties) may offer tax abatement programs which impact the Series 2022A Issuers' assessed value and property tax collections. In Fiscal Year 2021, Hermiston School District No. 8R's property tax revenues were reduced by $3,833,507 as a result of tax abatements, however due to the SSF formula this does not have a material effect on district operations. None of the other Series 2022A Issuers reported a material loss due to tax abatement programs.

Forest Management Rules Litigation

On November 20, 2019, a jury found that the State of Oregon (the "State") was in breach of contract regarding rules under which timber is harvested and revenue generated on State forest lands donated by various Oregon counties. Linn County filed suit on behalf of 14 counties and approximately 130 government taxing districts contending that the State's management of timber harvests had reduced revenues paid to the plaintiffs. Although the jury awarded plaintiffs approximately $1.1 billion in damages, the Oregon Court of Appeals overturned the award. Linn County has stated they will appeal the ruling to the Oregon Supreme Court, although, as of the date of this document, no such appeal has been filed. The Series 2022A Issuers have no information as to the likelihood of either side prevailing, or the direct or indirect effect of this decision on the State's or the Series 2022A Issuers' finances. However, the Series 2022A Issuers do not believe this decision will affect their ability to repay the Series 2022A Pension Bonds.

Federal Funding

Oregon school districts receive federal funding for a variety of purposes. Such funding is generally restricted to specific purposes.

COVID-19 Federal Assistance. The Series 2022A Issuers have received federal funding through pandemic related aid programs including the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted in response to the economic fallout of the COVID-19 pandemic. Additionally, the Series 2022A Issuers have been notified that they will receive additional grants from the American Rescue Plan Act ("ARPA"). The Series 2022A Issuers can begin requesting these funds for eligible uses in Fiscal Year 2022 and are required to obligate all of the funds by September 30, 2023 and fully spend them by September 30, 2034.

Federal Direct Payments. Parkrose School District No. 3 issued Qualified Zone Academy Bonds in 2011 and elected to receive subsidy payments ("Direct Payments") from the federal government. The Direct Payments are used to pay interest due on Parkrose School District No. 3's General Obligation Bonds, Series 2011B (QZAB). Direct Payments in Fiscal Year 2021 were reduced by 5.7 percent due to mandatory sequestration cuts and Parkrose School District No. 3 used General Fund monies to cover the shortfall. The United States Office of Management and Budget has stated that qualified tax credit bond subsidy payments in federal Fiscal Year 2022 will be cut by 5.7 percent and the district has budgeted for these cuts. Congress has approved legislation that extends sequestration cuts through federal Fiscal Year 2030 but the annual reduction rate is subject to change and the Series 2022A Issuers cannot predict the amount of future cuts.

Federal Forest Fees. In 2000, Congress passed the Secure Rural Schools and Community Self-Determination Act (the "SRS Act") to replace a previous revenue sharing program. The SRS Act provides funding from the federal government to 18 of Oregon's 36 counties for schools, roads, and other purposes ("Federal Forest Fees"). The U.S. Congress has passed several extensions of the SRS Act, the most recent of which provides funding for the program through September 30, 2023.

Revenue losses from a discontinuation of the SRS Act will be spread across all school districts statewide as Federal Forest Fees are included in local revenue for calculation of SSF Grants (see "State of Oregon Public School Funding – State School Fund" herein).

Construction Excise Tax

School districts may levy a tax for capital improvements on new residential, commercial and industrial development ("Construction Excise Tax"). Affordable housing, public improvements, agricultural buildings, hospitals, private schools, and religious facilities are exempted from the Construction Excise Tax. The Construction Excise Tax for Fiscal Year 2022 is limited to: (i) $1.41 per square foot on residential construction and (ii) 70¢ per square foot on non-residential construction up to the lesser of $35,200 per building permit or $35,200 per structure. The tax rate limits are adjusted annually by the Oregon Department of Revenue for changes in construction costs. The Construction Excise Tax is not subject to voter approval.

Revenue generated through a Construction Excise Tax can be used to acquire land, construct, reconstruct or improve school facilities, acquire or install equipment, furnishings or other tangible property, pay for architectural, engineering, legal or other costs related to capital improvements, any expenditure for assets that have a useful life of more than one year, or the payment of obligations and related costs of issuance that are issued to finance or refinance capital improvements.

The Series 2022A Issuers. Of the Series 2022A Issuers, Parkrose School District No. 3, and South Lane School District No. 45J3, collect money from a construction excise tax levy. None of the other participating Series 2022A Issuers currently have plans to institute a construction excise tax.

Summary of General Fund Revenues

The following table shows summarized historic State Education Revenues and the percentage of total General Fund revenues they represent for each of the Series 2022A Issuers for the past five years. State Education Revenues are available for intercept for the payment of Pension Bond debt service under the terms of the Intercept Agreement, see "Intercept Agreement" herein.

Series 2022A Issuers
Summary General Fund Revenues
($ in thousands)

	Fiscal Year 2017			Fiscal Year 2018			Fiscal Year 2019			Fiscal Year 2020			Fiscal Year 2021		
Series 2022A Issuer	State Education Revenues	Total Revenue(1)	State % of Total	State Education Revenues	Total Revenue(1)	State % of Total	State Education Revenues	Total Revenue(1)	State % of Total	State Education Revenues	Total Revenue(1)	State % of Total	State Education Revenues	Total Revenue(1)	State % of Total
Hermiston School District No. 8R	$ 40,623	$ 51,884	78.30%	$ 45,725	$ 57,718	79.22%	$ 46,305	$ 58,912	78.60%	$ 50,118	$ 63,160	79.35%	$ 51,418	$ 64,626	79.56%
Multnomah Education Service District(2)	7	5,972	0.12%	1	6,220	0.01%	1	6,729	0.01%	1	7,292	0.01%	1	7,082	0.01%
Parkrose School District No. 3	14,900	33,248	44.82%	14,559	33,937	42.90%	13,373	34,968	38.24%	11,412	32,542	35.07%	12,599	35,344	35.65%
South Lane School District No. 45J3	19,306	26,556	72.70%	21,126	28,535	74.03%	22,068	30,195	73.08%	23,350	31,365	74.45%	24,198	32,958	73.42%

(1) Does not include other financing sources (uses) or beginning fund balances.

(2) Multnomah Education Service District deposits State Education Revenues in its Resolution Services Fund. In Fiscal Year 2021, $10,065,829 of State School Fund Revenue was reported in the Resolution Services Fund. The Resolution Services Fund accounts for the revenues from property taxes and State School Fund (which together constitute "local revenues".) In accordance with Oregon statutes, 90% of these proceeds remain in the fund and are restricted for use by the Multnomah Education Service District's eight component school districts while the remaining 10% are transferred to the General Fund/Operating Fund to be used to fund supporting operations. The State Sources accounted for in the General Fund are related to ODE lead testing reimbursements and regional teacher of the year awards. Total Revenues listed in table include the transfers of the State School Fund from the Resolution Services Fund.

Sources: Audited financial reports of the Series 2022A Issuers.

Financial Factors

Accounting Policies

Fund Accounting. The accounts of the Series 2022A Issuers are organized on the basis of funds and account groups, each of which is a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are grouped into governmental funds.

General Fund. This fund is used to account for all expendable financial resources, except those required to be accounted for in another fund.

Debt Service Fund. This fund is used to account for revenue sources that are legally restricted for the payment of general long-term debt principal, interest and related expenditures.

Financial Reporting

The financial statements of the Series 2022A Issuers were prepared in conformity with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). Additional information on the Series 2022A Issuer's accounting methods is available in the Series 2022A Issuer's audited financial statements.

Auditing

Each Oregon political subdivision must obtain an audit and examination of its funds and account groups at least once each year pursuant to the Oregon Municipal Audit Law, ORS 297.405-297.555. Political subdivisions having annual expenditures of less than $150,000, with the exception of counties and school districts, are exempt from this requirement. All Oregon counties and school districts, regardless of amount of annual expenditures, must obtain an audit annually. The required audit may be performed by the State Division of Audits or by independent public accountants certified by the State as capable of auditing political subdivisions. School districts are required to file their audit annually with ODE within six months of the end of the fiscal year pursuant to ORS 327.137. See "Revenue Sources – State School Funding" herein.

Each Series 2022A Issuer's audited financial statement as of June 30, 2021 indicates the financial statements, in all material respects, fairly present the Series 2022A Issuer's financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information and the respective changes in financial position and the cash flows, where applicable, in conformance with accounting principles generally accepted in the United States of America.

The audited financial statements of the Series 2022A Issuers as of June 30, 2021, are incorporated by reference to this Official Statement. Current financial statements can be obtained by contacting the Series 2022A Issuers, or online at the Oregon Secretary of State's website: https://secure.sos.state.or.us/muni/public.do. Future financial statements will be filed with the Electronic Municipal Market Access system, a free, centralized repository located at: www.emma.msrb.org.

Summaries of the Series 2022A Issuers' financial information follow.

Series 2022A Issuers
Summary of Statement of Net Position
(Fiscal Year 2021, $ in thousands)

Series 2022A Issuer	Hermiston School District No. 8R	Multnomah Education Service District	Parkrose School District No. 3	South Lane School District No. 45J3
Current and Other Assets	$ 121,862	$ 29,397	$ 13,989	$ 9,604
Restricted Assets	-	-	-	1,822
Capital Assets, Net of Depreciation	113,330	7,598	84,838	70,423
Total Assets	235,192	36,995	98,827	81,849
Deferred Outflows of Resources	21,706	18,220	24,851	11,408
Current Liabilities	10,448	11,849	4,014	5,290
Long-Term Liabilities	215,616	63,085	102,151	91,105
Total Liabilities	226,064	74,934	106,165	96,395
Deferred Inflow of Resources	2,334	5,400	8,652	4,356
Net Assets				
Invested in Capital Assets, Net of Related Debt	48,436	7,598	36,846	59,440
Restricted	14,087	10,734	2,264	3,771
Unrestricted	(34,023)	(43,450)	(30,250)	(70,666)
Total Net Position	$ 28,500	$ (25,118)	$ 8,860	$ (7,455)

Source: Series 2022A Issuer's Audited Financial Statements.

A summary of the Series 2022A Issuer's General Fund Statement of Revenues, Expenditures and Changes in Fund Balance follows.

Series 2022A Issuers
Summary General Fund Financial Information(1)
($ in thousands)

	Fiscal Year 2017			Fiscal Year 2018			Fiscal Year 2019			Fiscal Year 2020			Fiscal Year 2021		
Series 2022A Issuer	Total Revenue(1)	Total Expend.	Ending Fund Balance	Total Revenue(1)	Total Expend.	Ending Fund Balance	Total Revenue(1)	Total Expend.	Ending Fund Balance	Total Revenue(1)	Total Expend.	Ending Fund Balance	Total Revenue(1)	Total Expend.	Ending Fund Balance
Hermiston School District No. 8R	$ 51,884	$ 50,306	$ 6,030	$ 57,718	$ 53,255	$ 7,943	$ 58,912	$ 56,413	$ 9,942	$ 63,160	$ 60,898	$ 11,983	$ 64,626	$ 59,812	$ 14,702
Multnomah Education Service District(2)	5,972	6,063	4,653	6,220	5,631	5,208	6,729	6,147	5,995	7,292	7,088	6,377	7,082	6,552	7,587
Parkrose School District No. 3	33,248	32,569	1,798	33,937	34,557	958	34,968	33,135	2,648	32,542	33,810	1,253	35,344	33,144	3,455
South Lane School District No. 45J3	26,556	25,152	2,066	28,535	27,465	2,152	30,195	28,929	2,354	31,365	28,921	2,990	32,958	30,640	3,502

(1) Columns will not add across as the table does not include other financing sources (uses) or beginning fund balances.

(2) Multnomah Education Service District deposits State Education Revenues in its Resolution Services Fund. In Fiscal Year 2021, $10,065,829 of State School Fund Revenue was reported in the Resolution Services Fund. The Resolution Services Fund accounts for the revenues from property taxes and State School Fund (which together constitute "local revenues".) In accordance with Oregon statutes, 90% of these proceeds remain in the fund and are restricted for use by the Multnomah Education Service District's eight component school districts while the remaining 10% are transferred to the General Fund/Operating Fund to be used to fund supporting operations. The State Sources accounted for in the General Fund are related to ODE lead testing reimbursements and regional teacher of the year awards. Total Revenues listed in the table above include the transfers of the State School Fund from the Resolution Services Fund.

Sources: Series 2022A Issuer's Audited Financial Statements.

Budgetary Process

The Series 2022A Issuers prepare annual budgets in accordance with Oregon Local Budget Law (ORS Chapter 294) which establishes standard procedures for all budget functions for Oregon local governments. Under the applicable provisions, there must be public participation in the budget process and the adopted budget must be balanced.

The Series 2022A Issuers' administrative staff evaluates the budget requests of the various departments of the Series 2022A Issuers to determine the funding levels of the operating programs. The budget is presented to the public through public hearings held by a budget committee consisting of Board members and lay members. After giving due consideration to the input received from the citizens, the governing body of each Series 2022A Issuer adopts the budget, authorizes the levying of taxes and sets appropriations. The budget must be adopted no later than June 30 of each Fiscal Year.

The budget may be amended during the applicable Fiscal Year through the adoption of a supplemental budget. Supplemental budgets may be adopted by the Board pursuant to ORS 294.471.

Parkrose School District No. 3 and Multnomah Education Service District are members of the Tax Supervising and Conservation Commission of Multnomah County, Oregon (the "TSCC"). Following budget approval by the budget committee, a public hearing is held by the TSCC. A budget summary and notice of hearing are published prior to the hearing. Publication is governed by strict requirements as to time and mode.

After the budget hearings, the governing body considers citizens' testimony and, if necessary, alters the budget subject to statutory limitations upon increasing taxes or fund allocations without further publication and hearing.

Parkrose School District No. 3 and Multnomah Education Service District levy taxes each year for general operations under its permanent rate limit and under any authorized Local Option Levies. Taxes levied for repayment of general obligation debt are not limited.

After the budget hearing, the governing body prepares a formal resolution which adopts the budget, authorizes taxes to be levied and set out a schedule of appropriations. This resolution must be adopted not later than June 30 and submitted to the county Department of Assessment and Taxation before July 15 so that the taxes may be levied, unless an extension is requested and approved.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10 percent of the fund's original budget may be adopted by the Board at a regular Board meeting. A supplemental budget greater than 10 percent of the fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers within a fund or from the General Fund to any other fund. Such transfers require authorization by an official resolution or ordinance of the Board.

Each Series 2022A Issuer's General Fund Adopted Budget for Fiscal Year 2022 and General Fund Proposed Budget for Fiscal Year 2023 follows.

Series 2022A Issuers
Fiscal Year 2022 General Fund Adopted Budget
($ in thousands)

	Resources						Expenditures									
Series 2022A Issuer	Local	Intermediate	State	Federal	Beginning Fund Balance and Other	Total	Instruction	Support Services	Enterprise/ Community Services	Facilities Acquisition and Constr.	Debt Service/ Transfers	Other Uses	Contingency	Unapprop. Ending Fund Balance	,
Hermiston School District No. 8R	$ 10,939	$ 2,690	$ 49,931	$ -	$ 14,255	$ 77,815	$ 39,772	$ 29,601	$ -	$ 150	$ 10	$ 500	$ 500	$ 7,283	$ 77,815
Multnomah Education Service District	2,381	-	-	-	12,031	14,412	-	8,251	-	5	276		1,556	4,325	14,412
Parkrose School District No. 3	22,186	371	10,878	13	2,449	35,897	21,309	13,945	-	-	-	143	500	-	35,897
South Lane School District No. 45J3	8,103	65	23,615	54	3,000	34,837	18,438	13,138	-	-	60	1,447	1,000	754	34,837

Source: Adopted Fiscal Year 2022 Budget for each Series 2022A Issuer.

Series 2022A Issuers
Fiscal Year 2023 General Fund Approved Budget
($ in thousands)

Series 2022A Issuer	Resources						Expenditures								
	Local	Intermediate	State	Federal	Beginning Fund Balance and Other	Total	Instruction	Support Services	Enterprise/ Community Services	Facilities Acquisition and Constr.	Debt Service/ Transfers	Other Uses	Contingency	Unapprop. Ending Fund Balance	Total
Hermiston School District No. 8R	$ 11,194	$ 2,844	$ 52,702	$ 12	$ 15,027	$ 81,778	$ 43,247	$ 29,941	$ -	$ 150	$ 10	$ 250	$ 500	$ 7,681	$ 81,778
Multnomah Education Service District	2,968	130	-	-	12,067	15,165	-	9,031	-	5	368	-	1,261	4,500	15,165
Parkrose School District No. 3	23,295	2	9,484	3	3,759	36,542	21,859	14,040	-	-	143	-	500	-	36,542
South Lane School District No. 45J3	8,474	65	25,768	54	2,502	36,863	20,285	13,758	-	-	-	1,683	1,000	138	36,863

Source: Approved Fiscal Year 2023 Budget for each Series 2022A Issuer.

Investments

ORS 294.035 authorizes Oregon political subdivisions to invest in obligations, ranging from U.S. Treasury obligations and Agency securities to municipal obligations, bankers' acceptances, commercial paper, certificates of deposit, corporate debt and guaranteed investment contracts, all subject to certain size and maturity limitations. No municipality may have investments with maturities in excess of 18 months without adopting a written investment policy which has been reviewed by the Oregon Short Term Fund Board. ORS 294.052 authorizes Oregon political subdivisions to invest proceeds of bonds or certificates of participation and amounts held in a fund or account for such bonds or certificates of participation under investment agreements if the agreements: (i) produce a guaranteed rate of return; (ii) are fully collateralized by direct obligations of, or obligations guaranteed by, the United States; and (iii) require that the collateral be held by the municipality, an agent of the municipality or a third-party safekeeping agent. Each Series 2022A Issuer has its own investment policy which is available upon request.

Political subdivisions are also authorized to invest approximately $52.7 million (adjusted for inflation) in the Local Government Investment Pool of the Oregon Short-Term Fund, which is managed by the State Treasurer's office. Such investments are managed in accordance with the "prudent person rule" (ORS 293.726) and administrative regulations of the State Treasurer which may change from time to time. Eligible investments presently include all of those listed above, as well as repurchase agreements and reverse repurchase agreements. A listing of investments held by the Oregon Short-Term Fund is available on the Oregon State Treasury website under "Other OSTF Reports – OSTF Detailed Monthly Reports" at http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx.

Pension System

General. The Series 2022A Issuers participates in a retirement pension benefit program under the State of Oregon Public Employees Retirement System ("PERS" or the "System"). After six full months of employment, all Series 2022A Issuers employees are required to participate in PERS. Employer contribution rates are calculated as a percentage of covered payroll. Employees are required to contribute six percent of their annual salary as well; however, employers are allowed to pay the employees' contribution in addition to the required employers' contribution. See "Employer Contribution Rates" herein.

T1/T2 Pension Programs. Employees hired before August 29, 2003 participate in the "Tier 1" or "Tier 2" pension programs (the "T1/T2 Pension Programs"). The benefits provided through the T1/T2 Pension Programs are based primarily on a defined benefit model and provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Different benefit structures apply to participants depending on their date of hire. Between January 1, 2004 and June 30, 2020, six percent of each employee's salary was contributed to fund individual retirement accounts under a separate defined contribution program known as the Individual Account Program (the "IAP"). Effective July 1, 2020, pursuant to legislation approved by the 2019 Legislature (see " Pension System – 2019 Legislation" herein), the six percent contribution for employees that earn in excess of $2,500 per month (indexed annually for inflation) is split in two, with two-and-one-half percent of the employee's salary deposited in the "Employee Pension Stability Account" ("EPSA") and 3.50% of salary sent to the IAP. Effective January 1, 2022, the monthly threshold for this contribution split will be increased from $2,500 per month to $3,333 per month.

OPSRP. Employees hired on or after August 29, 2003 participate in the Oregon Public Service Retirement Plan ("OPSRP") unless membership was previously established in the T1/T2 Pension Programs. OPSRP is a defined benefit pension plan, but also provides access to the IAP. Effective July 1, 2020, the six percent contribution for employees that earn in excess of $2,500 per month (indexed annually for inflation) is split in two, with 0.75% of the employee's salary deposited in the EPSA and 5.25% of salary sent to the IAP. Effective January 1, 2022, the monthly threshold for this contribution split will be increased from $2,500 per month to $3,333 per month.

RHIA/RHIPA. The Oregon PERS Health Insurance Program offers optional medical, dental, and long-term care insurance plans to eligible T1/T2 retirees, their spouses, and dependents. See "Other Postemployment Benefits, Retirement Health Insurance Account" herein.

Actuarial Valuation. Actuarial valuations are performed annually as of December 31 of each year and are designed to measure the liabilities, assets and funded status of the System for each employer, as well as determine employer contribution rates. The valuations are based on complex models which utilize assumptions on rates of return, payroll growth rates and demographic trends. The valuations as of December 31 of odd-number years are used by the Oregon Public Employees Retirement System Board (the "PERB") to set employer contribution rates; valuations as of even-numbered years are used for advisory purposes only. Should the assumptions used in the actuarial model prove inaccurate, liabilities of the System may be higher or lower than estimated. Any increases or decreases in liabilities will be absorbed into future contribution rates assessed against employer payrolls. An employer's unfunded actuarial liability ("UAL") is equal to the excess of the actuarially determined present value of the employer's benefit obligations to employees over the existing assets available to pay those benefits. PERS' current actuary is Milliman, Inc. ("Milliman," or the "Actuary").

Actuarial valuations are performed for the entire System (the "System Valuation"), and for most participating employers, including the Series 2022A Issuers (the "Series 2022A Issuers Valuations"). School Districts are valued as an actuarial pool ("School District Pool Valuation"). Valuations are released nine to eleven months after the valuation date. Current payroll rates are based on the System's actuarial valuation report as of December 31, 2019 (the "2019 System Valuation"), and those rates will extend through June 30, 2023 (see "Employer Contribution Rates" herein). The December 31, 2020 System-wide Valuation Results (the "2020 System Valuation"), which provides advisory-only rates for the 2023-25 biennium shows that rates on both a System-wide basis and for the Series 2022A Issuers are projected to rise. See "Actuarial Assumptions" and "Employer Contribution Rates" herein. However, final payroll rates for the 2023-25 biennium will depend on the results of the valuations as of December 31, 2021, which are expected to be available in late calendar year 2022.

Valuation Date	Release Date	Rates Effective
December 31, 2016	December 2017	Advisory only for July 1, 2019 – June 30, 2021
December 31, 2017	October 2018	July 1, 2019 - June 30, 2021
December 31, 2018	December 2019	Advisory only for July 1, 2021- June 30, 2023
December 31, 2019	October 2020	July 1, 2021 - June 30, 2023
December 31, 2020	December 2021	Advisory only for July 1, 2023 – June 30, 2025

System Actuarial Organization. An employer participates in PERS either on an independent basis, or through an actuarial pool, as follows:

T1/T2 Pension Programs

- *Independents:* An Independent Employer is one for whom its T1/T2 Pension Programs assets and liabilities are based on an actuarial analysis performed on its employee base. The Series 2022A Issuers are not independent employers.

- *School District Pool:* All kindergarten through grade 12 public school district and education service district public employers are pooled for actuarial purposes for the T1/T2 pension programs (the "School District Pool"). Each School District Pool member's allocated share of the pool's assets and liabilities is based on the member's proportionate share of the School District Pool's pooled payroll, which share may shift in the future due to relative growth in payroll. Further, the Series 2022A Issuers' Allocated T1/T2 UAL may increase if other pool participants fail to pay their full employer contributions. **The Series 2022A Issuers are members of the School District Pool.**

- *State and Local Government Rate Pool:* For the T1/T2 Pension Programs, all State agencies, certain Oregon local governments and all community college public employers are pooled (the "State and Local Government Rate Pool" or "SLGRP"). Each SLGRP member's allocated share of the pool's assets and liabilities is based on the member's proportionate share of the SLGRP's pooled payroll which share may shift in the future due to relative growth in payroll. Further, a SLGRP member's Allocated T1/T2 UAL may increase if other pool participants fail to pay their full employer contributions. The Series 2022A Issuers are not members of the SLGRP.

OPSRP

- *OPSRP's* assets and liabilities are pooled on a System-wide basis. These assets and liabilities are not tracked or calculated on an employer basis. The Series 2022A Issuers' allocated share of OPSRP's assets and liabilities is based on the Series 2022A Issuers' proportionate share of OPSRP's pooled payroll.

Actuarial Assumptions. Actuarial assumptions are set each biennium and are applied to the System's valuations. Significant actuarial assumptions and methods used in the 2019 System Valuation included (a) the Entry Age Normal method, (b) asset valuation method based on market value, (c) the assumed earnings rate (the "Assumed Rate") on the investment of present and future assets of 7.20 percent, (d) payroll growth rate of 3.50 percent, (e) consumer price inflation of 2.75 percent per year, (f) UAL amortization method of a level percentage of payroll for the 2019 UAL attributable to the Tier 1 and Tier 2 pension programs, in accordance with legislation approved in 2019, is amortized over a 22 year period on a one time basis. In subsequent valuations, the amortization will to revert to a 20-year amortization for any new UALs attributable to Tier 1 and Tier 2. Any UAL attributable to OPSRP is amortized over 16 years (fixed) from the date of the first rate-setting valuation at which the UAL is recognized (g) a rate collar to limit increases or decreases in employer contribution rates from biennium to biennium (the "Rate Collar") (see "Rate Collar" herein) and (h a portion of the IAP is redirected to the EPSA, resulting in a direct offset and reduction of Employer contribution rates (see "Pension System – 2019 Legislation" herein).

Actuarial assumptions used for the actuarial valuations as of December 31, 2020 (advisory only) and to be used for the valuations as of December 31, 2021 (rate setting for 2023-2025 biennium) include a reduction to the Assumed Rate by 0.30 percent, to 6.90. According to the 2020 System Valuation, this reduction is estimated to increase the System-wide UAL by approximately $3.4 billion and to increase weighted average base payroll rates by approximately 3.13 percent. Further, for members of the School District Pool, the weighted average base rate is expected to increase by 3.00 percent. The Series 2022A Issuers' rates are also projected to increase, see "Employer Contribution Rates" herein. However, stronger than assumed rates of return in 2021 should reduce these changes, see "System Funded Status & UAL" herein. The PERB also reduced the rate of payroll growth from 3.50 percent to 3.40 percent, and made modifications to the Rate Collar (see "Rate Collar" herein). These changes will not affect rates until the 2023-25 biennium, and final payroll rates will be determined based upon the results of the valuations dated as of December 30, 2021.

Employer Contribution Rates. Employer contribution rates are calculated as a percent of covered payroll. The rates are based on the current and projected cost of benefits and the anticipated level of funding available from the Oregon Public Employees Retirement Fund ("OPERF"), including anticipated investment performance of the fund. Contribution rates are subject to future adjustment based on factors such as the result of subsequent actuarial valuations, litigation, decisions by the PERB and changes in benefits resulting from legislative modifications. Pursuant to ORS 238.225, all participating employers are required to make their contribution to PERS based on the employer contribution rates set by the PERB. Employees are required to contribute six percent of their annual salary to the IAP and, if applicable, the EPSA. Employers are allowed to pay the employees' contribution in addition to the required employers' contribution. South Lane School District No. 45J3 has elected to make the employee contribution for some employees, but not all, based on contractual agreements. The other Series 2022A Issuers have elected to make the employee contribution.

Rate Collar. The PERB uses a rate collar (the "Rate Collar") to limit increases (or decreases) in employer contribution rates from biennium to biennium in order to smooth the impact of significant increases or decreases from one valuation to the next.

Beginning with the 2023-25 biennium, for employers participating in either the School District pool or the SLGRP, the collar will be applied as a fixed percentage of payroll, with a limit of 3% of pay for the Tier 1/Tier 2 UAL rate and 1% of pay for OPSRP rate. Further, no reductions in the UAL rate would be allowed unless funded level thresholds of at least 88 percent is reached, at which point a portion of the reduction would be allowed, gradually increasing until the funded status reaches 90 percent, at which point the full reduction would be permitted. A wider rate collar was adopted for independent employers who do not participate in either the School District pool or the SLGRP.

System Funded Status & UAL. According to the 2020 System Valuation, the UAL for the System as of December 31, 2020 was $28 billion, and the funded status, excluding Side Accounts for the System, was approximately 71 percent. This is an increase in UAL and decrease in funded status from the 2019 System Valuation, which estimated that the UAL for the System was $24.6 billion and the funded status, excluding employer Side Accounts, was approximately 72 percent. However, at the PERB meeting on January 31, 2022, the Actuary estimated that the System-wide UAL through December 31, 2021 had declined to approximately $20 billion, with a System-wide funded status of approximately 80%, due to a rate of return of 20.5% through that date.

The funded status of PERS and of the Series 2022A Issuers, as reported by Milliman, will change over time depending on a variety of factors, including the market performance of the investments in which the OPERF is invested, future changes in compensation and benefits of covered employees, demographic characteristics of members, methodologies and assumptions used by the actuary in estimating the assets and liabilities of PERS, legislative or judicial actions, and other actions taken by the PERB. The year-to-date rate of return on the OPERF through February 2022 was -0.81 percent, which is less than the current assumed earnings rate of 6.90 percent. Total returns in 2021 and thereafter, along with the factors mentioned above, may affect the System-wide and Series 2022A Issuers UAL in future valuations. Under current PERS policies, any modification to contribution rates would not occur until the 2023-25 biennium. [to be updated prior to posting of POS]

The table below includes the UAL and funded status for the System and the pool in which the Series 2022A Issuers participate from the five most recent actuarial valuations.

Unfunded Actuarial Liability and Funded Status(1)
($ in millions)

Valuation Date	System(2) UAL	System(2) Funded Status	School District Pool UAL	School District Pool Funded Status
12/31/20	$ 28,000.0	71.0%	$ 8,600.0	73.0%
12/31/19	24,600.0	72.0%	7,900.0	74.0%
12/31/18	27,000.0	69.0%	9,100.0	70.0%
12/31/17	22,291.2	73.5%	7,752.7	73.9%
12/31/16	25,300.1	68.8%	9,199.3	68.4%

(1) Does not take into account offsets for deposits made by individual employers from pension bond proceeds or cash on hand in side accounts (see "Side Accounts and Pension Bonds" herein).
(2) System UAL includes total of SLGRP, School District Pool, Independent Employers, and OPSRP.
Source: System Valuations and PERS.

Net Unfunded Actuarial Liability. The Series 2022A Issuers' net unfunded pension UAL is the total of the Series 2022A Issuers Allocated T1/T2 UAL and Series 2022A Issuers Allocated OPSRP UAL, less the balance in the Series 2022A Issuers' Side Account, if any. The Series 2022A Issuers' net unfunded pension UAL as reported in the Series 2022A Issuers' Valuations as of December 31, 2017, December 31, 2018, December 31, 2019, as of December 31, 2020 are shown in the following table. The Series 2022A Issuers' net unfunded pension UAL brought forward from the 2020 Valuation to the July 1, 2022 payoff date is also shown below.

Series 2022A Issuers
Net Unfunded Pension Liability

	2017 Valuation		2018 Valuation		2019 Valuation		2020 Valuation		2020 Valuation Brought forward to July 1, 2022	
Series 2022A Issuer	Side Account	Net UAL	Side Account	Net UAL	Side Account	Net UAL	Side Account	Net UAL	Side Account	Net UAL
Hermiston School District No. 8R	$ 20,645,300	$ 41,408,500	$ 18,052,019	$ 55,857,375	$ 17,466,111	$ 47,734,919	$ 15,478,339	$ 58,294,440	$ 12,579,885	$ 61,510,245
Multnomah Education Service District	30,434,470	21,741,252	26,367,665	38,831,643	24,999,356	36,610,452	21,334,206	54,483,987	16,132,940	60,011,402
Parkrose School District No. 3	-	43,411,322	20,015,362	29,359,443	21,315,806	20,608,289	21,217,504	26,327,261	20,744,801	27,004,489
South Lane School District No. 45J3	25,424,439	13,385,575	22,589,409	25,227,612	22,305,629	14,694,672	20,253,875	22,814,823	16,708,941	26,545,027

Source: PERS and Series 2022A Issuers' Supplemental Payment Requests from Milliman.

Series 2022A Issuers Contribution Rates. The Series 2022A Issuers' prior contribution rates for the 2019-21 biennium under the 2017 Series 2022A Issuers' Valuations, current contribution rates for the 2021-23 biennium under the 2019 Series 2022A Issuers' Valuations, and the projected contribution rates for the 2023-25 biennium under the 2020 Series 2022A Issuers' Valuations are provided in the following table.

Series 2022A Issuers
Pension Contribution Rates (Percent of Covered Payroll)

	2019-21 Biennium		2021-23 Biennium		2023-25 Biennium Advisory Rates(1)	
Series 2022A Issuer	Tier 1 and Tier 2 members	General service OPSRP members	Tier 1 and Tier 2 members	General service OPSRP members	Tier 1 and Tier 2 members	General service OPSRP members
Hermiston School District No. 8R	22.06%	16.61%	17.98%	14.87%	21.63%	18.36%
Multnomah Education Service District	14.56%	9.11%	13.43%	10.32%	18.78%	15.51%
Parkrose School District No. 3	23.92%	18.47%	18.05%	14.94%	21.44%	18.17%
South Lane School District No. 45J3	12.41%	6.96%	6.92%	3.81%	11.24%	7.97%

(1) Estimated rates as of the 2020 Series 2022A Issuers' Valuations which do not include the rate credit associated with the issuance of the Series 2022A Pension Bonds.

Source: 2017, 2019 and 2020 Series 2022A Issuers' Valuations.

Series 2022A Issuers Contributions. The Series 2022A Issuers' historical and projected annual contributions to PERS are provided in the following table.

Series 2022A Issuers
Pension Contributions(1)

Series 2022A Issuer	2017	2018	2019	2020	2021	2022(2)
Hermiston School District No. 8R	$ 5,627,067	$ 7,211,011	$ 7,524,195	$ 9,476,554	$9,177,607	$11,316,298
Multnomah Education Service District	4,635,817	5,633,416	5,989,934	7,873,121	8,418,192	9,659,386
Parkrose School District No. 3	4,347,254	5,372,831	4,894,914	6,115,938	6,679,321	6,153,712
South Lane School District No. 45J3	4,383,377	3,267,412	3,384,838	3,884,764	4,068,879	3,642,741

(1) Includes Series 2022A Issuers' Statutorily Required Contribution to PERS, net of the side account rate credit draw, the employee contribution paid by the Series 2022A Issuer, and debt service on Outstanding Pension Bonds.
(2) Budgeted.

Source: Series 2022A Issuers Audited Financial Statements.

2019 Legislation. In 2019, the Legislature adopted Senate Bill 1049 ("SB 1049"), which made certain modifications to the amortization of the UAL and benefits provided to employees retiring after December 31, 2019. Such modifications included: re-amortizing the UAL associated with Tier 1 and Tier 2 benefits that is measured as of December 31, 2019 and extending that amortization to 22 years; redirecting a portion of the 6 percent contributions currently made to the IAP to an "Employee Pension Stability Account" ("EPSA") within the PERS fund when an employee's salary exceeds $2,500 per month (indexed annually); removing all current hourly limitations on retirees who work for a PERS employer after retirement, while mandating that such employer shall continue to make pension contributions at the previous employer rate to the PERS Fund; and capping the annual salary used in the calculation of certain retirement packages for all tiers to $195,000 (indexed annually). In June 2021, the Legislature passed House Bill 2906 ("HB 2906"), which raised the threshold level for the IAP redirect provision to $3,333 per month, indexed annually. This change is effective January 1, 2022 and is reflected in the valuations dated as of December 31, 2020.

GASB 67 and GASB 68. GASB Statements No. 67 and No. 68 modify the accounting and financial reporting of pensions by state and local governments and pension plans. Statement No. 67 ("GASB 67"), Financial Reporting for Pension Plans, addresses financial reporting for state and local government pension plans. Statement No. 68 ("GASB 68"), Accounting and Financial Reporting for Pensions, establishes accounting and financial reporting requirements for governments that provide their employees with pensions. The PERS System is subject to GASB

67; each participating employer, including the Series 2022A Issuers is subject to GASB 68 PERS contracted with Milliman to provide information for local governments to use in their financial statements.

The Series 2022A Issuers' proportionate share of the System's net pension liability follows.

Series 2022A Issuers
Net Pension Liability

	Fiscal Years				
Series 2022A Issuer	**2017(1)**	**2018(2)**	**2019(3)**	**2020(4)**	**2021(5)**
Hermiston School District No. 8R	$ 35,017,593	$ 32,755,430	$ 38,819,784	$ 43,454,544	$ 56,168,014
Multnomah Education Service District	19,559,260	19,209,501	25,773,904	27,491,959	42,335,258
Parkrose School District No. 3	41,925,383	32,625,181	34,357,758	26,505,366	31,855,760
South Lane School District No. 45J3	15,908,640	16,458,618	19,446,172	18,446,299	28,556,518

(1) Measurement date of June 30, 2016.
(2) Measurement date of June 30, 2017.
(3) Measurement date of June 30, 2018.
(4) Measurement date of June 30, 2019.
(5) Measurement date of June 30, 2020.

Source: PERS – GASB 68 Exhibits prepared by Milliman.

Other Postemployment Benefits

Retirement Health Insurance Account. PERS retirees who receive benefits through the Tier 1 and Tier 2 plans and are enrolled in certain PERS administered health insurance programs, may receive a subsidy towards the payment of health insurance premiums. Under ORS 238.420, retirees may receive a subsidy for Medicare supplemental health insurance of up to $60 per month towards the cost of their health insurance premium under the RHIA plan. The RHIA program's assets and liabilities are pooled on a system-wide basis and are not tracked or calculated on an employer basis. According to the 2020 System Valuation, this program had a surplus of approximately $276.6 million as of December 31, 2020. The Series 2022A Issuers' allocated share of the RHIA program's assets and liabilities is based on the Series 2022A Issuers' proportionate share of the program's pooled payroll.

Medical Benefits - Implicit Subsidy. Under ORS 243.303 the Series 2022A Issuers are required to offer the same healthcare benefits for current Series 2022A Issuers' employees to all retirees and their dependents until such time as the retirees are eligible for Medicare. This continued medical coverage is offered to the Series 2022A Issuer's eligible retirees and their spouses and dependents. The active premium rate (whether paid by the Series 2022A Issuer or by the retiree) still applies. However, in some cases the premium itself does not represent the full cost of covering these retirees (since they are older than the active population, retirees can be expected to generate higher medical claims and therefore higher premiums for the active population). This additional cost is called the "implicit subsidy," and is required to be valued under GASB Statement No. 75. This single-employer defined-benefit plan is not a stand-alone plan and therefore does not issue its own financial statements.

The Series 2022A Issuers' projections of total OPEB Liability under GASB 75 as of Fiscal Year 2021 are as follows:

Series 2022A Issuers
Projection of Total OPEB Liability – Implicit Rate Subsidy

	Hermiston School District No. 8R	Multnomah Education Service District	Parkrose School District No. 3	South Lane School District No. 45J3
Beginning Balance	$ 5,158,822	$ 2,188,390	$ 2,467,660	$ 888,095
Service cost	$ 250,930	$ 227,484	$ 152,066	$ 93,779
Interest	180,223	53,850	57,835	32,732
Differences between expected and actual experience	-	(389,515)	(364,241)	-
Changes of Assumptions or other input	358,530	(210,195)	(209,287)	55,080
Benefit payments	(525,551)	(45,040)	(98,525)	(94,147)
Net Change in total OPEB liability	264,132	(363,416)	(462,152)	87,444
Total OPEB Liability - End of Year	$ 5,422,954	$ 1,824,974	$ 2,005,508	$ 975,539

Source: Series 2022A Issuers Audited Financial Statements.

Stipend Benefits – Parkrose School District No. 3 provides a single employer defined benefit pension plan. To qualify, an employee must be an administrative or certificated employee, be 55 years old at retirement date, retire under PERS, and have 15 years of service if retiring as a licensed employee, 3 years if retiring as an administrator with the District. Currently, 19 retirees meet the eligibility requirements. The amount of the health insurance obligation on behalf of retirees was $50,133 in Fiscal Year 2021. The total retirement stipend obligation for Fiscal Year 2021 was $46,948. Future obligations will be funded through annual appropriations. The required contribution for its Stipend Plan as valued under GASB Statement No. 73 For Fiscal Year 2021 follows:

Stipend Benefit - Projection of Total Liability

	Parkrose School District No. 3
Beginning Balance	$ 959,393
Service cost	$ 57,024
Interest	22,578
Difference between expected and actual experience	(6,642)
Changes in assumptions or other inputs	3,620
Benefit payments	(25,873)
Net Change in total OPEB liability	50,707
Total OPEB Liability - End of Year	$ 1,010,100

Source: Parkrose School District No. 3, Fiscal Year 2021 Audited Financial Statement.

See Series 2022A Issuers' audited financial statements for Fiscal Year 2021 for more information on each's liability under GASB 75 and GASB 73.

Risk Management

The Series 2022A Issuers is exposed to various risks of loss. A description of the risks is provided in the Series 2022A Issuers' audited financial statements available through the Municipal Securities Rulemaking Board at http://emma.msrb.org, by contacting the Series 2022A Issuers, or online at the Oregon Secretary of State's website: https://secure.sos.state.or.us/muni/public.do.on. See also "Certain Investment Considerations" herein.

Certain Investment Considerations

In addition to factors set forth elsewhere in this Official Statement, this section describes certain factors and considerations that purchasers of the Series 2022A Obligations should carefully consider in connection with an investment in the Series 2022A Obligations. The following is not meant to present an exhaustive list of the risks and considerations associated with the purchase of any Series 2022A Obligations (and other considerations that may be relevant to particular investors) and the order in which the information is presented does not necessarily reflect the relative importance of the various factors. Prospective investors are advised to consider the following factors, along with all other information contained or incorporated by reference in this Official Statement, in evaluating whether to purchase the Series 2022A Obligations. 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 Series 2022A Obligations. There can be no assurance that other risk factors not discussed herein will not become material in the future.

General

Economic Considerations. Global and national economic conditions may have had, and may in the future have, significant effects on the finances and operations of the Series 2022A Issuers and its property taxes. No assurance can be given that future changes in economic conditions will not have an effect on the Series 2022A Issuers and its finances and operations, nor can there be any assurances the changes in economic conditions will not have an impact on the taxpayers of the Series 2022A Issuers. Federal and State statutory and regulatory changes, administrative rulings, interpretations of policy, funding restrictions, whether taken as part of federal or State budgetary actions or otherwise, may reduce funds made available to the Series 2022A Issuers to support certain programs and operations. At the same time, the federal or State government may maintain or increase the responsibilities of the Series 2022A Issuers in certain areas, notwithstanding reductions in federal or State funding for such activities. It is difficult for the Series 2022A Issuers to predict the occurrence of such economic or federal or State government changes or the potential effect on the finances and operations of the Series 2022A Issuers and its property taxes until the extent and duration of such changes are known.

Public Health Considerations. The financial and operating condition of the Series 2022A Issuers may be materially affected by a national or localized outbreak of an infectious disease, such as the outbreak of COVID-19, a respiratory illness caused by a novel strain of coronavirus, or other highly contagious or epidemic disease (an "Outbreak"). There can be no assurances that an Outbreak, including the current spread of COVID-19 in the State, nationally and globally, will not materially affect the Series 2022A Issuers, state and national economies and accordingly, materially adversely affect the operations and financial condition of the Series 2022A Issuers. The Series 2022A Issuers cannot predict the effects of such events. Further, there may be other developments related to the COVID-19 pandemic. The Series 2022A Issuers do not expect to supplement this Official Statement based on those changes.

Current information on State requirements and case levels related to COVID 19 can be found on the Oregon Health Authority's COVID-19 Updates webpage: https://govstatus.egov.com/OR-OHA-COVID-19.

Cybersecurity

The Series 2022A Issuers, like other public and private entities, rely on large and complex technology environments to conduct their operations, and consequently face the threat of cybersecurity incidents. The Series 2022A Issuers routinely face cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Series 2022A Issuers' information technology systems to misappropriate assets and/or information or to cause operational disruption and damage. The Series 2022A Issuers have not had a material Cybersecurity incident in the past five years.

To reduce and mitigate the risk of business operations impact and/or damage from cybersecurity incidents, the Series 2022A Issuers have invested in multiple forms of cybersecurity and operational safeguards. No assurances can be given that the security and operational control measures of the Series 2022A Issuers will be successful in guarding against any and each cyber threat and attack.

The results of any attack on the computer and information technology systems could have a material adverse impact on the operations of the Series 2022A Issuers and damage the digital networks and systems. The Series 2022A Issuers cannot predict the outcome of any such attack, nor its effect on the operations and finances of the Series 2022A Issuers.

Environmental Considerations

The Series 2022A Issuers, like all communities in the State, may be subject to unpredictable natural or man-made disasters, such as seismic events, seasonal storms, excessive/high winds, flood, fire, toxic dumping or acts of terrorism, any of which could adversely affect the Series 2022A Issuers and the collection and receipt of revenues. In the event of such calamities, there may be significant damage to both property and infrastructure, including the school facilities. The occurrence of a severe natural disaster could have negative effects on the economic, financial and operational status of both the Series 2022A Issuers and residents of the districts, which could have an adverse impact on the Series 2022A Issuers' ability to make the Pension Bond Payments.

Seismic and Tsunami Risks. The Series 2022A Issuers are located in an area of seismic activity, with frequent small earthquakes and occasional moderate to larger earthquakes on the coast. The scientific consensus is that the Pacific Northwest region is subject to periodic great earthquakes along the Cascadia Subduction Zone, a large fault that runs offshore from Northern California to British Columbia. Historically, the Pacific Northwest has experienced 8.7 to 9.1 magnitude earthquakes every 300 to 400 years, and such seismic event has not occurred since at least 1700. Such an earthquake would cause widespread damage to structures and infrastructure in affected portions of the State, and potentially catastrophic damage in coastal areas inundated by a possible accompanying tsunami. The Series 2022A Issuers cannot predict how such seismic activity could impact its revenue sources. This kind of regional disaster could result in a significant, and perhaps permanent, loss of population and business as well as significant damage to both property and infrastructure.

Wildfire Risks. In recent years, portions of the State, including some of the Series 2022A Issuers and neighboring communities, have experienced wildfires that have burned millions of acres and destroyed thousands of homes and structures. Property damage due to future wildfires could result in a significant decrease in the assessed value of property of the Series 2022A Issuers. It is not possible for the Series 2022A Issuers to make any representation or prediction regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the Series 2022A Issuers or the extent to which wildfires may affect the value of taxable property within the Series 2022A Issuers.

Drought. The State has experienced drought conditions in recent years, and it may experience extended drought conditions in the future. Extended drought conditions may affect development of undeveloped properties and the value of properties within the boundaries of the Series 2022A Issuers, which may negatively affect the financial condition and operations of the Series 2022A Issuers.

No Acceleration; Limitation of Remedies

The Series 2022A Obligations are not subject to acceleration. The rights of holders are limited by the terms of the Resolution and the Series 2022A Trust Agreement. See "Description of the Series 2022A Obligations – Events of Default" and "Remedies" herein.

Change in Law

State legislation is introduced before the Oregon Legislative Assembly and as described below, initiatives and referenda are placed on the ballot from time to time that could affect the finances or operations of the Series 2022A Issuers. The Series 2022A Issuers cannot predict whether any such legislation, initiative or referenda will be introduced, enacted or approved in the future, nor can they predict the potential implications on the finances or operations of the Series 2022A Issuers.

The Initiative and Referendum Process

Article IV, Section 1 of the Oregon Constitution reserves to the people of the State the initiative power to amend the State Constitution or to enact legislation by placing measures on the statewide general election ballot for consideration by the voters. Oregon law therefore permits any registered Oregon voter to file a proposed initiative with the Oregon Secretary of State's office without payment of fees or other burdensome requirements. Consequently, a large number of initiative measures are submitted to the Oregon Secretary of State's office, and a much smaller number of petitions obtain sufficient signatures to be placed on the ballot.

Because many proposed local and statewide initiative measures are submitted to the counties and the Oregon Secretary of State's office that do not qualify for the ballot, the Series 2022A Issuers do not formally or systematically monitor the impact of those measures or estimate their financial effect prior to the time the measures qualify for the ballot.

Pursuant to ORS 250.125, a five-member Committee composed of the Secretary of State, the State Treasurer, the Director of the Department of Revenue, the Director of the Department of Administrative Services, and a local government representative must prepare an estimate of the direct financial impact of each measure ("Financial Estimate Statements") to be printed in the voters' pamphlet and on the ballot.

Referendum

"Referendum" generally means measures that have been passed by a legislative body, such as the Legislative Assembly or the governing body of a district, county or other political subdivision and referred to the electors by the legislative body, or by petition prior to the measure's effective date.

In Oregon, both houses of the Legislative Assembly must vote to refer a statute or constitutional amendment for a popular vote. Such referrals cannot be vetoed by the governor. Any change to the Oregon Constitution passed by the Legislative Assembly requires referral to voters. In the case of a referendum by petition, proponents of the referendum must obtain a specified number of signatures from qualified voters. The required number of signatures is equal to four percent of the votes cast for all candidates for governor at the preceding gubernatorial election.

Initiative Process

To place a proposed statewide initiative on a general election ballot, the proponents must submit to the Secretary of State initiative petitions signed by the number of qualified voters equal to a specified percentage of the total number of votes cast for all candidates for governor at the gubernatorial election at which a governor was elected for a term of four years next preceding the filing of the petition with the Secretary of State. Any elector may sign an initiative petition for any measure on which the elector is entitled to vote. Statewide initiatives may only be filed for general elections in even-numbered years.

A statewide initiative petition must be submitted to the Secretary of State not less than four months prior to the general election at which the proposed measure is to be voted upon. As a practical matter, proponents of an initiative have approximately two years in which to gather the necessary number of signatures. State law permits persons circulating initiative petitions to pay money to persons obtaining signatures for the petition. Once an initiative measure has gathered a sufficient number of signatures and qualified for placement on the ballot, the State is required to prepare a formal estimate of the measure's financial impact. Typically, this estimate is limited to an evaluation of the direct dollar impact.

Historical Initiative Petitions. Historically, a larger number of initiative measures have qualified for the ballot than have been approved by the electors. According to the Elections Division of the Secretary of State, the total number of initiative petitions that qualified for the ballot and the numbers that passed in recent general elections are as follows:

Recent Initiative Petitions

Number of Year of General Election	Number of Initiatives that Qualified	Initiatives that were Approved
2008	8	0
2010	4	2
2012	7	2
2014	4	2
2016	4	3
2018	4	0
2020	2	2

Source: Elections Division, Oregon Secretary of State, Initiative, Referendum and Referral Log, Elections Division.

Measure 110 (M110), Drug Decriminalization and Addiction Treatment Initiative (2020), was approved by the voters at the November 2020 general election. The measure creates the Drug Treatment and Recovery Services Fund (DTRSF), and redistributes state marijuana tax revenue above $11.25 million per quarter from existing recipients to the DTRSF, reducing revenue previously allocated to the State School Fund (SSF), the State Police, mental health programs and local governments. According to the Oregon Secretary of State, the estimated reduction in SSF allocation due to the measure is approximately $17.1 million over the course of the 2019-2021 biennium, and $73 million during the 2021-2023 biennium. However, the Legislature may choose to backfill these reductions with other general fund resources at a later date. Regardless, the District does not anticipate a material impact to its finances as a result of the measure.

Legal Matters and Litigation

Legal Matters

Legal matters incident to the authorization, issuance and sale of Series 2022A Obligations are subject to the approving legal opinion of Special Counsel, substantially in the form attached hereto as Appendix A. Special Counsel has reviewed this document only to confirm that the portions of it describing the Series 2022A Obligations and the authority to issue them conform to the Series 2022A Obligations and the applicable laws under which they are issued.

Certain legal matters will be passed on for the Underwriter by Orrick, Herrington & Sutcliffe LLP, Portland, Oregon, Counsel to the Underwriter. Any opinion of such firm will be addressed solely to the Underwriter, will be limited in scope, and cannot be relied upon by investors.

Litigation

There is no litigation pending questioning the validity of the Series 2022A Obligations nor the power and authority of the Series 2022A Issuers to issue the Series 2022A Pension Bonds. There is no litigation pending which would materially affect the finances of the Series 2022A Issuers or affect the Series 2022A Issuers' ability to meet debt service requirements on the Series 2022A Pension Bonds.

Under the Oregon law local public bodies, such as the Series 2022A Issuers, are subject to the following limits on liability. The State of Oregon is subject to different limits.

Personal Injury and Death Claim. The liability of a local public body and its officers, employees and agents acting within the scope of their employment or duties, to any single claimant for covered personal injury or death claims (and not property claims) arising out of a single accident or occurrence may not exceed $782,600, for causes of action arising on or after July 1, 2021, and before July 1, 2022. The liability limits to all claimants for covered personal injury or death claims (and not property claims) arising from a single accident or occurrence may not exceed $1,565,100 for causes of action arising on or after July 1, 2021, and before July 1, 2022.

Property Damage or Destruction Claim. The liability limits of a public body and its officers, employees and agents acting within the scope of their employment or duties, for covered claims for damage and destruction of property that arise from causes of action arising on or after July 1, 2021: (a) $128,400, adjusted as described below, to any single claimant, and (b) $641,800, adjusted as described below, to all claimants.

For causes of action arising on or after July 1, 2022, the liability limits for both a single claimant and all claimants will be adjusted based on a determination by a State Court Administrator of the percentage increase or decrease in the cost of living for the previous calendar year as provided in the statutory formula. The adjustment may not exceed three percent for any year.

Tax Matters (Federally Taxable)

Opinion of Special Counsel

In the opinion of Hawkins Delafield & Wood LLP, Special Counsel to the Series 2022A Issuers ("Special Counsel"), the interest component of the Pension Bond Payments evidenced and represented by the Series 2022A Obligations ("Interest") (i) is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the "Code") and (ii) is exempt, under existing statutes, from personal income taxes imposed by the State of Oregon.

The following discussion is a brief summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of Series 2022A Obligations by original purchasers of the Series 2022A Obligations who are "U.S. Holders", as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Series 2022A Obligations will be held as "capital assets"; and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Series 2022A Obligations as a position in a "hedge" or "straddle", U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, U.S. Holders who acquire Series 2022A Obligations in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Certain taxpayers that are required to prepare certified financial statements and file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Series 2022A Obligations at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below.

U.S. Holders of Series 2022A Obligations should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Series 2022A Obligations as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Original Issue Discount

In general, if Original Issue Discount ("OID") is greater than a statutorily defined *de minimis* amount, a U.S. Holder of a Series 2022A Obligation having a maturity of more than one year from its date of issue must include in federal gross income (for each day of the taxable year, or portion of the taxable year, in which such U.S. Holder holds such Series 2022A Obligation) the daily portion of OID, as it accrues (generally on a constant-yield method) and regardless of the U.S. Holder's method of accounting. "OID" is the excess of (i) the "stated redemption price at maturity" over (ii) the "issue price". For purposes of the foregoing: "issue price" means the first price at which a substantial amount of the Series 2022A Obligation is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers); "stated redemption price at maturity" means the sum of all payments, other than "qualified stated interest", provided by such Series 2022A Obligation; "qualified stated interest" is stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate; and "*de minimis* amount" is an amount equal to 0.25 percent of the Series 2022A Obligation's stated redemption price at maturity multiplied by the number of complete years to its maturity. A U.S. Holder may irrevocably elect to include in gross income all interest that accrues on a Series 2022A Obligation using the constant-yield method, subject to certain modifications.

Acquisition Discount on Short-Term Series 2022A Obligations

Each U.S. Holder of a Series 2022A Obligation with a maturity not longer than one year (a "Short-Term Bond") is subject to rules of Sections 1281 through 1283 of the Code, if such U.S. Holder is an accrual method taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-through entities, or if the Short-Term Bond is held primarily for sale to customers, is identified under Section 1256(e)(2) of the Code as part of a hedging transaction, or is a stripped bond or coupon held by the person responsible for the underlying stripping transaction. In any such instance, interest on, and "acquisition discount" with respect to, the Short-Term Bond accrue on a ratable (straight-line) basis, subject to an election to accrue such interest and acquisition discount on a constant-interest-rate basis using daily compounding. "Acquisition discount" means the excess of the stated redemption price of a Short-Term Bond at maturity over the U.S. Holder's tax basis therefor.

A U.S. Holder of a Short-Term Bond not described in the preceding paragraph, including a cash-method taxpayer, must report interest income in accordance with the U.S. Holder's regular method of tax accounting, unless such U.S. Holder irrevocably elects to accrue acquisition discount currently.

Series 2022A Obligations Premium

In general, if a Series 2022A Obligation is originally issued for an issue price (excluding accrued interest) that reflects a premium over the sum of all amounts payable on the Series 2022A Obligation other than "qualified stated interest" (a "Taxable Premium Bond"), that Taxable Premium Bond will be subject to Section 171 of the Code, relating to bond premium. In general, if the U.S. Holder of a Taxable Premium Bond elects to amortize the premium as "amortizable bond premium" over the remaining term of the Taxable Premium Bond, determined based on constant-yield principles (in certain cases involving a Taxable Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to the U.S. Holder's basis in the Taxable Premium Bond. Any such election is generally irrevocable and applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired. Under certain circumstances, the U.S. Holder of a Taxable Premium Bond may realize a taxable gain upon disposition of the Taxable Premium Bond even though it is sold or redeemed for an amount less than or equal to the U.S. Holder's original acquisition cost.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Series 2022A Obligation, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder's adjusted tax basis in the Series 2022A Obligation.

The Series 2022A Issuers may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Series 2022A Obligations to be deemed to be no longer outstanding (a "defeasance"). For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Series 2022A Obligations subsequent to any such defeasance could also be affected.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate U.S. Holders of the Series 2022A Obligations with respect to payments of principal, payments of interest, and the accrual of OID on a Series 2022A Obligation and the proceeds of the sale of a Series 2022A Obligation before maturity within the United States. Backup withholding may apply to U.S. Holders of Series 2022A Obligations under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of a Series 2022A Obligation that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Series 2022A Obligations under state law and could affect the market price or marketability of the Series 2022A Obligations.

Prospective purchasers of the Series 2022A Obligations should consult their own tax advisors regarding the foregoing matters.

Continuing Disclosure

The Securities and Exchange Commission Rule 15c2-12 (the "Rule") requires at least annual disclosure of current financial information and timely disclosure of certain events with respect to the Series 2022A Obligations. Pursuant to the Rule, each of the Series 2022A Issuers have agreed to deliver at closing an undertaking in substantially the form of the Continuing Disclosure Certificate attached hereto as Appendix C (the "Undertaking") to provide on an annual basis audited financial information and certain financial information or operating data, and timely notice of certain material events as specified under the Rule (collectively, "Continuing Disclosure Filings") to the MSRB through its EMMA system (so long as such method of disclosure continues to be approved by the Securities and Exchange Commission for such purposes). Each Series 2022A Issuer is obligated only to make Continuing Disclosure Filings with respect to its obligation to make Pension Bond Payments. The failure of one Series 2022A Issuer to make timely Continuing Disclosure Filings as required by its Undertaking shall not constitute the failure of any other Series 2022A Issuer pursuant to its Undertaking.

Each of the Series 2022A Issuer has delivered continuing disclosure undertakings with respect to outstanding indebtedness that is subject to the Rule ("Existing Undertakings"). Such Existing Undertakings have different annual filing obligations. Each Series 2022A Issuer's compliance and failures to file over the last five years in relation to existing debt subject to the Rule is noted below.

Hermiston School District No. 8R has entered into prior continuing disclosure undertakings for one or more issues. Their annual audit and financial filing history is detailed below. Hermiston School District No. 8R has taken corrective action in regards to any late or missing filings.

Fiscal Year	Audit and Financial/Operating Data Filing Deadline (1)	Audited Financial Statements Filed	Financial/Operating Data Filed (2)
2017	3/27/18 & 3/31/18	On-Time	Late (01/09/20)
2018	3/27/19 & 3/31/19	On-Time	Late (01/09/20)
2019	3/27/20 & 3/31/20	On-Time	On-Time
2020	3/27/21 & 3/31/21	On-Time	On-Time
2021	3/27/22 & 3/31/22	On-Time	On-Time

(1) Existing undertakings have different filing deadlines.
(2) Some financial/operating data was included in the audited financial statements but several missing items were filed late. The financial/operating data was filed on some issues earlier but not all; the date above is when Hermiston School District No. 8R was fully in compliance.

Multnomah Education Service District has entered into prior continuing disclosure undertakings for one or more issues. Their annual audit and financial filing history is detailed below. Multnomah Education Service District has taken corrective action in regards to any late or missing filings.

Fiscal Year	Audit and Financial/Operating Data Filing Deadline	Audited Financial Statements Filed	Financial/Operating Data Filed
2017	3/27/18	Late (03/17/22)	Late (03/17/22)
2018	3/27/19	Late (03/17/22)	Late (03/17/22)
2019	3/27/20	Late (03/17/22)	Late (03/17/22)
2020	3/27/21	Late (03/17/22)	Late (03/17/22)
2021	3/27/22	03/17/22	03/17/22

Parkrose School District No. 3 has entered into prior continuing disclosure undertakings for one or more issues. Their annual audit and financial filing history is detailed below. Parkrose School District No. 3 has taken corrective action in regards to any late or missing filings.

Fiscal Year	Audit and Financial/Operating Data Filing Deadline (1)	Audited Financial Statements Filed (2)	Financial/Operating Data Filed (2)
2017	3/27/18 & 3/31/18	On-Time	Late (10/15/18)
2018	3/27/19 & 3/31/19	Late (04/16/19)	On-Time(3)
2019	3/27/20 & 3/31/20	Late (03/28/22)	On-Time(3)
2020	3/27/21 & 3/31/21	On-Time	Late (03/28/22)
2021	3/27/22 & 3/31/22	On-Time	Late (03/28/22)

(1) Existing undertakings have different filing deadlines.
(2) Some financial/operating data was included in the audited financial statements but several missing items were filed late. The financial/operating data was filed on some issues earlier but not all; the date above is when Parkrose School District No. 3 was fully in compliance.
(3) In Fiscal Years 2018 and 2019, the district posted operating data to all outstanding debt on EMMA prior to the deadline. It however did not file the audited financial statements for those years prior to the deadline for one or more of its outstanding debt.

South Lane School District No. 45J3 has entered into prior continuing disclosure undertakings for one or more issues. Their annual audit and financial filing history is detailed below. South Lane School District No. 45J3 has taken corrective action in regards to any late or missing filings.

Fiscal Year	Audit and Financial/Operating Data Filing Deadline	Audited Financial Statements Filed	Financial/Operating Data Filed(1)
2017	3/27/18	On-Time	Late (03/22/22)
2018	3/27/19	On-Time	Late (03/22/22)
2019	3/27/20	On-Time	Late (03/22/22)
2020	3/27/21	Late (03/22/22)	Late (03/22/22)
2021	3/27/22	On-Time	On-Time

(1) Some financial/operating data was included in the audited financial statements but several missing items were filed late. The financial/operating data was filed on some issues earlier but not all; the date above is when South Lane School District No. 45J3 was fully in compliance.

Preliminary Official Statement

Each of the Series 2022A Issuers have executed a "deemed final" letter that deemed final the Preliminary Official Statement pursuant to Securities and Exchange Commission Rule 15c2-12 (except for the omission of the following information: offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, credit enhancement, if any, ratings, insurance, and other terms of the securities depending on such matters). The Series 2022A Issuers have each also represented to the Underwriter that the information in this Preliminary Official Statement, except for matters relating to DTC and its book-entry system, the Series 2022A Trustee, the information under the heading "Underwriting" and the statement regarding the Underwriter in the italicized paragraph on page ii, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. None of the Series 2022A Issuers make any representations about information provided by other Series 2022A Issuers.

Ratings

As noted on the cover page of this Official Statement, the Series 2022A Issuers have applied for a rating for the Series 2022A Obligations from S&P Global Ratings, a Division of Standard & Poor's Financial Services LLC. There is no assurance that once assigned, the ratings will be retained for any given period of time or that the ratings will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the ratings will be likely to have an adverse effect on the market price of the Series 2022A Obligations.

Underwriting

The Series 2022A Obligations are being purchased by the Underwriter. The purchase contract relating to the Series 2022A Obligations (the "Purchase Contract") provides that the Underwriter will purchase all of the Series 2022A Obligations, if they are purchased. The purchase price of the Series 2022A Obligations is $________ (the principal amount of the Series 2022A Obligations ($_______), [plus/less] a net original issue [premium/discount] of $______, and less an Underwriters' discount of $______).

The obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Contract, the approval of certain legal matters by counsel and certain other conditions. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2022A Obligations to the public. The Underwriters may offer and sell the Series 2022A Obligations to certain dealers (including dealers depositing the Series 2022A Obligations to investment trusts) and others at prices lower than the initial public offering prices indicated on the inside cover page hereof. The Underwriter may change the public offering prices from time to time without prior notice.

The Underwriter of the Series 2022A Obligations, has entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Series 2022A Obligations from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Series 2022A Obligations that CS&Co. sells.

Concluding Statement

The statements relating to the Resolutions, Intercept Agreement, the Series 2022A Trust Agreement, the Series 2022A Obligations and the Series 2022A Pension Bonds are in summarized form, and in all respects are subject to and qualified in their entirety by express reference to the provisions of such documents in their complete form.

The information assembled herein is not to be construed as a contract with Owners of the Series 2022A Obligations.

Appendix A

Form of Special Counsel Opinion

Appendix B

Book Entry Only System

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC--bracketed material may apply only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (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 issue of] the Securities, [each] 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 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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 effect 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 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 Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer 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 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 Issuer or Agent, 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, Agent, or Issuer, 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 Issuer or Agent, 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.** A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

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

11. Issuer 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.

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

Appendix C

Form of Continuing Disclosure Certificate

Appendix D

Original Intercept Agreement and Form of the Eleventh Supplemental Intercept Agreement

Appendix E

Form of the Series 2022A Trust Agreement

Appendix F

Debt Service Schedules for Each Series 2022A Issuer

Hermiston School District No. 8R, Umatilla County
Full Faith and Credit Pension Obligations

Projected Debt Service Requirements

Fiscal	Outstanding Pension Bonds		Series 2022A Pension Bonds		Total
Year	Principal	Interest	Principal	Interest	Debt Service
2022	$ 1,600,000	$ 396,752	$ 0	$ 0	$ 1,996,752
2023	1,805,000	705,867	1,165,000	2,858,210	6,534,077
2024	2,030,000	606,505	1,415,000	2,743,650	6,795,155
2025	2,270,000	494,015	1,620,000	2,679,975	7,063,990
2026	2,530,000	368,226	1,840,000	2,607,075	7,345,301
2027	2,810,000	228,028	2,070,000	2,524,275	7,632,303
2028	1,305,000	72,315	2,320,000	2,431,125	6,128,440
2029	-	-	1,945,000	2,326,725	4,271,725
2030	-	-	2,180,000	2,239,200	4,419,200
2031	-	-	2,430,000	2,141,100	4,571,100
2032	-	-	2,695,000	2,031,750	4,726,750
2033	-	-	2,975,000	1,910,475	4,885,475
2034	-	-	3,275,000	1,776,600	5,051,600
2035	-	-	3,595,000	1,629,225	5,224,225
2036	-	-	3,935,000	1,467,450	5,402,450
2037	-	-	4,295,000	1,290,375	5,585,375
2038	-	-	4,675,000	1,097,100	5,772,100
2039	-	-	5,085,000	886,725	5,971,725
2040	-	-	5,515,000	657,900	6,172,900
2041	-	-	5,975,000	409,725	6,384,725
2042	-	-	3,130,000	140,850	3,270,850
	$ 14,350,000	$ 2,871,708	$ 62,135,000	$ 35,849,510	$ 115,206,218

(1) Principal and interest are provided for illustrative purposes only; amounts and structure are preliminary, subject to change.

NOTE: Hermiston School District No. 8R's principal amount of its Series 2022 Pension Bonds represents 35.13 percent of the aggregate principal amount of the Series 2022A Obligations.

Multnomah Education Service District, Multnomah, Clackamas and Washington Counties
Full Faith and Credit Pension Obligations

Projected Debt Service Requirements

Fiscal	Outstanding Pension Bonds		Series 2022A Pension Bonds		Total
Year	Principal	Interest	Principal	Interest	Debt Service
2022	$ 2,375,000	$ 588,079	$ 0	$ 0	$ 2,963,079
2023	2,680,000	1,046,174	1,090,000	2,788,520	7,604,694
2024	3,015,000	898,024	1,335,000	2,678,850	7,926,874
2025	3,370,000	731,354	1,530,000	2,618,775	8,250,129
2026	3,755,000	545,061	1,740,000	2,549,925	8,589,986
2027	4,170,000	337,484	1,965,000	2,471,625	8,944,109
2028	1,935,000	106,967	2,205,000	2,383,200	6,630,167
2029	-	-	1,910,000	2,283,975	4,193,975
2030	-	-	2,140,000	2,198,025	4,338,025
2031	-	-	2,385,000	2,101,725	4,486,725
2032	-	-	2,645,000	1,994,400	4,639,400
2033	-	-	2,920,000	1,875,375	4,795,375
2034	-	-	3,215,000	1,743,975	4,958,975
2035	-	-	3,530,000	1,599,300	5,129,300
2036	-	-	3,860,000	1,440,450	5,300,450
2037	-	-	4,215,000	1,266,750	5,481,750
2038	-	-	4,590,000	1,077,075	5,667,075
2039	-	-	4,990,000	870,525	5,860,525
2040	-	-	5,415,000	645,975	6,060,975
2041	-	-	5,865,000	402,300	6,267,300
2042	-	-	3,075,000	138,375	3,213,375
	$ 21,300,000	$ 4,253,143	$ 60,620,000	$ 35,129,120	$ 121,302,263

(1) Principal and interest are provided for illustrative purposes only; amounts and structure are preliminary, subject to change.

NOTE: Multnomah Education Service District's principal amount of its Series 2022 Pension Bonds represents 34.28 percent of the aggregate principal amount of the Series 2022A Obligations.

Parkrose School District No. 3, Multnomah County
Full Faith and Credit Pension Obligations

Projected Debt Service Requirements

Fiscal	Outstanding Pension Bonds		Series 2022A Pension Bonds		Total
Year	Principal	Interest	Principal	Interest	Debt Service
2022	$ 780,000	$ 407,035	$ 0	$ 0	$ 1,187,035
2023	860,000	787,706	460,000	1,254,880	3,362,586
2024	910,000	757,864	565,000	1,206,900	3,439,764
2025	940,000	724,922	655,000	1,181,475	3,501,397
2026	975,000	689,954	745,000	1,152,000	3,561,954
2027	1,015,000	652,319	845,000	1,118,475	3,630,794
2028	1,055,000	612,125	780,000	1,080,450	3,527,575
2029	1,100,000	569,820	875,000	1,045,350	3,590,170
2030	1,145,000	524,500	980,000	1,005,975	3,655,475
2031	1,190,000	476,181	1,090,000	961,875	3,718,056
2032	1,245,000	424,654	1,210,000	912,825	3,792,479
2033	1,300,000	369,500	1,335,000	858,375	3,862,875
2034	1,355,000	311,520	1,470,000	798,300	3,934,820
2035	1,420,000	247,564	1,615,000	732,150	4,014,714
2036	1,485,000	180,540	1,765,000	659,475	4,090,015
2037	1,555,000	110,448	1,930,000	580,050	4,175,498
2038	785,000	37,052	2,100,000	493,200	3,415,252
2039	-	-	2,285,000	398,700	2,683,700
2040	-	-	2,480,000	295,875	2,775,875
2041	-	-	2,685,000	184,275	2,869,275
2042	-	-	1,410,000	63,450	1,473,450
	$ 19,115,000	$ 7,883,702	$ 27,280,000	$ 15,984,055	$ 70,262,757

(1) Principal and interest are provided for illustrative purposes only; amounts and structure are preliminary, subject to change.

NOTE: Parkrose School District No. 3's principal amount of its Series 2022 Pension Bonds represents 15.43 percent of the aggregate principal amount of the Series 2022A Obligations.

South Lane School District No. 45J3, Lane and Douglas Counties
Full Faith and Credit Pension Obligations

Projected Debt Service Requirements

Fiscal	Outstanding Pension Bonds		Series 2022A Pension Bonds		Total
Year	Principal	Interest	Principal	Interest	Debt Service
2022	$ 591,275	$ 1,674,355	$ 0	$ 0	$ 2,265,630
2023	592,209	2,139,051	400,000	1,233,490	4,364,750
2024	2,190,000	671,260	505,000	1,188,675	4,554,935
2025	2,450,000	548,404	585,000	1,165,950	4,749,354
2026	2,730,000	409,244	670,000	1,139,625	4,948,869
2027	3,035,000	254,180	760,000	1,109,475	5,158,655
2028	1,440,000	81,792	860,000	1,075,275	3,457,067
2029	-	-	870,000	1,036,575	1,906,575
2030	-	-	970,000	997,425	1,967,425
2031	-	-	1,080,000	953,775	2,033,775
2032	-	-	1,200,000	905,175	2,105,175
2033	-	-	1,325,000	851,175	2,176,175
2034	-	-	1,460,000	791,550	2,251,550
2035	-	-	1,600,000	725,850	2,325,850
2036	-	-	1,750,000	653,850	2,403,850
2037	-	-	1,915,000	575,100	2,490,100
2038	-	-	2,085,000	488,925	2,573,925
2039	-	-	2,265,000	395,100	2,660,100
2040	-	-	2,460,000	293,175	2,753,175
2041	-	-	2,660,000	182,475	2,842,475
2042	-	-	1,395,000	62,775	1,457,775
	$ 13,028,484	$ 5,778,286	$ 26,815,000	$ 15,825,415	$ 61,447,185

(1) Principal and interest are provided for illustrative purposes only; amounts and structure are preliminary, subject to change.

NOTE: South Lane School District No. 45J3's principal amount of its Series 2022 Pension Bonds represents 15.16 percent of the aggregate principal amount of the Series 2022A Obligations.