

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 16, 2025

NEW ISSUE - FULL BOOK-ENTRY

RATING: S&P: "AA+"
See "RATING" herein.

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

\$60,000,000*
ENCINITAS UNION SCHOOL DISTRICT
(San Diego County, California)
General Obligation Bonds,
Election of 2024, Series A

Dated: Date of Delivery

Due: August 1, as shown on inside front cover

Authority and Purpose. The above-captioned General Obligation Bonds, Election of 2024, Series A (the "Bonds") are being issued by the Encinitas Union School District (the "District") pursuant to certain provisions of the California Government Code and a resolution of the Board of Trustees of the District adopted on April 8, 2025. The Bonds were authorized at an election of the registered voters of the District held on November 5, 2024, which authorized the issuance of \$158,300,000 principal amount of general obligation bonds for the purpose of financing the renovation, construction and improvement of school facilities. The Bonds are the first series of bonds to be issued under the 2024 Authorization (as defined herein). See "THE BONDS – Authority for Issuance" and "Purpose of Issue" herein.

Security. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by San Diego County (the "County"). The County is empowered and obligated to annually levy *ad valorem* property taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates). The District has other series of general obligation bonds outstanding. See "SECURITY FOR THE BONDS."

Book-Entry Only. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS" and APPENDIX F.

Payments. The Bonds are dated the date of delivery set forth below and accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing August 1, 2025. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, the designated paying agent, registrar and transfer agent, to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS - Description of the Bonds."

Redemption.* The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption."

MATURITY SCHEDULE

(See inside cover)

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

*The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the District. Norton Rose Fulbright US LLP, Los Angeles, California is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC, on or about May 7, 2025.**

RAYMOND JAMES®

The date of this Official Statement is _____, 2025.

*Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

MATURITY SCHEDULE*

ENCINITAS UNION SCHOOL DISTRICT
(San Diego County, California)
**General Obligation Bonds,
Election of 2024, Series A**

Base CUSIP†: _____

\$_____ Serial Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
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\$_____ % Term Bonds maturing August 1, 20__; Yield: ____%; Price: ____;
CUSIP†: ____

*Preliminary; subject to change.

†CUSIP Global Services, and a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by FactSet Research Systems Inc. Neither the District nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.

ENCINITAS UNION SCHOOL DISTRICT
(San Diego County, California)

BOARD OF TRUSTEES

Marlon Taylor, *President*
Tom Morton, *Vice President*
Monica Lee, *Clerk*
Emily Andrade, *Member*
Marla Strich, *Member*

DISTRICT ADMINISTRATION

Andree Grey, *Superintendent*
Joseph Dougherty, *Assistant Superintendent Business Services*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

Isom Advisors, a Division of Urban Futures, Inc.
Walnut Creek, California

BOND AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT

U.S. Bank Trust Company, National Association
San Francisco, California

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Information in Official Statement. The information set forth in this Official Statement has been furnished by the District and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced herein, the words or phrases “will likely result,” “are expected to”, “will continue”, “is anticipated”, “estimate”, “project,” “forecast”, “expect”, “intend” and similar expressions identify “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the District or any other entity described or referenced herein since the date hereof.

Involvement of Underwriter. The Underwriter has provided the following statement for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement pursuant to 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.

Stabilization of and Changes to Offering Prices. The Underwriter may overallocate or take other steps that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

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

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

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

Website. The District maintains a website. However, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

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\$60,000,000*
ENCINITAS UNION SCHOOL DISTRICT
(San Diego County, California)
General Obligation Bonds,
Election of 2024, Series A

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the general obligation bonds captioned above (the “**Bonds**”) by Encinitas Union School District (the “**District**”).

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of Bonds to potential investors is made only by means of the entire Official Statement.

The District. The District was formed in 1944 and encompasses 24.6 square miles. It is located in the north coastal portion of San Diego County (the “**County**”), in the State of California (the “**State**”) and serves the City of Encinitas and the La Costa area of Carlsbad. The District serves students in grades kindergarten through six, with nine elementary school facilities. Total enrollment for fiscal year 2024-25 is approximately 4,298 students. The District’s total assessed value in fiscal year 2024-25 is \$26,667,130,975. For purposes of education funding, the District is a “**Basic Aid District**” or “**Community Funded District**,” meaning that the District’s share of local property taxes exceeds its funding entitlement under the State’s education funding formula.

For more information regarding the District and its finances, see APPENDIX A and APPENDIX B attached hereto. See APPENDIX C hereto for demographic and other statistical information regarding the City of Encinitas and the County.

Purpose of Issue. The net proceeds of the Bonds will be used to finance construction of and improvements to facilities of the District, as approved by voters in the District at an election held on November 5, 2024 (the “**Bond Election**”). See “THE BONDS - Purpose of Issue” herein.

Authority for Issuance of the Bonds. Issuance of the Bonds was approved by more than the requisite 55% of the voters of the District voting at the Bond Election to authorize \$158,300,000 of general obligation bonds, and will be issued pursuant to certain provisions of the California Government Code and a resolution adopted by the Board of Trustees of the District on April 8, 2025 (the “**Bond Resolution**”). See “THE BONDS – Authority for Issuance” herein.

Description of the Bonds. The Bonds will be issued as current interest bonds, will be dated their date of delivery (the “**Dated Date**”) and will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. The Bonds will mature on August 1 in the years indicated on the inside cover page hereof. The Bonds will accrue interest from the Dated Date, which is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2025. See “THE BONDS – Description of the Bonds” herein.

^{*} Preliminary; subject to change.

Payment and Registration of the Bonds. The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to actual purchasers of the Bonds (the “**Beneficial Owners**”) in the denominations set forth on the cover page hereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through participants in DTC’s book-entry only system (“**DTC Participants**”) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See APPENDIX F.

If the book-entry-only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Bond Resolution. See “THE BONDS - Registration, Transfer and Exchange of Bonds” herein.

Security and Sources of Payment for the Bonds. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property located in the District and collected by the County. The County is empowered and obligated to annually levy *ad valorem* property taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except with respect to certain personal property which is taxable at limited rates). See “SECURITY FOR THE BONDS.”

Following the issuance of the Bonds, there will be \$98,300,000* unissued authorization remaining under the 2024 Authorization (as defined herein). See “FINANCIAL INFORMATION - Existing Debt Obligations” in APPENDIX A.

Redemption*. The Bonds are subject to redemption prior to maturity as described herein. See “THE BONDS – Redemption.”

Legal Matters. Issuance of the Bonds is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, will serve as Disclosure Counsel to the District. Norton Rose Fulbright US LLP, Los Angeles, California is serving as counsel to the Underwriter. Payment of the fees of Bond Counsel, Disclosure Counsel, and Underwriter’s counsel is contingent upon issuance of the Bonds.

Tax Matters. In the opinion of Bond Counsel, interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See “TAX MATTERS” and Appendix D hereto for the form of Bond Counsel’s opinion to be delivered concurrently with the Bonds.

Continuing Disclosure. The District has covenanted and agreed that it will comply with and carry out all of the provisions of a continuing disclosure certificate (the “**Continuing Disclosure Certificate**”), the form of which is attached as APPENDIX E. See “CONTINUING DISCLOSURE” for additional information.

Cyber Risks. The District, like other governmental and business entities, faces significant risks relating to the use and application of computer software and hardware for educational, operational and management purposes. The District collects, processes, and distributes an

* Preliminary; subject to change.

enormous amount of private, protected and personal information on students, staff, parents, visitors, vendors and contractors. As the custodian of such information, the District may face cybersecurity threats, attacks or incidents from time to time. No assurance can be given that future cyber threats or attacks against the District or third-party entities or service providers will not directly or indirectly impact the District or the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the District's continuing disclosure undertakings, described in more detail herein. See APPENDIX A "FINANCIAL INFORMATION – Disclaimer Regarding Cyber Risks."

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement are available from the District, which may impose a charge for copying, mailing and handling.

THE BONDS

Authority for Issuance

The Bonds will be issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 thereof, and the Bond Resolution. The District received authorization by more than the requisite 55% of District voters at the Bond Election to issue general obligation bonds in a principal amount of \$158,300,000 (the “**2024 Authorization**”).

The Bonds are the first series of bonds issued pursuant to the 2024 Authorization. Following the issuance of the Bonds, there will be \$98,300,000^{*} unissued authorization remaining under the 2024 Authorization.

Purpose of Issue

Proceeds of the Bonds will be used for the purposes specified in the ballot measure approved by voters in the District on November 5, 2024, the abbreviated text of which appeared on the ballot as follows:

“To improve the quality of education; replace leaky roofs; upgrade infrastructure including plumbing, sewer, and HVAC; improve safety and security; and construct/renovate/modernize classrooms, restrooms and school facilities; shall Encinitas Union School District's measure be adopted authorizing \$158,300,000 of bonds at legal rates, generating on average \$9,200,000 annually while bonds are outstanding at a rate of approximately \$19 per \$100,000 assessed value, with annual audits, independent citizens' oversight, NO money for salaries and all money staying local?”

In addition to the abbreviated statement of the ballot measure, as part of the sample ballot materials, in accordance with the requirements of California law, District voters were presented with a full text of ballot measure, which, among other items, included a project list identifying to District voters the types of projects eligible for funding from proceeds of bonds approved at the Bond Election (the “**Project List**”). The District makes no representation as to the specific application of the proceeds of the Bonds, the completion of any projects listed on the Project List, or whether bonds authorized by the 2024 Authorization will provide sufficient funds to complete any particular project listed in the Project List.

Description of the Bonds

The Bonds are being issued as current interest bonds. The Bonds mature in the years and in the amounts set forth on the inside cover page hereof. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. See “Book-Entry Only System” and APPENDIX F.

The Bonds shall be issued in the denominations of \$5,000 principal amount each or any integral multiple thereof. Interest on the Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2025 (each, an “**Interest Payment Date**”). Each Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication

^{*} Preliminary; subject to change.

thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to July 15, 2025, in which event it will bear interest from the date of delivery of the Bonds identified on the cover page hereof. Notwithstanding the foregoing, if interest on any Bond is in default at the time of authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, as the designated paying agent, registrar and transfer agent (the “**Paying Agent**”) to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds.

Book-Entry Only System

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of DTC. Purchasers of the Bonds will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

As long as DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or any other action premised on such notice. See APPENDIX F.

The Paying Agent, the District, and the Underwriter of the Bonds have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests in the Bonds.

Redemption*

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 20__ are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20__, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Whenever less than all of the outstanding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent or as otherwise directed by the District. For the purpose of selection for optional redemption, Bonds will be deemed to consist of \$5,000 portions (principal amount), and any such portion may be separately redeemed. The Bonds may all be separately redeemed.

* Preliminary; subject to change.

Mandatory Sinking Fund Redemption. The Bonds maturing on August 1, 20__ (the “**Term Bonds**”), are subject to mandatory sinking fund redemption on August 1 of each year in accordance with the schedule set forth below. The Term Bonds so called for mandatory sinking fund redemption will be redeemed in the sinking fund payment amounts and on the dates set forth below, without premium, together with interest accrued thereon to the date fixed for redemption.

Term Bonds Maturing August 1, 20__

Redemption Date (August 1)	Sinking Fund Redemption
<hr/>	

If any Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

Notice of Redemption

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District to be mailed, first class, postage prepaid, at least 20 but not more than 60 days prior to the date fixed for redemption, to the owners of the Bonds designated for redemption. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable. Such notice may be a conditional notice of redemption and subject to rescission as set forth below.

Neither the failure to receive or failure to send any notice of redemption nor any defect in any such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds.

Partial Redemption of Bonds

Upon surrender of Bonds redeemed in part only, the District will execute and the Paying Agent will authenticate and deliver to the owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

Effect of Redemption

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Bond Resolution, other than the right to receive payment of the

redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Right to Rescind Notice of Redemption

The District has the right to rescind any notice of the optional redemption of Bonds by written notice to the Paying Agent on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption. The District and the Paying Agent have no liability to the Bond owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Bond Resolution.

Registration, Transfer and Exchange of Bonds

If the book-entry system is discontinued, the District shall cause the Paying Agent to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds.

If the book-entry system is discontinued, the person in whose name a Bond is registered on the Bond registration books shall be regarded as the absolute owner of that Bond. Payment of the principal of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in the Bond Resolution.

Bonds may be exchanged at the principal corporate trust office of the Paying Agent in San Francisco, California for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. Any Bond may, in accordance with its terms, but only if (i) the District determines to no longer maintain the book-entry only status of the Bonds, (ii) DTC determines to discontinue providing such services and no successor securities depository is named or (iii) DTC requests the District to deliver Bond certificates to particular DTC Participants, be transferred, upon the books required to be kept pursuant to the provisions of the Bond Resolution, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

No exchanges of Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected or called for redemption in whole or in part.

Defeasance and Discharge of Bonds

The Bonds may be paid by the District, in whole or in part, in any one or more of the following ways:

- (a) by paying or causing to be paid the principal or redemption price of and interest on such Bonds, as and when the same become due and payable;
- (b) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Bond Resolution) to pay or redeem such Bonds; or

- (c) by delivering such Bonds to the Paying Agent for cancellation by it.

Whenever in the Bond Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may be held by the Paying Agent or by any other fiduciary. Such money or securities may include money or securities held by the Paying Agent in the funds and accounts established under the Bond Resolution and will be:

- (i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice, the amount to be deposited or held will be the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or
- (ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice.

Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as described above) to pay or redeem any outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), then all liability of the County and the District in respect of such Bond will cease and be completely discharged, except only that thereafter the owner thereof will be entitled only to payment of the principal of and interest on such Bond by the District, and the District will remain liable for such payment, but only out of such money or securities deposited with the Paying Agent for such payment.

“Federal Securities,” as defined in the Bond Resolution, means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

DEBT SERVICE SCHEDULES

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

Encinitas Union School District General Obligation Bonds, Election of 2024, Series A Debt Service Schedule

Bond Year Ending (August 1)	Principal	Interest	Total Annual Debt Service
TOTAL			

Combined General Obligation Debt Service. The following table shows the combined annual debt service schedule with respect to outstanding general obligation and general obligation refunding bonds of the District, assuming no optional redemptions, following the Crossover Dates. See also APPENDIX A under the heading “DISTRICT FINANCIAL INFORMATION – Long-Term Indebtedness.”

**ENCINITAS UNION SCHOOL DISTRICT
Combined Annual Debt Service Schedule
All Outstanding General Obligation Bonds⁽¹⁾**

Bond Year Ending (Aug. 1)	Election of 2010, Series 2011	Election of 2010, Series 2013	Election of 2010, Series 2015	Election of 2010, Series 2017	2020 Refunding Bonds, Series A	The Bonds	Aggregate Annual Debt Service
2025	\$2,572,281.26	\$490,437.50	\$685,000.00	\$1,079,300.00	\$546,370.00		
2026	2,662,281.26	490,437.50	730,000.00	1,082,500.00	562,294.30		
2027	2,752,281.26	490,437.50	775,000.00	1,093,700.00	586,733.80		
2028	2,848,668.76	1,145,437.50	800,000.00	1,113,700.00	--		
2029	2,948,262.50	1,173,582.50	840,000.00	719,250.00	--		
2030	3,055,106.26	1,199,472.50	850,000.00	--	--		
2031	3,162,925.00	1,228,107.50	925,000.00	--	--		
2032	3,270,762.50	1,259,282.50	975,000.00	--	--		
2033	3,388,362.50	1,282,792.50	1,000,000.00	--	--		
2034	3,506,725.00	1,313,842.50	1,050,000.00	--	--		
2035	3,629,500.00	1,344,472.50	1,100,000.00	--	--		
2036	--	2,436,840.00	3,850,000.00	--	--		
2037	--	2,509,617.50	4,000,000.00	--	--		
2038	--	--	5,875,000.00	--	--		
2039	--	--	6,000,000.00	--	--		
2040	--	--	--	--	--		
2041	--	--	--	--	--		
2042	--	--	--	--	--		
2043	--	--	--	--	--		
2044	--	--	--	--	--		
2045	--	--	--	--	--		
2046	--	--	--	--	--		
2047	--	--	--	--	--		
2048	--	--	--	--	--		
2049	--	--	--	--	--		
2050	--	--	--	--	--		
2051	--	--	--	--	--		
2052	--	--	--	--	--		
2053	--	--	--	--	--		
2054	--	--	--	--	--		
Total	\$33,797,156.30	\$16,364,760.00	\$29,455,000.00	\$5,088,450.00	\$1,695,398.10		

(1) The Election of 2010, Series 2015 Bonds were refunded with the 2020 Refunding Bonds, Series B. Outstanding general obligation debt service is shown prior to the August 1, 2025, crossover date.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds are as follows:

Sources of Funds

Principal Amount of Bonds

[Net] Original Issue [Premium]/[Discount]

Total Sources

Uses of Funds

Building Fund

Debt Service Fund

Costs of Issuance⁽¹⁾

Total Uses

⁽¹⁾ All estimated costs of issuance including, but not limited to, Underwriter's discount, printing costs, and fees of Bond Counsel, Disclosure Counsel, the Municipal Advisor, the Paying Agent, and the rating agency.

SECURITY FOR THE BONDS

Ad Valorem Taxes

Bonds Payable from Ad Valorem Property Taxes. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* property taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates).

Other Debt Payable from Ad Valorem Property Taxes. In addition to the Bonds, there is other debt issued by the District and other entities with jurisdiction in the District, which is payable from *ad valorem* property taxes levied on all property in the District. See “PROPERTY TAXATION – Tax Rates” and “- Direct and Overlapping Debt” below.

Levy, Collection and Pledge of Taxes. The County will levy and collect such *ad valorem* property taxes in such amounts and at such times as is necessary to ensure the timely payment of debt service. Such taxes, when collected, will be deposited into a debt service fund for the Bonds, which is held by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due.

District property taxes are assessed and collected by the County in the same manner and at the same time, and in the same installments as other *ad valorem* taxes on real property, and will have the same priority, become delinquent at the same times and in the same proportionate amounts, and bear the same proportionate penalties and interest after delinquency, as do the other *ad valorem* taxes on real property.

Statutory Lien on Ad Valorem Tax Revenues. Under California law, voter-approved general obligation bonds which are secured by *ad valorem* property tax collections, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act.

Annual Tax Rates. The amount of the annual *ad valorem* property tax levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate.

Natural Disasters. Economic and other factors beyond the District’s control, such as economic recession, deflation of property values, pandemics, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire, drought, climate change or other natural disaster, could cause a reduction in the assessed value within the District and necessitate a corresponding increase in the annual tax rate. See “PROPERTY TAXATION – Assessed Valuations – Factors Relating to Increases/Decreases in Assessed Value.”

Building Fund

Proceeds from the sale of the Bonds, to the extent of the principal amount thereof, will be paid to the County to the credit of the fund created and established in the Bond Resolution and known as the “Election of 2024, Series A Building Fund” (the “**Building Fund**”), which will be accounted for as separate and distinct from all other District and County funds. The proceeds will be used solely for the purposes for which the Bonds are being issued and for payment of permissible costs of issuance. Any excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. If, after payment in full of the Bonds, there remains excess proceeds, any such excess amounts shall be transferred to the general fund of the District. Interest earnings on the investment of monies held in the Building Fund will be retained in the Building Fund.

Debt Service Fund

Amounts to pay debt service on the Bonds will be held in the fund created and established in the Bond Resolution and known as the “Election of 2024, Series A Debt Service Fund” (the “**Debt Service Fund**”) for the Bonds, which will be established as a separate fund to be maintained distinct from all other funds of the District and the County. All taxes levied by the County for the payment of the principal of and interest on the Bonds will be deposited in the Debt Service Fund by the County promptly upon the receipt. The Debt Service Fund is pledged for the payment of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The County will transfer amounts in the Debt Service Fund to the Paying Agent to the extent necessary to pay the principal of and interest on the Bonds as the same becomes due and payable.

If, after payment in full of the Bonds, any amounts remain on deposit in the Debt Service Fund, the County shall transfer such amounts to the District’s general fund, to be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law.

Not a County Obligation

The Bonds are payable solely from the proceeds of an *ad valorem* property tax levied and collected by the County, for the payment of principal and interest on the Bonds. Although the County is obligated to collect the *ad valorem* property tax for the payment of the Bonds, the Bonds are not a debt of the County.

PROPERTY TAXATION

Property Tax Collection Procedures

In California, property subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The “secured roll” is that part of the assessment roll containing state assessed public utilities’ property and real property, the taxes on which create a lien on such property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county in which the property is located.

Property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. However, Senate Bill 813 (enacted by Statutes of 1983, Chapter 498) (“**SB 813**”), provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB 813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A 10% penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder’s office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes for the amount of taxes which are delinquent.

Taxation of State-Assessed Utility Property

The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization (“**SBE**”) and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as “unitary

property”, a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuation

The assessed valuation of property in the District is established by the assessor of the County, except for public utility property which is assessed by the SBE, as described above. Assessed valuations are reported at 100% of the “full value” of the property, as defined in Article XIII A of the California Constitution. For a discussion of how properties currently are assessed, see APPENDIX A under the heading “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS.”

Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

Assessed Valuation History. The table below shows a history of the District’s assessed valuation.

ENCINITAS UNION SCHOOL DISTRICT Assessed Valuation Fiscal Years 2015-16 through 2024-25

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2015-16	\$16,368,277,715	\$0	\$170,356,699	\$16,538,634,414	--%
2016-17	17,215,802,503	0	171,879,504	17,387,682,007	5.1
2017-18	18,196,441,397	0	178,461,649	18,374,903,046	5.7
2018-19	19,287,799,864	0	187,563,050	19,475,362,914	6.0
2019-20	20,133,897,448	0	194,278,877	20,328,176,325	4.4
2020-21	21,114,918,079	0	207,365,694	21,322,283,773	4.9
2021-22	22,071,670,769	0	164,522,767	22,236,193,536	4.3
2022-23	23,737,529,688	0	245,923,662	23,983,453,350	7.9
2023-24	25,098,553,073	0	244,240,141	25,342,793,214	5.7
2024-25	26,394,739,343	0	272,391,632	26,667,130,975	5.2

Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and disasters such as wildfires, earthquakes, droughts, floods, climate change and pandemics, among others. The District cannot predict or make any representations regarding the effects that natural disasters or other conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

Wildfires. According to the State, fire season is starting earlier and ending later each year, with the increased length of the season corresponding to an increase in the extent of forest fires across the State. In addition to destroying land and structures, there have been human fatalities and negative impacts on air quality throughout the State. Fires in the State and neighboring states have threatened the region's power grids, making some power lines unreliable. The District cannot predict or make any representations regarding the effects that wildfires and related conditions have or may have on the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

Seismic Events. The District is located in a seismically active region. An earthquake of large magnitude could result in extensive damage to property within the District and could adversely affect the assessed valuation of property within the District, or more generally the region's economy.

Drought. The State has experienced drought conditions in recent years, including a period of drought followed by record-level precipitation, which resulted in related severe flooding and mudslides in certain regions. As of February 25, 2025, the U.S. Drought Monitor indicates that the State is classified as experiencing no drought conditions in the northern part of the State, some abnormally dry, moderate and severe drought conditions, with pockets of severe and extreme drought conditions on the southeast border, with the County experiencing extreme drought conditions.

During 2021, the Governor of the State proclaimed a drought state of emergency for all counties in the State, culminating with an October 19, 2021, proclamation, urging Californians to step up their water conservation efforts. In January 2022, the State Water Board adopted emergency regulations aimed at saving water and raising drought awareness, with prohibitions focused on reducing outdoor water use, enforceable by local agencies and the State Water Board, generally with warning letters, mandatory water use audits, and fines. In January 2023, the State Water Board adopted its first five-year temporary groundwater recharge permit, in addition to adopting new statewide sanitary sewer orders and appointing eleven members to the Advisory Group on Safe Drinking Water Funding. Local agencies can impose and enforce their own drought conservation rules.

Climate Change. In addition to the events described above, climate change caused by human activities may have adverse effects on the assessed value of property within the District. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, many scientists expect that climate change will intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods, heat waves, and rising sea levels. Projections of the impact of global climate change are complex and depend on a variety of factors outside of the District's control. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on assumptions contained in such studies, but actual events may vary materially. In addition, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the District is unable to forecast with certainty when or if adverse impacts of climate change will occur or the extent of such impacts.

Public Health Emergencies. In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020, the World Health Organization announced the official name for the outbreak of the disease known as COVID-19 ("**COVID-19**"), an upper respiratory tract illness, that spread across the globe. The ultimate impact of COVID-19 on the District's operations and finances and the economy, real estate market, development within the District and tax collections may not be fully known, and it may be some time

before the full adverse impact of the COVID-19 outbreak is known. Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the District's operations and finances. In addition, the District cannot predict whether future pandemics will occur and whether any such pandemics may impact its finances or operations. As of this date, several vaccines have been provided approval by federal health authorities and are widely available, and both the national emergency and state of emergency have officially ended, and the World Health Organization declared an end to the COVID-19 global health emergency.

Property Tax Base Transfer Ballot Measure. On November 3, 2020, State voters approved a constitutional amendment entitled Property Tax Transfers, Exemptions and Revenue for Wildfire Agencies and Counties Amendment ("**Proposition 19**"), which will: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The District cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the District.

Assessed Valuation by Jurisdiction. The table below shows the assessed valuation by jurisdiction of properties within the District.

ENCINITAS UNION SCHOOL DISTRICT
Assessed Valuation by Jurisdiction
Fiscal Year 2024-25

<u>Jurisdiction:</u>	<u>Assessed Valuation in School District</u>	<u>% of School District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in School District</u>
City of Carlsbad	\$ 7,679,633,678	28.80%	\$45,453,018,967	16.90%
City of Encinitas	18,642,088,713	69.91	\$23,177,151,883	80.43%
Unincorporated San Diego Co.	<u>345,408,584</u>	<u>1.30</u>	\$103,742,600,350	0.33%
Total District	\$26,667,130,975	100.00%		
San Diego County	\$26,667,130,975	100.00%	\$741,281,955,804	3.60%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table shows the land use of property in the District, as measured by assessed valuation and the number of parcels for fiscal year 2024-25. As shown, the majority of the District's assessed valuation is represented by residential property.

ENCINITAS UNION SCHOOL DISTRICT
Local Secured Property Assessed Valuation and Parcels by Land Use
Fiscal Year 2024-25

	2024-25 Assessed Valuation ⁽¹⁾	% of Total	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Agricultural	\$ 43,686,522	0.17%	55	0.21%
Commercial	2,639,547,170	10.00	717	2.75
Vacant Commercial	72,411,770	0.27	43	0.16
Industrial	71,457,671	0.27	19	0.07
Vacant Industrial	326,032	0.00	1	0.00
Recreational	20,812,674	0.08	16	0.06
Government/Social/Institutional	19,485,106	0.07	70	0.27
Miscellaneous	307,060	0.00	10	0.04
Subtotal Non-Residential	\$2,868,034,005	10.87%	931	3.57%
<u>Residential:</u>				
Single Family Residence	\$18,248,623,179	69.14%	17,672	67.75%
Condominium/Townhouse	2,858,014,119	10.83	5,058	19.39
Mobile Home	57,407,289	0.22	316	1.21
Mobile Home Park	34,340,818	0.13	10	0.04
2-4 Residential Units	1,313,434,862	4.98	1,015	3.89
5+ Residential Units/Apartments	354,857,853	1.34	113	0.43
Miscellaneous Residential	7,009,243	0.03	173	0.66
Vacant Residential	653,017,975	2.47	798	3.06
Subtotal Residential	\$23,526,705,338	89.13%	25,155	96.43%
Total	\$26,394,739,343	100.00%	26,086	100.00%

(1) Local secured assessed valuation; excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Assessed Valuation of Single-Family Residential Parcels. The following table shows a breakdown of the assessed valuations of improved single-family residential parcels in the District for fiscal year 2024-25, including the median and average assessed value of single-family parcels in the District.

ENCINITAS UNION SCHOOL DISTRICT
Per Parcel Assessed Valuation of Single Family Homes
Fiscal Year 2024-25

	<u>No. of Parcels</u>	<u>2024-25 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
Single Family Residential	17,672	\$18,248,623,179	\$1,032,629	\$880,838

<u>2024-25 Assessed Valuation</u>	<u>No. of Parcels ⁽¹⁾</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$99,999	292	1.652%	1.652%	\$ 21,855,202	0.120%	0.120%
\$100,000 - \$199,999	702	3.972	5.625	103,261,630	0.566	0.686
\$200,000 - \$299,999	911	5.155	10.780	234,828,917	1.287	1.972
\$300,000 - \$399,999	1,377	7.792	18.572	484,468,285	2.655	4.627
\$400,000 - \$499,999	1,261	7.136	25.707	563,540,577	3.088	7.715
\$500,000 - \$599,999	1,075	6.083	31.790	591,096,045	3.239	10.955
\$600,000 - \$699,999	1,017	5.755	37.545	660,867,534	3.621	14.576
\$700,000 - \$799,999	1,140	6.451	43.996	856,117,499	4.691	19.267
\$800,000 - \$899,999	1,325	7.498	51.494	1,126,015,071	6.170	25.438
\$900,000 - \$999,999	1,286	7.277	58.771	1,219,539,090	6.683	32.121
\$1,000,000 - \$1,099,999	1,087	6.151	64.922	1,138,316,804	6.238	38.359
\$1,100,000 - \$1,199,999	830	4.697	69.619	952,385,683	5.219	43.577
\$1,200,000 - \$1,299,999	706	3.995	73.614	881,889,905	4.833	48.410
\$1,300,000 - \$1,399,999	684	3.871	77.484	923,193,086	5.059	53.469
\$1,400,000 - \$1,499,999	559	3.163	80.647	809,602,312	4.437	57.906
\$1,500,000 - \$1,599,999	505	2.858	83.505	781,597,140	4.283	62.189
\$1,600,000 - \$1,699,999	421	2.382	85.887	693,611,469	3.801	65.990
\$1,700,000 - \$1,799,999	335	1.896	87.783	586,496,885	3.214	69.203
\$1,800,000 - \$1,899,999	301	1.703	89.486	556,467,353	3.049	72.253
\$1,900,000 - \$1,999,999	281	1.590	91.076	548,093,691	3.003	75.256
\$2,000,000 and greater	1,577	8.924	100.000	4,515,379,001	24.744	100.000
	17,672	100.000%		\$18,248,623,179	100.000%	

(1) Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Reassessments and Appeals of Assessed Value

There are general means by which assessed values can be reassessed or appealed that could adversely impact property tax revenues within the District.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution" in APPENDIX A.

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the SBE, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed

because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values, adjusted for inflation, when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Proposition 8 reductions may also be unilaterally applied by the County Assessor. The District cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers or by reductions initiated by the County Assessor. Any reduction in aggregate District assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding general obligation bonds, if any) may be paid.

Tax Rates

Below are historical typical tax rates in a typical tax rate area (Tax Rate Area 9-186) within the District for fiscal years 2020-21 through 2024-25.

ENCINITAS UNION SCHOOL DISTRICT
Typical Total Tax Rates per \$100 of Assessed Valuation (TRA 9-186)⁽¹⁾
Fiscal Years 2020-21 through 2024-25

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
General	\$1.00000	\$1.00000	\$1.00000	\$1.00000	\$1.00000
Encinitas Union School District	.01907	.02284	.01593	.01863	.01875
San Dieguito Union High School District	.02327	.02233	.02143	.02078	.02066
Mira Costa Community College District	.01373	.01339	.01357	.01164	.01148
Metropolitan Water District	.00350	.00350	.00350	.00350	.00700
Total	\$1.05957	\$1.06206	\$1.05443	\$1.05455	\$1.05789

(1) 2024-25 assessed valuation of TRA 9-186 is \$4,180,244,265, which is 15.68% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code, with respect to (i) the 1% *ad valorem* property tax (general fund apportionment) levied on real property in the County and collected on the secured tax roll and (ii) for the County’s levies for general obligation bond debt service on the secured tax roll. Under the Teeter Plan, each local taxing agency entitled to a portion of these levies may draw on the amount of uncollected secured taxes levied on the secured tax roll credited to its fund, in the same manner as if the amount credited had been collected; in exchange, such local taxing agencies forego any interest and penalties collected on delinquent taxes on the secured tax roll collected by the County. The District participates in the Teeter Plan, and thus receives 100% of its portion of these levies in exchange for foregoing any interest and penalties collected on delinquent taxes. Currently, the County also includes general obligation bond debt service collected on the secured roll in its Teeter Plan. The County has not adopted the Teeter Plan with respect to property taxes collected on the supplemental roll and therefore, the amount of the levy of *ad valorem* property taxes collected on the supplemental tax roll received by the District depends upon collections and delinquency rates of such property taxes experienced with respect to the parcels within the District.

So long as the Teeter Plan remains in effect, and the County continues to include the District in the Teeter Plan, the District’s receipt of revenues with respect to the levy of its portion of *ad valorem* property taxes collected on the secured tax roll will not be dependent upon actual collections of the *ad valorem* property taxes by the County. However, under the statute creating the Teeter Plan, the Board of Supervisors could under certain circumstances terminate the Teeter Plan in its entirety with respect to agencies in the County, including the District, if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%. In the event that the Teeter Plan is terminated with regard to the secured tax roll, the amount of the levy of *ad valorem* property taxes collected on the secured tax roll actually received by the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

Top 20 Property Owners

The following table shows the 20 largest taxpayers in the District as determined by their secured assessed valuations in fiscal year 2024-25. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below. A large concentration of ownership in a single individual or entity results in a greater amount of tax collections which are dependent upon that property owner's ability or willingness to pay property taxes.

ENCINITAS UNION SCHOOL DISTRICT Top 20 Secured Property Taxpayers Fiscal Year 2024-25

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2024-25 Assessed Valuation</u>	<u>% of Total ⁽¹⁾</u>
1.	Continuing Life Communities LLC	Assisted Living Facilities	\$ 336,807,876	1.28%
2.	TREA N W Forum at Carlsbad Owner LLC	Shopping Center	192,474,000	0.73
3.	La Costa Town Center LLC	Shopping Center	174,399,620	0.66
4.	Encinitas Beach Hotel Venture LLC	Hotel	132,509,652	0.50
5.	Resort at Encinitas LLC	Apartments	99,859,671	0.38
6.	TRC Encinitas Village LLC	Assisted Living Facilities	96,205,092	0.36
7.	Santa Fe Ranch LLC	Apartments	64,943,628	0.25
8.	Pacifico Encinitas Apartment Homes LP	Apartments	58,988,644	0.22
9.	AP Beacon Carlsbad LP	Shopping Center	48,329,506	0.18
10.	Encinitas Town Center Associates	Shopping Center	43,360,595	0.16
11.	Vons Companies Inc.	Shopping Center	40,874,681	0.15
12.	Weingarten Nostat Inc.	Shopping Center	40,165,566	0.15
13.	NCHC 3 LLC	Professional Building	39,638,940	0.15
14.	2220 Encinitas LLC	Apartments	36,371,465	0.14
15.	Encinitas Marketplace LLC	Shopping Center	35,436,865	0.13
16.	Arka Encinitas I LLC	Commercial	34,957,440	0.13
17.	Toll West Coast LLC	Residential Development	33,105,525	0.13
18.	Los Coches Properties LLC	Shopping Center	29,000,000	0.11
19.	SSL Landlord LLC	Assisted Living Facility	28,889,314	0.11
20.	Space Rancho Santa Fe LLC	Shopping Center	26,000,000	0.10
			<u>\$1,592,318,080</u>	<u>6.03%</u>

(1) 2024-25 local secured assessed valuation: \$26,394,739,343.

Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the “**Debt Report**”) prepared by California Municipal Statistics, Inc. for debt issued as of April 1, 2025. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

ENCINITAS UNION SCHOOL DISTRICT Statement of Direct and Overlapping Bonded Debt (Debt Issued as of April 1, 2025)

2024-25 Assessed Valuation: \$26,667,130,975

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 4/1/25</u>
Metropolitan Water District	0.655%	\$ 112,365
Mira Costa Community College District	17.696	61,820,091
Palomar Community College District	0.021	130,039
Encinitas Union School District	100.000	37,469,960 ⁽¹⁾
San Dieguito Union High School District	29.278	117,249,607
San Dieguito Union High SFIDs	32.609 - 100.000	29,058,719
City of Encinitas Community Facilities District No. 1	100.000	12,905,000
Olivenhain Municipal Water District Assessment District No. 96-1	54.413	1,534,447
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$260,280,228
 <u>OVERLAPPING GENERAL FUND DEBT:</u>		
San Diego County General Fund Obligations	3.597%	\$12,627,808
San Diego County Pension Obligation Bonds	3.597	5,049,109
San Diego County Superintendent of Schools Obligations	3.597	184,346
Mira Costa Community College District Certificates of Participation	17.696	8,497,619
Palomar Community College District Certificates of Participation	0.021	216
San Dieguito Union High School District General Fund Obligations	29.278	3,727,089
City of Encinitas Certificates of Participation	80.433	29,543,041
TOTAL OVERLAPPING GENERAL FUND DEBT		\$59,629,228
 COMBINED TOTAL DEBT		 \$319,909,456 ⁽²⁾

Ratios to 2024-25 Assessed Valuation:

Direct Debt (\$37,469,960)	0.14%
Total Direct and Overlapping Tax and Assessment Debt	0.98%
Combined Total Debt	1.20%

(1) Excludes the Bonds offered for sale hereunder.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

TAX MATTERS

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. De minimis original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

Form of Opinion. A copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix D.

CERTAIN LEGAL MATTERS

Legality for Investment

Under provisions of the California Financial Code, the Bonds are legal investments for commercial banks in California to the extent that the Bonds, in the informed opinion of the investing bank, are prudent for the investment of funds of depositors, and under provisions of the California Government Code, the Bonds are eligible to secure deposits of public moneys in California.

Absence of Material Litigation

No Litigation Regarding Bonds or Existence of District. No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened that (i) questions the political existence of the District, (ii) contests the District's ability to receive *ad valorem* property taxes or to collect other revenues or (iii) contests the District's ability to issue and sell the Bonds.

Claims and Lawsuits Against Public School Districts Generally. The District is routinely subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District. The District may be or may become a party to lawsuits and claims which are unrelated to the Bonds or actions taken with respect to the Bonds and which have arisen in the normal course of operating the District, including with respect to fees it has received or expects to receive from developers or Assembly Bill 218. Assembly Bill 218 effective January 1, 2020, extended the statute of limitations on certain lawsuits based on past sexual abuse, including abuse by educators or public-school staff. The District maintains certain insurance policies which provide coverage under certain circumstances and with respect to certain types of incidents. The District cannot predict what types of claims may arise in the future, including but not limited to claims relating to health issues and pandemics, or claims that may be made available by future legislation.

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel to the District, Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District, and Norton Rose Fulbright US LLP, as counsel to the Underwriter, are contingent upon issuance of the Bonds.

CONTINUING DISCLOSURE

The District will execute the Continuing Disclosure Certificate in connection with the issuance of the Bonds, and covenant therein, for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District (an **“Annual Report”**) to the Municipal Securities Rulemaking Board Electronic Municipal Market Access website (**“EMMA”**) not later than nine months after the end of the District’s fiscal year, commencing March 31, 2026, with the report for the 2024-25 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. Such notices will be filed by the District on EMMA. The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached as APPENDIX E. These covenants have been made in order to assist the Underwriter of the Bonds in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the **“Rule”**).

In the previous five-years, the District has not failed to materially comply with its existing undertakings. In order to assist it in complying with its undertakings pursuant to the Rule, including the undertaking to be entered into with respect to the Bonds, the District has engaged Isom Advisors, a Division of Urban Futures, Inc., to serve as its dissemination agent.

Neither the County nor any other entity other than the District shall have any obligation or incur any liability with respect to the performance of the District’s duties regarding continuing disclosure. The County has not reviewed, nor is it responsible for, the content of this Official Statement.

RATING

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (**“S&P”**) has assigned a rating of **“AA+”** to the Bonds. The District has provided certain additional information and materials to S&P (some of which has been determined not to be material to making an investment decision in the Bonds and does not appear in this Official Statement). Such rating reflects only the views of S&P and explanations of the significance of such rating may be obtained only from S&P. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by S&P if, in S&P’s judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

The District has covenanted in the Continuing Disclosure Certificate to file notices of any ratings changes on the Bonds on EMMA. See **“APPENDIX E - FORM OF CONTINUING DISCLOSURE CERTIFICATE”** attached hereto. Notwithstanding such covenant, information relating to ratings changes on the Bonds may be publicly available from the rating agency prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change on EMMA. Purchasers of the Bonds are directed to S&P and its website and official media outlets for the most current ratings changes with respect to the Bonds after the initial issuance of the Bonds.

UNDERWRITING

The Bonds are being purchased by Raymond James & Associates, Inc. (the “**Underwriter**”). The Underwriter has agreed to purchase the Bonds at a price of \$_____ which is equal to the aggregate principal amount of the Bonds of \$_____, [plus][less] [net] original issue [premium][discount] of \$_____ less an Underwriter’s discount of \$_____.

The bond purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, and provides that the Underwriter’s obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel.

ADDITIONAL INFORMATION

The discussions herein about the Bond Resolution and the Continuing Disclosure Certificate are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and for full and complete statements of such provisions reference is made to such documents. Copies of these documents mentioned are available from the District and, following delivery of the Bonds, will be on file at the office of the Paying Agent in San Francisco, California.

References are also made herein to certain documents and reports relating to the District; such references are brief summaries and do not purport to be complete or definitive. Copies of such documents are available upon written request to the District.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Bonds.

EXECUTION

The execution and delivery of this Official Statement have been duly authorized by the District.

ENCINITAS UNION SCHOOL DISTRICT

By: _____
Superintendent

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APPENDIX A

GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

The information in this and other sections concerning the District's operations and operating budget is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable from the proceeds of an ad valorem property tax required to be levied by the County in an amount sufficient for the payment thereof. See "SECURITY FOR THE BONDS" in the forepart of the Official Statement.

GENERAL INFORMATION

The District was formed in 1944 and encompasses 24.6 square miles. It is located in the north coastal portion of San Diego County (the "**County**"), in the State of California (the "**State**") and serves the City of Encinitas and the La Costa area of Carlsbad. The District serves students in grades kindergarten through six, with nine elementary school facilities. Total enrollment for fiscal year 2024-25 is approximately 4,298 students. For purposes of education funding, the District is a Basic Aid District or Community Funded District, meaning that the District's share of local property taxes exceeds its funding entitlement under the State's education funding formula. For more information, see "–Community Funded District" below.

For more information regarding the District and its finances see APPENDIX B attached hereto. See also APPENDIX C hereto for demographic and other statistical information regarding the City of Encinitas and the County.

District Governance and Administration

The District is governed by a five-member Board of Trustees (the "**Board**"), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. Current members of the Board, together with their office and the date their term expires, are listed below.

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Marlon Taylor	President	December 2028
Tom Morton	Vice President	December 2026
Monica Lee	Clerk	December 2028
Emily Andrade	Member	December 2026
Marla Strich	Member	December 2026

Administrative Personnel. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Andree Grey currently serves as the Superintendent of the District and Joseph Dougherty serves as the Assistant Superintendent of Business Services.

Recent Enrollment Trends

The following table shows a recent history and budgeted enrollment for the District.

ANNUAL ENROLLMENT ⁽¹⁾
Fiscal Years 2017-18 through 2024-25
Encinitas Union School District

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>% Change</u>
2017-18	5,350	--%
2018-19	5,280	(1.3)
2019-20	5,342	1.2
2020-21	4,918	(7.9)
2021-22	4,813	(2.1)
2022-23	4,648	(3.4)
2023-24	4,444	(4.4)
2024-25 ⁽¹⁾	4,298	(3.3)

(1) Second interim projection.

Source: California Department of Education; Encinitas Union School District.

Employee Relations

The District has 303.7 full-time equivalent (“**FTE**”) certificated, 185.2 FTE classified employees 37.5 FTE management employees. Two unions represent the District employees as shown in the table below.

<u>Employee Group</u>	<u>Bargaining Group</u>	<u>Contract Expiration Date</u>
Certificated	Teachers of Encinitas	June 30, 2025
Classified	Classified of Encinitas	June 30, 2025

Source: Encinitas Union School District.

FINANCIAL INFORMATION

Education Funding Generally

School districts in the State receive operating income primarily from two sources: the State funded portion which is derived from the State's general fund, and a locally funded portion, being the district's share of the one percent general *ad valorem* tax levy authorized by the California Constitution. As a result, decreases or deferrals in education funding by the State could significantly impact a school district's revenues and operations.

The fiscal year 2013-14 State budget package replaced the previous K-12 finance system with a new formula known as the Local Control Funding Formula (the "**LCFF**"). Under the LCFF, school districts receive funding based on the demographic profile of the students they serve and gain greater flexibility to use these funds to improve outcomes of students. The LCFF creates funding targets based on student characteristics. For school districts and charter schools, the LCFF funding targets consist of grade span-specific base grants plus supplemental and concentration grants that reflect student demographic factors. The LCFF includes the following components:

- A base grant for each local education agency per unit of average daily attendance ("**ADA**"), which varies with respect to different grade spans and are adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.
- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 65% (which was increased from 50% as part of the State's trailer bill to the 2021-22 State Budget - Assembly Bill 130) of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.
- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

The LCFF was implemented for fiscal year 2013-14 and was phased in gradually. Beginning in fiscal year 2013-14, an annual transition adjustment was required to be calculated for each school district, equal to each district's proportionate share of the appropriations included in the State budget (based on the percentage of each district's students who are low-income, English learners, and foster youth ("**Targeted Students**")), to close the gap between the prior-year funding level and the target allocation at full implementation of LCFF. In each year, districts had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap.

In 2021, legislation was passed that requires school districts operating a kindergarten program to also provide a transitional kindergarten ("**TK**") program for all 4-year-old children by fiscal year 2025–26.

Funding levels used in the LCFF entitlement calculations for fiscal year 2024-25 are set forth in the following table.

**Fiscal Year 2024-25 Base Grant Funding* Under LCFF
by Grade Span**

Entitlement Factor	TK/K-3	4-6	7-8	9-12
A. 2023-24 Base Grant per ADA	\$9,919	\$10,069	\$10,367	\$12,015
B. 2024-25 COLA for LCFF (A x 1.07%)	\$106	\$108	\$111	\$129
C. 2024-25 Base Grant per ADA before Grade Span Adjustments (A+B)	\$10,025	\$10,177	\$10,478	\$12,144
D. Grade Span Adjustments (TK-3: C x 10.4%; 9-12: C x 2.6%)	\$1,043	n/a	n/a	\$316
E. 2024-25 Base Grant/Adjusted Base Grant per ADA (C + D)	\$11,068	\$10,177	\$10,478	\$12,460

*Add-ons to the Base Grant, as may be applicable, are: (1) Supplemental Grant: For the supplemental grant funding entitlement, for each grade span, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times Unduplicated Pupil Percentage, times 20%, (2) Concentration Grant: For the concentration grant funding entitlement, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times portion of Unduplicated Pupil Percentage that exceeds 55%, times 65%, and (3) Transitional Kindergarten Add-On: For the TK add-on funding, the amount is the rate of \$3,077 times the school district's current year TK ADA.

Source: California Department of Education.

The LCFF includes an accountability component. Districts are required to increase or improve services for English language learners, low income, and foster youth students in proportion to supplemental and concentration grant funding received. All school districts, county offices of education, and charter schools are required to develop and adopt local control and accountability plans, which identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement, and school climate.

County superintendents review and provide support to the districts under their jurisdiction, and the Superintendent of Public Instruction performs a corresponding role for county offices of education. In addition, the State Budget for fiscal year 2013-14 created the California Collaborative for Education Excellence to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. Under the LCFF and related legislation, the State will continue to measure student achievement through statewide assessments, produce an Academic Performance Index for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system.

Community Funded Districts. Community Funded Districts (also known as Basic Aid Districts), are those whose local property tax revenues exceed the funding entitlement under the LCFF. Community Funded Districts do not receive any funds from the State appropriation, however, they do receive funds from the State for categorical and grant programs restricted to a special population or for certain purposes such as disabled students or instructional equipment. The current law in California allows these districts to keep the excess property tax revenues without penalty. The implication for Community Funded Districts is that the legislatively determined annual cost of living adjustment and other politically determined factors are less significant in determining such districts' primary funding sources. Rather, property tax growth and

the local economy become the determinant factors. Under Proposition 30, Community Funded Districts are entitled to the minimum \$200 per pupil from the Education Protection Account, and, under the Constitution, Community Funded Districts receive a minimum of \$120 per pupil.

The District's Community Funded status is a result of reductions to its LCFF allocation, occasioned by reduced levels of State funding of education, declining enrollment, and increasing property tax collections, such that the District's property taxes now represent the bulk of its LCFF allocation revenues. The District expects to continue to have local property tax revenue in excess of its LCFF entitlement for the near future.

District Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts. District accounting is organized on the basis of funds, with each group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30. For more information on the District's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

District expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting, (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iv) required supplementary information.

Community Funded District

The District's local property taxes have exceeded the Local Control Funding Formula (the "**LCFF**") allocation for the District, resulting in the District being treated as a Community Funded District for purposes of general-purpose education funding by the State for over 35 years. With implementation of the LCFF, commencing in fiscal year 2013-14, a school district, that has property tax revenues exceeding its entitlement under the LCFF, is entitled to keep the local property tax revenues that exceed its LCFF funding entitlement. The District expects to continue to have local property tax revenue in excess of its LCFF allocation for the near future, and expects a benefit of approximately \$19 million in fiscal year 2024-25 as a result of being a Community Funded District.

Financial Statements

General. The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's audited financial statements for fiscal year 2023-24 were prepared by Christy White, Inc., San Diego, California, and are attached to the Official Statement as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the Office of the Superintendent. The District has not requested, and the auditor has not provided, any review or update of such financial statements in connection with inclusion in this Official Statement.

General Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows the audited income and expense statements for the District for the fiscal years 2019-20 through 2023-24.

GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2019-20 through 2023-24 (Audited)
Encinitas Union School District ⁽¹⁾

	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23	Audited 2023-24
Revenues					
LCFF	\$53,473,871	\$55,937,307	\$57,828,180	\$62,807,081	\$65,743,346
Federal revenues	1,705,051	5,509,863	3,142,581	3,556,607	2,738,471
Other state revenues	6,200,634	8,362,036	9,193,178	12,895,114	8,171,144
Other local revenues	5,780,015	4,674,800	5,089,603	7,035,859	7,981,476
Total Revenues	67,159,571	74,484,006	75,253,542	86,294,661	84,634,437
Expenditures					
Instruction	45,895,706	47,936,063	50,785,448	53,021,813	52,841,893
Instruction-related services:					
Supervision and administration	1,558,396	2,009,278	2,108,389	2,194,493	2,584,012
Library, media, technology	1,427,136	1,311,046	1,407,296	1,570,837	1,723,578
School site administration	2,682,110	2,758,292	2,892,374	3,106,906	3,189,296
Pupil services:					
Home-to-school transportation	410,037	292,353	540,278	724,582	691,019
Food services	--	--	20,691	3,605	114,032
All other pupil services	3,951,358	4,440,940	5,017,998	5,134,153	5,139,341
General administration:					
Centralized data processing	100,355	163,973	129,214	118,528	114,971
All other general administration	3,522,900	3,714,772	4,039,489	4,113,467	4,241,938
Plant services	5,255,704	6,244,155	6,385,372	7,283,210	8,511,772
Community services	417,879	318,966	396,884	420,565	368,154
Transfers to other agencies	32,069	63,139	143,331	42,157	37,263
Facilities acquisition, maintenance	--	367,198	--	1,303,401	2,015,808
Debt service: principal	--	--	--	--	--
Debt service: interest	--	--	--	--	--
Total Expenditures	65,253,650	69,620,175	73,866,764	79,037,717	81,573,077
Excess of Revenue Over/(Under) Expend.	1,905,921	4,863,831	1,386,778	7,256,944	3,061,360
Other Financing Sources (Uses)					
Operating transfers in	--	--	2,707	--	--
Operating transfers out	(312,461)	(1,415,000)	(300,000)	(900,000)	(1,300,000)
Total Other Financing Source(Uses)	(312,461)	(1,415,000)	(297,293)	(900,000)	(1,300,000)
Net change in fund balance	1,593,460	3,448,831	1,089,485	6,356,944	1,761,360
Fund Balance, July 1	21,089,748	22,683,208	24,783,303 ⁽²⁾	25,872,788	32,229,732
Fund Balance, June 30	\$22,683,208	\$26,132,039	\$25,872,788	\$32,229,732	\$33,991,092

(1) Totals may not foot due to rounding.

(2) As restated.

Source: Audited financial statements of the District. Because the District is a Community Funded District, the majority of LCFF funding is derived from local sources.

District Budget and Interim Financial Reporting

Budgeting and Interim Reporting Procedures. State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts. Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the San Diego County Superintendent of Schools (the "**County Superintendent**").

The County Superintendent must review and approve or disapprove the budget no later than August 15. The County Superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. If the budget is disapproved, it is returned to the District with recommendations for revision. The District is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than September 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

Subsequent to approval, the County Superintendent will monitor each district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current or subsequent year financial obligations. If the County Superintendent determines that a district cannot meet its current or subsequent year obligations, the County Superintendent will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) after also consulting with the district's board, develop and impose revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the County Superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent assumed authority.

A State law adopted in 1991 ("**A.B. 1200**") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that is deemed unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

Under California law, any school district and office of education that has a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the district, unless the applicable county superintendent of schools determines that the district's repayment of indebtedness is probable.

District's Budget and Interim Certification History. During the past five years, each of the District's adopted budgets have been approved by the County Superintendent and the District has received positive certifications on all of its interim reports.

District's General Fund. The following table shows the general fund figures for fiscal year 2024-25 (adopted budget and second interim projections).

ENCINITAS UNION SCHOOL DISTRICT
Revenues, Expenditures, and Changes in General Fund Balance
Fiscal Year 2024-25 (Adopted Budget and Second Interim Projections)

	Adopted Budget 2024-25	Second Interim 2024-25
Revenues		
Total LCFF Sources	\$67,523,036	\$68,227,098
Federal Revenues	1,539,500	1,757,349
Other state revenues	9,169,465	7,430,085
Other local revenues	4,912,091	7,050,201
Total Revenues	83,144,092	84,464,733
Expenditures		
Certificated Salaries	36,520,320	39,002,842
Classified Salaries	12,633,082	12,553,895
Employee Benefits	22,435,774	23,235,247
Books and Supplies	1,839,725	4,663,374
Services and Other Operating Expenditures	8,562,572	10,884,911
Capital Outlay	300,000	900,000
Other Outgo (excluding transfers of indirect costs)	1,000	1,000
Other Outgo	(90,000)	(90,000)
Total Expenditures	82,202,473	91,151,269
Excess of Revenues Over/(Under) Expenditures	941,619	(6,686,536)
Other Financing Sources (Uses)		
Operating transfers in	--	--
Operating transfers out	(800,000)	(1,000,000)
Other sources	--	--
Contributions	--	--
Total Other Financing Sources (Uses)	(800,000)	(1,000,000)
Net change in fund balance	141,619	(7,686,536)
Fund Balance, July 1	27,525,679	27,525,679
Fund Balance, June 30 ⁽¹⁾	\$27,667,298	\$19,839,143

(1) Fund balances do not reflect all funds included in the District's general fund in the audited financial statements shown above.

Source: Encinitas Union School District.

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 3% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future.

Under State law, there are certain restrictions on the amounts that can be held in reserve by school districts under certain circumstances. This reserve cap requirement does not apply to small school districts (ADA of fewer than 2,501 students) or school districts funded as Basic Aid school districts. When applicable, the reserve cap requires that a school district's adopted or revised budget not contain a combined assigned or unassigned ending general fund balance of more than 10% of those funds. The applicability of the reserve cap is based on the balance in the

State's Public School System Stabilization Account and is triggered in any fiscal year in which when the balance is equal to or exceeds 3% of the combined total of general fund revenues appropriated for school districts. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the requirements for up to two consecutive fiscal years within a three-year period, if the school district provides documentation indicating that extraordinary fiscal circumstances, including, but not limited to, multi-year infrastructure or technology projects, substantiate the need for a combined assigned or unassigned ending general fund balance that is in excess of the reserve cap. The reserve cap has not been triggered for fiscal year 2024-25.

Attendance - LCFF Funding

With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. With implementation of the LCFF commencing in fiscal year 2013-14, a school district, such as the District, which has property tax revenues which exceed its entitlement under the LCFF, is entitled to keep its local property tax revenues which exceed its LCFF funding entitlement.

Revenue Sources

The District categorizes its general fund revenues into four sources, being LCFF, Federal Revenues, Other State Revenues and Local Revenues. Each of these revenue sources is described below.

LCFF Sources. District funding is provided by a mix of (1) local property taxes and (2) State apportionments of funding under the LCFF. Generally, the State apportionments will amount to the difference between the District's LCFF funding entitlement and its local property tax revenues.

Beginning in 1978-79, Proposition 13 and its implementing legislation provided for each county to levy (except for levies to support prior voter-approved indebtedness) and collect all property taxes, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes a district received, the less State equalization aid it is entitled to.

Under LCFF, a school district whose property tax revenues exceed its funding under the LCFF is entitled to keep its local property tax revenues which exceed its LCFF funding, maintaining its status as a Basic Aid District, now referred to as a "Community Funded District." For school districts that were Basic Aid prior to implementation of the LCFF, such districts are entitled to retain their status as Community Funded and keep their full local property tax revenue entitlement, provided that the per-pupil funding targets under LCFF, including economic recovery targets, are met or exceeded by local property tax revenues. The threshold for Community Funded status under the LCFF, however, is higher than under the prior funding formula, resulting in some districts falling out of Community Funded status as the result of the implementation of

the LCFF. The District is a Community Funded District. Accountability measures contained in the LCFF must be implemented by all districts, including Community Funded Districts.

Federal Revenues. The federal government provides funding for several District programs, including special education programs, programs under Every Student Succeeds Act, the Individuals with Disabilities Education Act, and specialized programs such as Drug Free Schools.

Since Donald Trump was sworn in as President in January 2025, the federal government has announced possible cuts to federal funding for educational agencies. In addition, President Trump has signed an executive order aimed at dismantling the federal Department of Education, from which California school districts receive funding aimed at low-income and special needs students. The District cannot predict the types of possible federal funding cuts that may occur, the extent of such cuts, if any, and the impact on the District's revenues or operations, if any, as a result of the reduction or elimination of federal funding or the possible termination of the Department of Education.

Other State Revenues. As discussed above, the District receives State apportionment of basic and equalization aid in an amount equal to the difference between the District's LCFF funding entitlement and its property tax revenues. In addition to such apportionment revenue, the District receives other State revenues.

The District receives State aid from the California State Lottery (the "**Lottery**"), which was established by a constitutional amendment approved in the November 1984 general election. Lottery revenues must be used for the education of students and cannot be used for non-instructional purposes such as real property acquisition, facility construction, or the financing of research. Moreover, State Proposition 20 approved in March 2000 requires that 50% of the increase in Lottery revenues over 1997-98 levels must be restricted to use on instruction material. For additional discussion of State aid to school districts, see "- Education Funding Generally."

Other Local Revenues. In addition to property taxes, the District receives additional local revenues from items such as interest earnings, leases and rentals.

Furthermore, the District receives substantial local revenues from several sources including education foundation revenues and the Parent Teacher Association. Local non-profit foundations, colleges and universities, also offer additional financial and educational support. The District received \$1,984,680 in parent donations and foundation grants in fiscal year 2023-24.

District Retirement Systems

Qualified employees of the District are covered under multiple-employer defined benefit pension plans maintained by agencies of the State. Certificated employees are members of the State Teachers' Retirement System ("**STRS**") and classified employees are members of the Public Employees' Retirement System ("**PERS**"). Both STRS and PERS are operated on a Statewide basis. *The information set forth below regarding the STRS and PERS programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the District or the Underwriter.*

STRS. All full-time certificated employees participate in STRS, a cost-sharing, multiple-employer contributory public employee retirement system. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. The plan is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. The benefit provisions and contribution amounts are established by State laws, as amended from time to time.

Prior to fiscal year 2014-15, contribution rates were constant and not subject to annual variations. K-14 school districts were required by statute to contribute 8.25% of eligible salary expenditures, and participants contributed 8% of their respective salaries. In September 2013, however, STRS projected that the plan would be depleted in 31 years if existing contribution rates continued and other actuarial assumptions were realized, largely due to significant investment losses.

Assembly Bill 1469 was adopted as part of the State's fiscal year 2014-15 budget ("**AB 1469**"), aimed at fully funding the unfunded actuarial obligation of STRS with respect to service credited to member of STRS prior to July 1, 2014, within 32 years, by increasing contribution rates of members, K-14 school district employers, and the State. Under AB 1469, employer contributions were proposed to steadily increase over seven years. However, several modifications to the schedule were undertaken in connection with State budgets. Contribution rates for the past several years are summarized in the following table:

STRS EMPLOYER CONTRIBUTION RATES **Effective Dates of July 1, 2020 through July 1, 2024**

Effective Date	Employer Contribution Rate
July 1, 2020	16.15%
July 1, 2021	16.92
July 1, 2022	19.10
July 1, 2023	19.10
July 1, 2024	19.10

Source: STRS.

The State also continues to contribute to STRS, and its contribution rate is 8.328% in fiscal year 2024-25.

The District's recent contributions to STRS including the current budgeted fiscal year are set forth in the following table. These contributions represent 100% of the required contribution for each year.

STRS CONTRIBUTIONS
Encinitas Union School District
Fiscal Years 2019-20 through 2024-25

Fiscal Year	Amount
2019-20	\$5,148,427
2020-21	4,961,114
2021-22	5,738,644
2022-23	6,658,940
2023-24	6,698,576
2024-25 ⁽¹⁾	11,093,148

(1) Second interim projection.

Source: Encinitas Union School District.

The STRS defined benefit program continues to have an unfunded actuarial liability estimated at approximately \$86.6 billion, based on a market value of assets, as of June 30, 2023, which is the date of the last actuarial valuation.

PERS. All full-time and some part-time classified employees participate in PERS, an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State. PERS provides retirement, disability, and death benefits to plan members and beneficiaries. The District is part of a cost-sharing pool within PERS known as the “Schools Pool.” Benefit provisions are established by State statutes, as legislatively amended. Contributions to PERS are made by employers and employees. Each fiscal year, employers are required to contribute an amount based on an actuarially determined employer rate, and employees make contributions which vary based on their date of hire.

Like the STRS program, PERS has experienced an unfunded liability in recent years. To address this issue, the PERS board has taken a number of actions, including changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates and adopting changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy incrementally lowering its discount rate (its assumed rate of investment return) in years of good investment returns, to help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. SB 90, and Assembly Bill 84/Senate Bill 111 (“**AB 84**”) of June 2020, directed contributions of \$430 million and \$330 million in satisfaction of portions of employer contribution rates in fiscal years 2020-21 and 2021-22, respectively. Recent employer contribution rates are set forth in the following table.

EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2019-20 through 2024-25

Fiscal Year	Employer Contribution Rate⁽¹⁾
2019-20	19.721%
2020-21	20.700
2021-22	22.910
2022-23	25.370
2023-24	26.680
2024-25	27.050

(1) Expressed as a percentage of covered payroll.
Source: PERS

The District's employer contributions to PERS for recent fiscal years are set forth in the following table.

PERS EMPLOYER CONTRIBUTIONS
Encinitas Union School District
Fiscal Years 2019-20 through 2024-25

Fiscal Year	Amount
2019-20	\$1,810,882
2020-21	1,902,413
2021-22	2,213,797
2022-23	2,577,908
2023-24	2,956,561
2024-25 ⁽¹⁾	3,272,570

(1) Second interim projection.
Source: Encinitas Union School District.

PERS continues to have an unfunded liability which, on a market value of assets basis, was approximately \$40.6 billion, based on a market value of assets, as of June 30, 2023, which is the date of the last actuarial valuation.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), which impacted various aspects of public retirement systems in the State, including the STRS and PERS programs. In general, PEPRA (i) increased the retirement age for public employees depending on job function, (ii) capped the annual pension benefit payouts for public employees hired after January 1, 2013, (iii) required public employees hired after January 1, 2013 to pay at least 50% of the costs of their pension benefits (as described in more detail below), (iv) required final compensation for public employees hired after January 1, 2013 to be determined based on the highest average annual pensionable compensation earned over a period of at least 36 consecutive months, and (v) attempted to address other perceived abuses in the public retirement systems in the State. PEPRA applies to all public employee retirement systems in the State, *except* the retirement systems of the University of California, and charter cities and charter counties whose pension plans are not governed by State law. PEPRA's provisions went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on or after that date; existing employees who are members of employee associations, including

employee associations of the District, have a five-year window to negotiate compliance with PEPRA through collective bargaining.

PERS has predicted that the impact of PEPRA on employees and employers, including the District and other employers in the PERS system, will vary, based on each employer's current level of benefits. As a result of the implementation of PEPRA, new members must pay at least 50% of the normal costs of the plan, which can fluctuate from year to year. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in a lower retirement benefit for employees than they currently earn.

With respect to the STRS pension program, employees hired after January 1, 2013 will pay the greater of either (1) fifty percent of the normal cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by then-current members (i.e., employees in the STRS plan as of January 1, 2013). The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Employers will pay at least the normal cost rate, after subtracting the member's contribution.

The District is unable to predict the amount of future contributions it will have to make to PERS and STRS as a result of the implementation of PEPRA, and as a result of negotiations with its employee associations, or, notwithstanding the adoption of PEPRA, resulting from any legislative changes regarding the PERS and STRS employer contributions that may be adopted in the future.

Additional Information - STRS and PERS. Additional information regarding the District's retirement programs is available in Note 11 to the District's audited financial statements attached hereto as APPENDIX B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811.

More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Other Post-Employment Retirement Benefits

Plan Description. The District's governing board administers the Post-employment Benefits Plan (the "**Plan**"). The Plan is a single-employer defined benefit plan that is used to provide post-employment benefits other than pensions ("**OPEB**") for eligible retirees and their spouses. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Membership of the plan as of the June 30, 2024 actuarial valuation, consisted of 55 inactive plan members or beneficiaries currently receiving benefits and 487 active plan members.

Contributions. For the measurement period, the District contributed \$400,721 to the Plan,

all of which was used for current premiums.

Actuarial Assumptions. The District's total OPEB liability of \$9,675,145 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: inflation 2.50%, salary increases of 2.75%, discount rate of 3.93%, and healthcare cost trend rate of 4.00%. Mortality rates were based on the 2020 CalSTRS Mortality Table for certificated employees and the 2021 CalPERS Active Mortality for Miscellaneous Employees Table for classified employees. The discount rate was based on the Bond Buyer 20 Bond Index. The actuary assumed contributions would be sufficient to fully fund the obligation over a period not to exceed twenty-two years.

Changes in OPEB Liability of the District. The changes in OPEB liability of the District as of the audited financial statements for fiscal year ended June 30, 2024, is shown in the following table:

**CHANGES IN TOTAL OPEB LIABILITY
Encinitas Union School District**

	Total OPEB Liability
Service Cost	\$616,412
Interest	345,354
Changes of assumptions	(239,796)
Benefit payments	(400,721)
Net Change	321,249
Balance at June 30, 2023	9,353,896
Balance at June 30, 2024	<u>\$9,675,145</u>

Source: Encinitas Union School District.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB. For the year ended June 30, 2024, the District recognized OPEB expense of \$920,679.

For additional information about the District's other postemployment benefits, including actuarial assumptions and investments, see Note 10 of the District's audited financial statements for fiscal year ended June 30, 2024, attached to the Official Statement as APPENDIX B.

Insurance – Joint Powers Authorities

The District participates in one joint venture under a joint powers agreement (“**JPA**”) with the San Diego County Schools Risk Management JPA. The JPA arranges the operation and maintenance for the services and other necessary items associated with administering a self-insurance plan for workers' compensation, health, and property and liability insurance for its member school districts.

For more information regarding the District's participation in joint powers authorities, see Note 13 of APPENDIX B to the Official Statement.

Disclaimer Regarding Cyber Risks

The District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. No assurance can be given that the District's current efforts to manage cyber threats and security will, in all cases, be successful.

The District relies on other entities and service providers in the course of operating the District, including the County with respect to the levy and collection of *ad valorem* property taxes, as well as other trustees, fiscal agents and dissemination agents. No assurance can be given that future cyber threats and attacks against other third-party entities or service providers will not impact the District and the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

Existing Debt Obligations

General Obligation Bonds. The District has other series of general obligation and refunding general obligation bonds currently outstanding, as summarized in the following table. See also "DEBT SERVICE SCHEDULES" in the body of this Official Statement for the annual debt service requirements of the District's outstanding bonds.

GENERAL OBLIGATION BONDS Encinitas Union School District

Issue Date	Issue Name	Outstanding Principal as of 4/1/2025
05/17/2011	General Obligation Bonds, Election of 2010, Series 2011	\$11,015,264.75
02/20/2013	General Obligation Bonds, Election of 2010, Series 2013	7,766,313.10
09/17/2015	General Obligation Bonds, Election of 2010, Series 2015	12,388,380.95
05/18/2017	General Obligation Bonds, Election of 2010, Series 2017	4,640,000.00
10/15/2020	2020 General Obligation Refunding Bonds, Series A	1,660,000.00
Total		\$37,469,958.80

Source: District's Audit; the Municipal Advisor.

Compensated Absences. Total unpaid employee compensated absences as of June 30, 2024, amounted to \$509,989. This amount is included as part of long-term liabilities in the government-wide financial statements.

Impact of COVID-19

As described in this Official Statement, while indications are that the COVID-19 pandemic is transitioning to an endemic stage, many variables will continue to contribute to the economic impact of the COVID-19 pandemic and the recovery. The ultimate impact of COVID-19 on the District's operations and finances is not fully known, and it may be some time before the full impact

of the COVID-19 pandemic is known. The Bonds described in this Official Statement are not secured by the District's funds, but rather are voter-approved general obligations of the District payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the General Fund of the District.

Investment of District Funds

In accordance with California Government Code Sections 53600 *et seq.*, the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the California Government Code. See APPENDIX G to the Official Statement for the County's current investment policy and recent investment report.

Effect of State Budget on Revenues

Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts generally receive the majority of their operating revenues from various State sources. The primary source of funding for school districts is LCFF funding, which is derived from a combination of State funds and local property taxes (see “– Education Funding Generally” above). State funds typically make up the majority of a district's LCFF funding. School districts also receive funding from the State for some specialized programs such as special education.

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS” below), the condition of the State economy (which affects total revenue available to the State general fund), and the annual State budget process. The District cannot predict how education funding may further be changed in the future, or the state of the economy which in turn can impact the amounts of funds available from the State for education funding. See “STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS.”

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

The information in this section concerning the State's budget or budgets has been compiled from publicly-available information provided by the State or the Legislative Analyst's Office (the "LAO"). Neither the District, the Underwriter nor the County is responsible for the information provided in this section.

State Funding of Education Generally

The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. The primary source of funding for school districts are revenues under the LCFF, which are a combination of State funds and local property taxes (see "FINANCIAL INFORMATION - Education Funding Generally" above). State funds typically make up the majority of a district's LCFF allocation, although Basic Aid school districts derive the majority of their revenues from local property taxes. School districts also receive substantial funding from the State for various categorical programs.

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below), the condition of the State economy (which affects total revenue available to the State's general fund), and the annual State budget process. Decreases in State revenues may significantly affect appropriations made by the legislature to school districts.

The State Budget Process

The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year. Under State law, the annual proposed State budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the State budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (including for K-14 education) must be approved by a majority vote in each house of the Legislature, unless such appropriations require tax increases, in which case they must be approved by a two-thirds vote of each house of the Legislature and be signed by the Governor. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

Resources Relating to State Budgets

Certain information about the State budgeting process and the State budget is available through several State sources. Convenient sources of information include:

- www.treasurer.ca.gov: The California State Treasurer internet home page, under the link to “Bond Finance” and sub-heading “-Public Finance Division”, includes links to recent State official statements and various State financial documents which includes information regarding State budgets and finances.
- www.dof.ca.gov: The California Department of Finance’s (the “**DOF**”) internet home page, under the link to “California Budget”, includes the text of proposed and adopted State Budgets.
- www.lao.ca.gov: The LAO’s internet home page includes a link to “-The Budget” which includes analyses and commentary on fiscal outlooks.

The above references to internet websites shown are shown for reference and convenience only. The information contained within the websites may include outdated information and has not been reviewed for accuracy by the District or the Underwriter. Such information is not incorporated herein by reference.

The 2024-25 State Budget

The Governor signed the fiscal year 2024-25 State budget on June 29, 2024, which was amended through a series of legislative trailer bills (the “**2024-25 State Budget**”). The 2024-25 State Budget notes that the State has experienced significant revenue volatility and unprecedented revenue growth that was quickly followed by a sharp and deep correction back toward historical trends. The 2024-25 State Budget also notes that the unprecedented Internal Revenue Service tax filing and payment postponement in the year 2023 significantly clouded the State’s revenue forecast, and indicates that, with the revenue picture now clearer, the 2024-25 State Budget takes steps to ensure California is on sound fiscal footing by setting the State on a fiscally responsible long-term path that protects vital programs.

The 2024-25 State Budget includes provisions intended to address a budget deficit of approximately \$46.8 billion while also creating positive fund balance in State’s Special Fund for Economic Uncertainties (the “**SFEU**”) in fiscal years 2024-25 and 2025-26 and maintaining core programs for vulnerable populations. The 2024-25 State Budget includes approximately \$16.0 billion in budgetary reductions, comprising (a) an approximately 7.95% reduction in the State’s operations budget resulting in State general fund savings of approximately \$2.2 billion, (b) a \$1.5 billion permanent reduction in State departments’ budgets for vacant positions, (c) a reduction of approximately \$0.4 billion in State Department of Corrections and Rehabilitation budget in fiscal year 2024-25 and a total reduction of approximately \$0.7 billion in fiscal years 2022-23 through 2024-25, (d) \$1.1 billion reduction in various affordable housing programs, and (e) \$0.7 billion reduction for various healthcare workforce housing programs.

The 2024-25 State Budget includes a \$13.6 billion increase in revenues by means of additional revenue sources and internal borrowing from special funds, which incorporates suspension of net operating loss deductions for companies with over \$1.0 million in taxable income and limits business tax credits to \$5.0 million in fiscal years 2023-2024 through 2025-2026, and increased managed care organization tax generating \$5.1 billion in fiscal year 2024-

25, \$4.6 billion in fiscal year 2025-26, and \$4.0 billion in fiscal year 2026-27. Significantly, the 2024-25 State Budget provides for the withdrawal of approximately \$12.2 billion from the State Rainy Day Fund (the “Rainy Day Fund”) over fiscal years 2024-25, and 2025-26 and approximately \$0.9 billion from the State Safety Net Reserve in fiscal year 2024-25.

Additional balancing measures include \$6.0 billion in fund shifts, such as (a) applying a prior CalPERS supplemental pension payment to the State’s overall pension liability which reduces the State’s required employer contributions in fiscal year 2024-25 by \$1.7 billion, (b) shifts approximately \$1.0 billion in expenditures from the State general fund to the State’s greenhouse gas reduction fund for the Formula and Competitive Transit and Intercity Rail Capital Program, and (c) shifts approximately \$3.0 billion in expenditures from the State general fund to the State’s greenhouse gas reduction fund for clean energy and other climate programs. The 2024-25 State Budget also delays funding for programs such as the State food assistance program expansion, developmental services, childcare slots and the State’s broadband program by a total amount of approximately \$3.1 billion and includes approximately \$2.1 billion in payroll and University of California and California State University compact deferrals. Some of the core programs maintained in the 2024-25 State Budget include funding of the Proposition 98 minimum guarantee at approximately \$115.3 billion for school districts and community colleges, Medi-Cal expansion of health care, multiple programs supporting the expansion of the continuum of behavioral health treatment and infrastructure capacity for providing behavioral health services, State supplemental payment base grants, CalWORKs base grants, in-home supportive services and certain broadband programs.

The 2024-25 State Budget projects total resources available in fiscal year 2023-24 of approximately \$236.5 billion, including revenues and transfers of approximately \$189.4 billion and a prior year balance of approximately \$47.1 billion, and total expenditures in fiscal year 2023-24 of approximately \$223.1 billion. The 2024-25 State Budget projects total resources available for fiscal year 2024-25 of approximately \$225.6 billion, inclusive of revenues and transfers of approximately \$212.1 billion and a prior year balance of approximately \$13.4 billion. The 2024-25 State Budget projects total expenditures in fiscal year 2024-25 of approximately \$211.5 billion, inclusive of non-Proposition 98 expenditures of approximately \$128.9 billion and Proposition 98 expenditures of approximately \$82.6 billion. The 2024-25 State Budget projects total reserve balances of \$22.2 billion at the end of fiscal year 2024-25. This includes \$17.6 billion in the State Rainy Day Fund, \$3.5 billion in the State’s SFEU, and \$1.1 billion in the Proposition 98 Rainy Day Fund. The 2024-25 State Budget includes total funding of \$133.8 billion for all K-12 education programs, including \$81.5 billion from the State’s general fund and \$52.3 billion from other funds. The 2024-25 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2024-25 State Budget include:

Proposition 98 Minimum Guarantee. The 2024-25 State Budget suspends the Proposition 98 minimum guarantee in fiscal year 2023-24 and projects the Proposition 98 minimum guarantee to be in Test 1 in fiscal year 2024-25. In Test 1 years, the Proposition 98 minimum guarantee is equal to the percentage of State general fund appropriated for K-14 schools in the fiscal year 1986-87. Suspending the Proposition 98 minimum guarantee is projected to create a maintenance factor obligation of approximately \$8.3 billion in fiscal year 2023-24 and is projected to result in a \$4.1 billion maintenance factor payment in fiscal year 2024-25, which will be paid in addition to the Proposition 98 minimum guarantee level in fiscal year 2024-25. The 2024-25 State Budget reflects Proposition 98 funding

levels of \$103.7 billion in fiscal year 2022-23, \$98.5 billion in fiscal year 2023-24, and \$115.3 billion in fiscal year 2024-25. Such funding represents approximately 39.2% of the State's general fund revenues, plus local property tax revenues and a \$4.1 billion maintenance factor payment. To accommodate enrollment increases related to the expansion of transitional kindergarten, the 2024-25 State Budget increased the funding level from approximately 38.6% to approximately 39.2% to increase the percentage of State general fund revenues due to the minimum guarantee.

Proposition 98 Rainy Day Fund. The 2024-25 State Budget includes a withdrawal of the entire \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24 and a discretionary payment of approximately \$1.1 billion in fiscal year 2024-25, leaving a projected balance of \$1.1 billion at the end of fiscal year 2024-25. Because there is no ending balance at the end of the 2023-24 fiscal year and a balance of \$1.1 billion at the end of the 2024-25 fiscal year, school district reserve caps would not be triggered in fiscal year 2024-25 and are not projected to be triggered in fiscal year 2025-26.

Local Control Funding Formula. The 2024-25 State Budget includes LCFF cost-of-living adjustment of 1.07%. The cost-of-living adjustment, when combined with population growth adjustments, increases discretionary funding for local agencies by approximately \$983 million. To fully fund the LCFF, the 2024-25 State Budget withdraws approximately \$5.3 billion from the Proposition 98 Rainy Day Fund to support LCFF costs in fiscal year 2023-24 and uses available reappropriation and reversion funding of \$253.9 million to support ongoing LCFF costs in fiscal year 2024-25.

Deferrals. The 2024-25 State Budget reflects LCFF apportionment deferrals from fiscal year 2023-24 to fiscal year 2024-25 of approximately \$3.6 billion and from fiscal year 2024-25 to fiscal year 2025-26 of approximately \$246 million. Additionally, the 2024-25 State Budget reflects approximately \$2.3 billion in categorical program deferrals from fiscal year 2022-23 to fiscal year 2023-24, with the deferred categorical amount being repaid using Proposition 98 Rainy Day Fund resources.

Learning Recovery Emergency Block Grant. The 2024-25 State Budget focuses the use of allocated but unexpended Learning Recovery Emergency Block Grant funds on actions to address the needs of students most impacted by learning loss, based on an assessment of needs, and incorporates the use of these funds into the existing Local Control and Accountability Plan development process.

Employee Protections. To ensure stable employment for school staff, the 2024-25 State Budget includes a suspension of the August 15, 2024, layoff window for certificated and classified staff.

Instructional Continuity and Attendance Program. The 2024-25 State Budget includes statutory changes to allow local educational agencies to provide attendance recovery opportunities to students to make up lost instructional time, thereby offsetting student absences, and mitigating learning loss, as well as related fiscal impacts to local educational agencies. Beginning in fiscal year 2024-25, the 2024-25 State Budget allows local educational agencies to add up to 10 days of attendance recovery time per pupil to the attendance data submitted to the California Department of Education for funding purposes. Beginning July 1, 2025, the 2024-25 State Budget requires local educational agencies to include an instructional continuity plan in their School Safety Plan as a component of their emergency funding application (J-13A waiver). The plan must include procedures for student engagement within 5 days of an emergency and a plan to provide

hybrid or remote learning opportunities to students within 10 instructional days. The 2024-25 State Budget also includes a \$4.0 million in one-time Proposition 98 general fund resources to research and develop new models of hybrid and remote learning to support students' attendance, including developing and disseminating guidance and resources for local educational agencies to develop their own hybrid and remote learning programs to enable instructional continuity.

Teacher Professional Development and Preparation. To expand the state's educator training infrastructure, the 2024-25 State Budget (a) provides \$25 million of one-time Proposition 98 general fund resources to support necessary costs, including training for educators to administer literacy screenings to meet the requirement to screen students in kindergarten through second grade for risk of reading difficulties, including dyslexia, by the 2025-26 school year; and (b) provides \$20.0 million in one-time Proposition 98 general fund resources for a county office of education to work with the University of California Subject Matter Projects, as well as other well-qualified governmental or non-profit providers, to develop and provide training aligned with the new California Mathematics Framework for mathematics coaches and leaders who in turn can provide training and support to mathematics teachers to deliver high-quality instruction.

State Preschool Program. The 2024-25 State Budget provides approximately \$53.7 billion of State's general fund resources to support reimbursement rate increases previously supported by available one-time federal stimulus funding. The 2024-25 State Budget reflects one-time savings of \$190.7 million general fund and \$522.3 million Proposition 98 general fund. The 2024-25 State Budget authorized State Preschool Program providers to serve two-year-old children, in addition to three and four-year old children, until June 30, 2027. The 2024-25 State Budget maintains that the State Preschool Program continue to require providers to reserve 5% of funded enrollment for children with disabilities. However, the 2024-25 State Budget suspends provisions to increase this requirement to 7.5% in fiscal year 2025-26 and 10% in fiscal year 2026-27.

Transitional Kindergarten. The 2024-25 State Budget provides approximately \$988.7 million in Proposition 98 general fund resources for the 2023-24 school year to support the second year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and April 2. The 2024-25 State Budget also provides approximately \$390.2 million in Proposition 98 general fund resources to support the second year of adding one additional certificated or classified staff person in each transitional kindergarten classroom. Additionally, the 2024-25 State Budget provides approximately \$1.5 billion in ongoing Proposition 98 general fund resources beginning in fiscal year 2024-25 to support the third year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and June 2. The 2024-25 State Budget also provides approximately \$515.5 million in ongoing Proposition 98 general fund resources to support the third year of adding one additional certificated or classified staff person in each transitional kindergarten classroom.

The 2024-25 State Budget solution-oriented measures that directly impact funding for school districts include forgoing planned investments of (a) \$875.0 million to support the school facility program, (b) \$550.0 million support to the State preschool, transitional kindergarten and full-day kindergarten facilities grant program, and (c) \$500.0 million one-time investment in zero-emission school buses. The 2024-25 State Budget provides approximately \$907.1 million to support arts and music in schools, an additional \$179.4 million in ongoing Proposition 98 general fund resources and an additional \$120.8 million one-time Proposition 98 general fund resources to fully fund the universal school meals program in fiscal years 2023-24 and 2024-25, \$9.0 million

in one-time Proposition 98 general fund resources for the classified school employee summer assistance program, \$7.0 million in one-time Proposition 98 general fund resources to support inquiry-based science instruction and assessment through the development of a bank of curriculum-embedded performance tasks, and \$5.0 million each for the State teachers collaborative for holocaust and genocide education and school programs in rural districts.

The 2025-26 State Budget Proposal

The Governor sent the fiscal year 2025-26 budget proposal to the legislature on January 10, 2025 (the “**2025-26 State Budget Proposal**”). The 2025-26 State Budget Proposal presents a balanced budget with what are noted as significant reserves in the coming fiscal year, resulting in an upgrade to the State’s financial forecast in the near term and modest upward revisions in the long term. A stronger-than-anticipated performance of the economy, stock market, and cash receipts, combined with an improved economic outlook, are noted as contributors to an upgraded revenue forecast, with General Fund revenues, before accounting for transfers and tax policy proposals, projected to be higher by approximately \$16.5 billion (2.7%) than was assumed in the 2024-25 State Budget for the three-year budget window of fiscal years 2023-24 through 2025-26.

The 2025-26 State Budget Proposal provides for \$228.9 billion in general fund spending and nearly \$17 billion in combined reserves—including nearly \$11 billion in the State’s Rainy Day Fund and an additional discretionary set-aside of \$4.5 billion in the Special Fund for Economic Uncertainties. Although the proposal is noted as balanced, it anticipates shortfalls in subsequent fiscal years that are driven by expenditures exceeding revenues, noting additional decisions may be necessary at the May Revision to maintain a balanced budget in the coming year, and also on an ongoing basis. Noted risk factors relating to the economy and State revenues include stock market and asset price volatility and declines, particularly those affecting high-income earners - as well as geopolitical instability.

Certain budgeted programs and adjustments for K-12 education set forth in the 2025-26 State Budget Proposal include Proposition 98 funding for K-14 schools set at \$118.9 billion for fiscal year 2025-26, and a LCFF cost-of-living adjustment of 2.43%. The proposal also reflects full implementation of universal transitional kindergarten, increased funding for universal school meals, and implementation of grants that will be fully disbursed in fiscal year 2025-26 to support the community school model to support improved educational outcomes at more than 2,000 public schools.

The 2025-26 State Budget Proposal includes a \$100 million one-time Proposition 98 General Fund for California community colleges to expand Credit for Prior Learning and to begin building the infrastructure for the State’s first “Career Passport.” The Career Passport system will allow students to create formal documentation of their marketable skills and abilities developed through work, classes, apprenticeships, internships or other experiences both inside and outside the classroom, with the intent of scaling the system in future years to be applicable at both the secondary and higher education levels. The 2025-26 State Budget Proposal also allocates \$500 million in one-time funding for literacy and mathematics coaches in high-poverty schools.

The proposal notes that it is maintaining efficiency reductions included in the 2024-25 State Budget intended to address ongoing statewide General Fund budget pressures, and that California State University should continue planning for a reduction of 7.95% in ongoing General Fund support starting in the 2025-26 fiscal year, with the University of California subject to a similar reduction of 7.95%.

The May Revise will be released by the Governor on or before May 14, 2025 and will update the budget proposal with revised economic and revenue outlooks and other estimates and assumptions, and may contain modifications to or removal of policy initiatives included in the January proposal.

For the full text of the 2025-26 State Budget Proposal, see the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

LAO Analysis of the 2025-26 State Budget Proposal. The LAO released its report on the 2025-26 State Budget Proposal entitled “The 2025-26 Budget: Overview of the Governor’s Budget” on January 13, 2025 (the “**2025-26 State Budget Proposal Analysis**”). In the 2025-26 State Budget Proposal Analysis, the LAO notes that the underlying condition of the Governor’s budget is roughly balanced. However, the LAO (and the 2025-26 State Budget Proposal) anticipates budget deficits in future years and recommends action from the Governor and the State legislature. In addition, while the 2025-26 State Budget Proposal’s upgraded revenue forecast is reasonable considering recent collection trends, the LAO is concerned that these gains are largely tied to gains in the stock market and not to improvements in the State’s broader economy. Furthermore, the 2025-26 State Budget Proposal Analysis recommends that the State legislature continue to develop a plan to address future budget problems as existing underlying budget dynamics (i.e., revenues have not caught up with expenditures, expenditure growth exceeds estimated revenue growth, and the legislature’s use of one-time funds) pose especially challenging trade-offs in addressing future deficits. Finally, the LAO notes that while the Governor’s proposals for rethinking the State’s reserve policies are merited, it believes that further changes are warranted, including, increases to the amount of funds that are saved each year.

The 2025-26 State Budget Proposal Analysis is available on the LAO website at <https://lao.ca.gov/Publications/Report/4951>. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Disclaimer Regarding State Budgets

The execution of State budgets may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2024-25 State Budget or subsequent State budgets, or future changes (if any) in the budget due to shifts in the economy or other factors, will have on its own finances and operations. However, the Bonds described herein are secured by *ad valorem* property taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

The State has not entered into any contractual commitments with the District, the County, the Underwriter or the owners of the Bonds to provide State Budget information to the District or the owners of the Bonds. Although the sources of information provided herein are known to be reliable, neither the District nor the Underwriter assume any responsibility for the accuracy of the budget information set forth or referred to in this Official Statement or incorporated herein.

Legal Challenges to State Funding of Education

The application of Proposition 98 and other statutory provisions relating to education funding in the State has been the subject of various legal challenges in the past. The District cannot predict if or when there will be changes to education funding or legal challenges which may arise relating thereto, and how such events could impact the District and its finances.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from the proceeds of an *ad valorem* tax levied by the County for the payment thereof. Articles XIII A, XIII B, XIII C, and XIII D of the State Constitution, Propositions 62, 98, 111 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the District to levy taxes and spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the District to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIII A and all applicable laws.

Constitutionally Required Funding of Education

The State Constitution requires that from all State revenues, there shall be first set apart the moneys to be applied by the State for the support of the public school system and public institutions of higher education. School districts receive a significant portion of their funding from State appropriations. As a result, decreases and increases in State revenues can significantly affect appropriations made by the State Legislature to school districts.

Article XIII A of the California Constitution

Basic Property Tax Levy. On June 6, 1978, California voters approved Proposition 13 (“**Proposition 13**”), which added Article XIII A to the State Constitution (“**Article XIII A**”). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIII A approved by State voters on June 3, 1986) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) (as a result of an amendment to Article XIII A approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The tax for the payment of the Bonds falls within the exception described in (iii) of the immediately preceding sentence. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment”. This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Both the United States Supreme Court and the California State Supreme Court have upheld the general validity of Article XIII A.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

Inflationary Adjustment of Assessed Valuation. As described above, the assessed value of a property may be increased at a rate not to exceed 2% per year to account for inflation. On December 27, 2001, the Orange County Superior Court, in *County of Orange v. Orange County Assessment Appeals Board No. 3*, held that where a home’s taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the 2% inflation adjustment provision of Article XIII A, when the assessor tried to “recapture” the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties, including the County, use a similar methodology in raising the taxable values of property beyond 2% in a single year. The SBE has approved this methodology for increasing assessed values. On appeal, the Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year’s assessment. On May 10, 2004 a petition for review was filed with the California Supreme Court. The petition has been denied by the California Supreme Court. As a result of this litigation, the “recapture” provision described above may continue to be employed in determining the full cash value of property for property tax purposes.

Article XIII B of the California Constitution

Article XIII B (“**Article XIII B**”) of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year under the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the legislature, (f) appropriations derived from

certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIIB includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years. However, in the event that a school district's revenues exceed its spending limit, the district may in any fiscal year increase its appropriations limit to equal its spending by borrowing appropriations limit from the State.

Article XIIB also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund under Section 8.5 of Article XVI of the State Constitution.

Unitary Property

Some amount of property tax revenue of the District is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions ("**unitary property**"). Under the State Constitution, such property is assessed by the SBE as part of a "going concern" rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

Articles XIIC and XIID of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIC and XIID (respectively, "**Article XIIC**" and "**Article XIID**"), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4.

On November 2, 2010, Proposition 26 was approved by State voters, which amended Article XIIC to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and

which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Article XIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIC or XIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

While the provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District (thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District), the District does not believe that Proposition 218 will directly impact the revenues available to pay debt service on the Bonds.

Proposition 98

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "**Accountability Act**"). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act changes State funding of public education below the university level and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as "K-14 school districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, and (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIB

surplus. The maximum amount of excess tax revenues which could be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Proposition 111

On June 5, 1990, the voters approved Proposition 111 (Senate Constitutional Amendment No. 1) called the "Traffic Congestion Relief and Spending Limit Act of 1990" ("**Proposition 111**") which further modified Article XIII B and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in California *per capita* personal income. The definition of "change in population" specifies that a portion of the State's spending limit is to be adjusted to reflect changes in school attendance.

Treatment of Excess Tax Revenues. "Excess" tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the schools' minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.

Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the "**first test**") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to *per capita* personal income) and enrollment (the "**second test**"). Under Proposition 111, schools will receive the

greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in *per capita* State general fund revenues from the prior year is less than the annual growth in California per capita personal income (the “**third test**”). Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and *per capita* State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a “credit” to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, California voters approved an amendment (commonly known as “**Proposition 39**”) to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. Constitutional amendments may be changed only with another statewide vote. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by Proposition 39 are K-12 school districts including the District, community college districts, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1% of the value of property. Prior to the approval of Proposition 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for an elementary school district or high school district), or \$25 (for a community college district), per \$100,000 of taxable property value. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the Legislature and approval by the Governor.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, beginning, in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain

conditions are met, including: (i) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, a constitutional initiative entitled the “Local Taxpayer, Public Safety, and Transportation Protection Act of 2010,” approved on November 2, 2010, superseded many of the provisions of Proposition 1A. This initiative amends the State constitution to prohibit the legislature from diverting or shifting revenues that are dedicated to funding services provided by local government or funds dedicated to transportation improvement projects and services. Under this proposition, the State is not allowed to take revenue derived from locally imposed taxes, such as hotel taxes, parcel taxes, utility taxes and sales taxes, and local public transit and transportation funds. Further, in the event that a local governmental agency sues the State alleging a violation of these provisions and wins, then the State must automatically appropriate the funds needed to pay that local government. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Because Proposition 22 reduces the State’s authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

Proposition 30 and Proposition 55

The Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as “**Proposition 30**”), temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013, to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax was levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,000 for single filers (over \$500,000 but less than \$600,000 for joint filers), (ii) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$600,000 but less than \$1,000,000 for joint filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers).

The revenues generated from the temporary tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See “Proposition 98” and “Proposition 111” above. From an accounting

perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the “EPA”). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

The California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55, was a proposed constitutional amendment initiative that was approved on the November 8, 2016, general election ballot in California. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030, instead of the scheduled expiration date of December 31, 2018. Tax revenue received under Proposition 55 is to be allocated 89% to K-12 schools and 11% to community colleges. Proposition 55 did not extend the sales tax increases of Proposition 30.

California Senate Bill 222

Senate Bill 222 (“**SB 222**”) amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter-approved general obligation bonds which are secured by *ad valorem* tax collections such as the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered, enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 98, 111, 22, 26, 30, 39 and 55 were each adopted as measures that qualified for the ballot under the State's initiative process. From time to time, other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

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APPENDIX B

**ENCINITAS UNION SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2023-24**

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ENCINITAS UNION SCHOOL DISTRICT

**AUDIT REPORT
JUNE 30, 2024**

ENCINITAS UNION SCHOOL DISTRICT
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JUNE 30, 2024

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FINANCIAL SECTION

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTSIndependent Auditors' Report

Governing Board
Encinitas Union School District
Encinitas, California

Report on the Audit of the Financial Statements***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Encinitas Union School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Encinitas Union School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Encinitas Union School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Encinitas Union School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Encinitas Union School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Encinitas Union School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Encinitas Union School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedule of changes in total OPEB liability and related ratios, schedules of proportionate share of net pension liability, and schedules of district contributions for pensions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Encinitas Union School District's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Local Education Agency Organization Structure but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2024 on our consideration of the Encinitas Union School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Encinitas Union School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Encinitas Union School District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Christy White, Inc." in a cursive script.

San Diego, California
November 1, 2024

ENCINITAS UNION SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

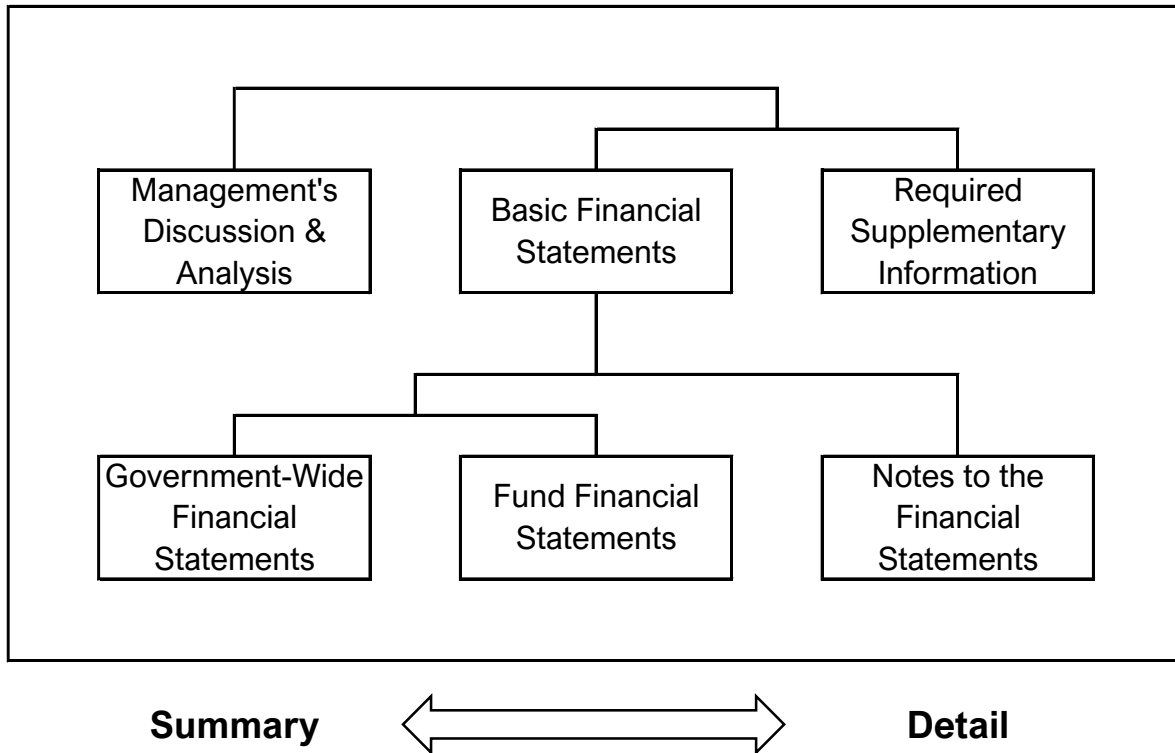
Our discussion and analysis of Encinitas Union School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position was \$15,029,123 at June 30, 2024. This was a decrease of \$157,721 from the prior year.
- Overall revenues were \$90,026,569, which were exceeded by expenses of \$90,184,290.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financial Section



**ENCINITAS UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

OVERVIEW OF FINANCIAL STATEMENTS (continued)

Components of the Financial Section (continued)

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- ▶ **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- ▶ **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.
 - ▶ **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.
 - ▶ **Proprietary Funds** report services for which the District charges customers a fee. Like the government-wide statements, they provide both long- and short-term financial information.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include governmental activities. All of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local control formula funding and federal and state grants finance most of these activities.

**ENCINITAS UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was \$15,029,123 at June 30, 2024, as reflected in the table below. Of this amount, \$(58,360,461) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2024	2023	Net Change
ASSETS			
Current and other assets	\$ 77,229,715	\$ 73,778,857	\$ 3,450,858
Capital assets	82,816,483	85,790,792	(2,974,309)
Total Assets	160,046,198	159,569,649	476,549
DEFERRED OUTFLOWS OF RESOURCES	24,861,491	24,399,792	461,699
LIABILITIES			
Current liabilities	8,073,354	7,795,430	277,924
Long-term liabilities	155,466,887	153,287,308	2,179,579
Total Liabilities	163,540,241	161,082,738	2,457,503
DEFERRED INFLOWS OF RESOURCES	6,338,325	7,699,859	(1,361,534)
NET POSITION			
Net investment in capital assets	40,878,932	41,908,423	(1,029,491)
Restricted	32,510,652	38,339,998	(5,829,346)
Unrestricted	(58,360,461)	(65,061,577)	6,701,116
Total Net Position	\$ 15,029,123	\$ 15,186,844	\$ (157,721)

**ENCINITAS UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement and rearranges it slightly, so you can see our total revenues, and expenses for the year.

	Governmental Activities		
	2024	2023	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 1,238,010	\$ 909,210	\$ 328,800
Operating grants and contributions	12,245,610	17,308,574	(5,062,964)
General revenues			
Property taxes	68,088,155	63,843,122	4,245,033
Unrestricted federal and state aid	3,934,299	4,250,963	(316,664)
Other	4,520,495	3,227,794	1,292,701
Total Revenues	90,026,569	89,539,663	486,906
EXPENSES			
Instruction	51,046,858	42,252,582	8,794,276
Instruction-related services	7,437,878	6,008,533	1,429,345
Pupil services	8,476,367	7,768,244	708,123
General administration	4,508,281	4,239,995	268,286
Plant services	8,481,828	7,426,454	1,055,374
Community services	368,154	420,565	(52,411)
Debt service	3,475,076	4,059,788	(584,712)
Other outgo	37,263	42,157	(4,894)
Depreciation	6,352,585	6,267,050	85,535
Enterprise activities	-	478	(478)
Total Expenses	90,184,290	78,485,846	11,698,444
Change in net position	(157,721)	11,053,817	(11,211,538)
Net Position - Beginning	15,186,844	4,133,027	11,053,817
Net Position - Ending	\$ 15,029,123	\$ 15,186,844	\$ (157,721)

The cost of all our governmental activities this year was \$90,184,290. The amount that our taxpayers ultimately financed for these activities through taxes was \$68,088,155, while the remaining portion of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions.

**ENCINITAS UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

In the table below, we have presented the net cost of each of the District's functions. Net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Net Cost of Services	
	2024	2023
Instruction	\$ 42,899,505	\$ 29,053,107
Instruction-related services	7,063,009	5,779,409
Pupil services	4,862,216	3,662,253
General administration	4,328,874	3,854,487
Plant services	7,792,007	7,275,057
Community services	(100,776)	311,634
Debt service	3,475,076	4,059,788
Transfers to other agencies	28,174	4,799
Depreciation	6,352,585	6,267,050
Enterprise activities	-	478
Total	\$ 76,700,670	\$ 60,268,062

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$67,196,085 which is more than last year's ending fund balance of \$64,377,444. The District's General Fund had \$3,061,360 more in operating revenues than expenditures for the year ended June 30, 2024. The District's Special Reserve Fund for Capital Outlay Projects had \$345,430 less in operating revenues than expenditures for the year ended June 30, 2024. The District's Bond Interest and Redemption Fund had \$448,199 less in operating revenues than expenditures for the year ended June 30, 2024.

CURRENT YEAR BUDGET 2023-2024

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a periodic basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial projections and current budget based on State and local financial information.

**ENCINITAS UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

By the end of 2023-2024 the District had invested \$82,816,483 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2024	2023	Net Change
CAPITAL ASSETS			
Land	\$ 20,468,378	\$ 20,468,378	\$ -
Construction in progress	492,765	4,213,943	(3,721,178)
Land improvements	2,882,364	2,882,364	-
Buildings & improvements	147,801,347	141,194,755	6,606,592
Furniture & equipment	17,054,634	17,435,924	(381,290)
Less: Accumulated depreciation	(105,883,005)	(100,404,572)	(5,478,433)
Total	\$ 82,816,483	\$ 85,790,792	\$ (2,974,309)

Long-Term Liabilities

At year-end, the District had \$155,466,887 in long-term liabilities. This was a decrease of 2.47% from the prior year ending balance, as shown in the table below. More detailed information about the District's long-term liabilities is presented in the Notes to Financial Statements section.

	Governmental Activities		
	2024	2023	Net Change
LONG-TERM LIABILITIES			
Total general obligation bonds	\$ 82,428,154	\$ 84,462,827	\$ (2,034,673)
Compensated absences	509,989	465,584	44,405
Total OPEB liability	9,675,145	9,353,896	321,249
Net pension liability	66,088,466	62,064,868	4,023,598
Less: current portion of long-term liabilities	(3,234,867)	3,059,867	(6,294,734)
Total	\$ 155,466,887	\$ 159,407,042	\$ (3,940,155)

**ENCINITAS UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Several economic factors could impact California school district funding and the District's budget in the next fiscal year:

Long-term Declining Enrollment: Lower birth rates and increased migration out of state have resulted in long-term declining enrollment across California schools. Enrollment can fluctuate due to factors such as population growth, competition from private and parochial schools, inter-district transfers in or out, economic conditions, and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to adjust fixed operating costs.

Revenue Uncertainties: Proposition 98 guarantees have improved over the 2023-24 fiscal year, but the prior 2022-23 revenues fell short of estimates, reducing the guarantee and resulting in the use of Proposition 98 reserves. California faced a significant budget deficit due to a severe revenue decline in 2022-23, driven mainly by lower income tax collections and economic downturns. However, recent tax forecasts show that actual revenues surpass projections. Surpluses could help fund more Proposition 98 revenue for school districts.

Underfunded Pension Liabilities: The District participates in state employee pension plans, California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) and both are underfunded. The District's proportionate share of the liability is reported in the Statement of Net Position as of June 30, 2024. The amount of the liability is material to the District's financial position. The CalSTRS projected employer contribution rate for 2024-25 is 19.10 percent. The CalPERS projected employer contribution rate for 2024-25 is 27.05 percent. The projected increased pension costs to school employers remain a significant fiscal factor.

Economic Downturn: Higher borrowing costs and reduced investment have slowed economic activity, particularly affecting sectors like technology and startups, which are crucial to California's economy. The unemployment rate is up but might reverse with future jobs in the technology and aerospace industries.

Federal Reserve Actions: The Federal Reserve's interest rate hikes have increased borrowing costs, reducing investment and economic growth.

Stock Market Performance: The steep decline in the stock market in prior years has negatively impacted income tax collections from high-income Californians and corporations. Overall, market performance in 2024 is trending in a positive direction.

These factors contribute to a challenging fiscal environment, potentially affecting the state's ability to maintain or increase funding for school districts. All these factors were considered in preparing the District's 2024-25 fiscal year budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the business office at Encinitas Union School District, 101 South Rancho Santa Fe Road, Encinitas, California, 92024.

ENCINITAS UNION SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and investments	\$ 73,532,035
Accounts receivable	3,499,629
Inventory	198,051
Capital assets, not depreciated	20,961,143
Capital assets, net of accumulated depreciation	61,855,340
Total Assets	<u>160,046,198</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	24,114,457
Deferred outflows related to OPEB	747,034
Total Deferred Outflows of Resources	<u>24,861,491</u>
LIABILITIES	
Accrued liabilities	3,165,279
Unearned revenue	1,673,208
Long-term liabilities, current portion	3,234,867
Long-term liabilities, non-current portion	155,466,887
Total Liabilities	<u>163,540,241</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	4,210,388
Deferred inflows related to OPEB	2,127,937
Total Deferred Inflows of Resources	<u>6,338,325</u>
NET POSITION	
Net investment in capital assets	40,878,932
Restricted:	
Capital projects	452,116
Debt service	22,610,413
Educational programs	7,881,384
Food service	1,566,739
Unrestricted	(58,360,461)
Total Net Position	<u>\$ 15,029,123</u>

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Function/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
GOVERNMENTAL ACTIVITIES				
Instruction	\$ 51,046,858	\$ 403,392	\$ 7,743,961	\$ (42,899,505)
Instruction-related services				
Instructional supervision and administration	2,542,505	-	361,224	(2,181,281)
Instructional library, media, and technology	1,756,004	-	24,483	(1,731,521)
School site administration	3,139,369	-	(10,838)	(3,150,207)
Pupil services				
Home-to-school transportation	691,019	-	-	(691,019)
Food services	2,694,694	137,897	2,714,988	158,191
All other pupil services	5,090,654	175,859	585,407	(4,329,388)
General administration				
Centralized data processing	114,971	-	-	(114,971)
All other general administration	4,393,310	20,109	159,298	(4,213,903)
Plant services	8,481,828	116,040	573,781	(7,792,007)
Community services	368,154	384,493	84,437	100,776
Interest on long-term debt	3,475,076	-	-	(3,475,076)
Other outgo	37,263	220	8,869	(28,174)
Depreciation (unallocated)	6,352,585	-	-	(6,352,585)
Total Governmental Activities	\$ 90,184,290	\$ 1,238,010	\$ 12,245,610	(76,700,670)
General revenues				
Taxes and subventions				
Property taxes, levied for general purposes				63,090,802
Property taxes, levied for debt service				4,998,818
Federal and state aid not restricted for specific purposes				3,934,299
Interest and investment earnings				1,975,829
Interagency revenues				56,694
Miscellaneous				2,486,507
Subtotal, General Revenue				76,542,949
CHANGE IN NET POSITION				(157,721)
Net Position - Beginning				15,186,844
Net Position - Ending				\$ 15,029,123

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024**

	General Fund	Special Reserve Fund for Capital Outlay Projects	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 36,616,060	\$ 6,449,967	\$ 23,458,505	\$ 1,848,484	\$ 68,373,016
Accounts receivable	2,876,341	65,271	-	506,707	3,448,319
Due from other funds	133,700	1,049,521	-	-	1,183,221
Stores inventory	143,392	-	-	54,659	198,051
Total Assets	\$ 39,769,493	\$ 7,564,759	\$ 23,458,505	\$ 2,409,850	\$ 73,202,607
LIABILITIES					
Accrued liabilities	\$ 2,222,591	\$ 10,539	\$ -	\$ 83,882	\$ 2,317,012
Due to other funds	1,882,602	-	-	133,700	2,016,302
Unearned revenue	1,673,208	-	-	-	1,673,208
Total Liabilities	5,778,401	10,539	-	217,582	6,006,522
FUND BALANCES					
Nonspendable	158,392	-	-	54,659	213,051
Restricted	7,881,384	-	23,458,505	2,137,609	33,477,498
Assigned	22,806,306	7,554,220	-	-	30,360,526
Unassigned	3,145,010	-	-	-	3,145,010
Total Fund Balances	33,991,092	7,554,220	23,458,505	2,192,268	67,196,085
Total Liabilities and Fund Balances	\$ 39,769,493	\$ 7,564,759	\$ 23,458,505	\$ 2,409,850	\$ 73,202,607

The accompanying notes are an integral part of these financial statements.

ENCINITAS UNION SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET
POSITION
JUNE 30, 2024

Total Fund Balance - Governmental Funds \$ 67,196,085

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 188,699,488	
Accumulated depreciation	<u>(105,883,005)</u>	82,816,483

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmaturred interest owing at the end of the period was:

(848,092)

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Total general obligation bonds	\$ 82,428,154	
Compensated absences	509,989	
Total OPEB liability	9,675,145	
Net pension liability	<u>66,088,466</u>	(158,701,754)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources related to pensions	\$ 24,114,457	
Deferred inflows of resources related to pensions	<u>(4,210,388)</u>	19,904,069

Deferred outflows and inflows of resources relating to OPEB:

In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to OPEB are reported.

Deferred outflows of resources related to OPEB	\$ 747,034	
Deferred inflows of resources related to OPEB	<u>(2,127,937)</u>	(1,380,903)

Internal service funds:

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to operate for the benefit of governmental activities, assets, deferred outflows of resources, liabilities, and deferred inflows of resources of internal service funds are reported with governmental activities in the statement of net position. Net position for internal service funds is:

6,043,235

Total Net Position - Governmental Activities

\$ 15,029,123

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Special Reserve Fund for Capital Outlay Projects	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
LCFF sources	\$ 65,743,346	\$ -	\$ -	\$ -	\$ 65,743,346
Federal sources	2,738,471	-	-	564,956	3,303,427
Other state sources	8,171,144	-	20,632	2,302,590	10,494,366
Other local sources	7,981,476	318,170	5,049,867	904,900	14,254,413
Total Revenues	84,634,437	318,170	5,070,499	3,772,446	93,795,552
EXPENDITURES					
Current					
Instruction	52,841,893	-	-	-	52,841,893
Instruction-related services					
Instructional supervision and administration	2,584,012	-	-	-	2,584,012
Instructional library, media, and technology	1,723,578	-	-	-	1,723,578
School site administration	3,189,296	-	-	-	3,189,296
Pupil services					
Home-to-school transportation	691,019	-	-	-	691,019
Food services	114,032	-	-	2,563,278	2,677,310
All other pupil services	5,139,341	-	-	-	5,139,341
General administration					
Centralized data processing	114,971	-	-	-	114,971
All other general administration	4,241,938	-	-	91,304	4,333,242
Plant services	8,511,772	51,474	-	309,474	8,872,720
Facilities acquisition and construction	2,015,808	612,126	-	257,480	2,885,414
Community services	368,154	-	-	-	368,154
Transfers to other agencies	37,263	-	-	-	37,263
Debt service					
Principal	-	-	2,279,642	-	2,279,642
Interest and other	-	-	3,239,056	-	3,239,056
Total Expenditures	81,573,077	663,600	5,518,698	3,221,536	90,976,911
Excess (Deficiency) of Revenues Over Expenditures	3,061,360	(345,430)	(448,199)	550,910	2,818,641
Other Financing Sources (Uses)					
Transfers in	-	1,300,000	-	-	1,300,000
Transfers out	(1,300,000)	-	-	-	(1,300,000)
Net Financing Sources (Uses)	(1,300,000)	1,300,000	-	-	-
NET CHANGE IN FUND BALANCE	1,761,360	954,570	(448,199)	550,910	2,818,641
Fund Balance - Beginning	32,229,732	6,599,650	23,906,704	1,641,358	64,377,444
Fund Balance - Ending	\$ 33,991,092	\$ 7,554,220	\$ 23,458,505	\$ 2,192,268	\$ 67,196,085

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Governmental Funds \$ 2,818,641

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay:	\$ 3,405,777	
Depreciation expense:	<u>(6,352,585)</u>	(2,946,808)

Debt service:

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

2,279,642

Gain or loss from the disposal of capital assets:

In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain or loss is:

(27,501)

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:

8,949

Accreted interest on long-term debt:

In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current sources. In the government-wide statement of activities, however, this is recorded as interest expense for the period.

(324,836)

Compensated absences:

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:

(44,405)

(continued on the following page)

**ENCINITAS UNION SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES, continued
FOR THE YEAR ENDED JUNE 30, 2024**

Postemployment benefits other than pensions (OPEB):

In governmental funds, OPEB expenses are recognized when employer OPEB contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB expenses and actual employer OPEB contributions was: (519,958)

Pensions:

In governmental funds, pension costs are recognized when employer contributions are made. In the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was: (2,001,656)

Amortization of debt issuance premium or discount:

In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized over the life of the debt. Amortization of premium or discount for the period is: 79,867

Internal Service Funds:

Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to benefit governmental activities, internal service activities are reported as governmental in the statement of activities. The net increase or decrease in internal service funds was: 520,344

Change in Net Position of Governmental Activities	<u>\$ (157,721)</u>
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ENCINITAS UNION SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2024

	Governmental Activities Internal Service Fund
ASSETS	
Current assets	
Cash and investments	\$ 5,159,019
Accounts receivable	51,310
Due from other funds	833,081
Total current assets	<u>6,043,410</u>
Total Assets	<u>6,043,410</u>
LIABILITIES	
Current liabilities	
Accrued liabilities	<u>175</u>
Total current liabilities	<u>175</u>
Total Liabilities	<u>175</u>
NET POSITION	
Restricted	<u>6,043,235</u>
Total Net Position	<u>\$ 6,043,235</u>

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2024**

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 833,482
Total operating revenues	<u>833,482</u>
OPERATING EXPENSES	
Professional services	<u>537,118</u>
Total operating expenses	<u>537,118</u>
Operating income/(loss)	<u>296,364</u>
NON-OPERATING REVENUES/(EXPENSES)	
Interest income	<u>223,980</u>
Total non-operating revenues/(expenses)	<u>223,980</u>
CHANGE IN NET POSITION	520,344
Net Position - Beginning	<u>5,522,891</u>
Net Position - Ending	<u>\$ 6,043,235</u>

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	Governmental Activities Internal Service Fund
Cash flows from operating activities	
Cash received from user charges	\$ 833,482
Cash received (paid) from assessments made to (from) other funds	(30,038)
Cash payments for payroll, insurance, and operating costs	(537,768)
Net cash provided by (used for) operating activities	265,676
Cash flows from investing activities	
Interest received	223,980
Net cash provided by (used for) investing activities	223,980
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	489,656
 CASH AND CASH EQUIVALENTS	
Beginning of year	4,669,363
End of year	\$ 5,159,019
 Reconciliation of operating income (loss) to cash provided by (used for) operating activities	
Operating income/(loss)	\$ 296,364
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivables	(9,187)
(Increase) decrease in due from other funds	(20,851)
Increase (decrease) in accrued liabilities	(650)
Net cash provided by (used for) operating activities	\$ 265,676

The accompanying notes are an integral part of these financial statements.

**ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Encinitas Union School District (the “District”) accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-6 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities.

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has no such component units.

C. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements. The fund financial statements provide information about the District's funds, including its proprietary funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Proprietary funds are used to account for activities that are more business-like than government-like in nature. Proprietary funds are generally intended to be self-supporting.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Major Governmental Funds

General Fund: The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General Fund.

Special Reserve Fund for Capital Outlay Projects: This fund exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code Section 42840*).

Bond Interest and Redemption Fund: This fund is used for the repayment of bonds issued for the District (*Education Code Sections 15125–15262*). The board of supervisors of the county issues the bonds. The proceeds from the sale of the bonds are deposited in the county treasury to the Building Fund of the District. Any premiums or accrued interest received from the sale of the bonds must be deposited in the Bond Interest and Redemption Fund of the District. The county auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the county treasurer from taxes levied by the county auditor-controller.

Non-Major Governmental Funds

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The District maintains the following special revenue funds:

Cafeteria Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code Sections 38090–38093*). The Cafeteria Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections 38091 and 38100*).

Capital Project Funds: Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Capital Facilities Fund: This fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code Sections 17620–17626*). The authority for these levies may be county/city ordinances (*Government Code Sections 65970–65981*) or private agreements between the District and the developer. Interest earned in the Capital Facilities Fund is restricted to that fund (*Government Code Section 66006*).

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Non-Major Governmental Funds (continued)

Proprietary Funds

Internal Service Funds: Internal service funds are created principally to render services to other organizational units of the District on a cost-reimbursement basis. These funds are designed to be self-supporting with the intent of full recovery of costs, including some measure of the cost of capital assets, through user fees and charges.

Self-Insurance Fund: Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds of the District. Separate funds may be established for each type of self-insurance activity, such as workers' compensation, health and welfare, and deductible property loss (*Education Code Section 17566*).

D. Basis of Accounting – Measurement Focus

Government-Wide and Proprietary Fund Financial Statements

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service fund are charges to other funds for self-insurance costs. Operating expenses for internal service funds include the costs of insurance premiums and claims related to self-insurance.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

Governmental Funds

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, “available” means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position

Cash and Cash Equivalents

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Inventories

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings and Improvements	20 to 50 Years
Furniture and Equipment	5 to 15 Years
Vehicles	5 to 15 Years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resource. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken because such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide and proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB, and OPEB expense have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 – June 30, 2024

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over five years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

Premiums and Discounts

In the government-wide and proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Deferred Outflows/Deferred Inflows of Resources

In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, lease receivables (net of related deferred inflows), prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Fund Balance (continued)

Assigned - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

Unassigned - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

G. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Budgetary Data

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

I. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

J. New Accounting Pronouncements

GASB Statement No. 99 – In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The statement addresses various practice issues, including: (a) clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives, (b) disclosures related to nonmonetary transactions; clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements, (c) terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and (d) terminology used in Statement 53 to refer to resource flows statements. A portion of this statement was effective upon issuance, while the remaining portions of this statement were effective for periods beginning after June 15, 2022 and for periods beginning after June 15, 2023. The District has fully implemented this Statement as of June 30, 2024.

GASB Statement No. 100 – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for periods beginning after June 15, 2023. The District has fully implemented this Statement as of June 30, 2024.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. New Accounting Pronouncements (continued)

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023. The District has not yet determined the impact on the financial statements.

GASB Statement No. 102 – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This statement is effective for periods beginning after June 15, 2024. The District has not yet determined the impact on the financial statements.

GASB Statement No. 103 – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The statement is effective for periods beginning after June 15, 2025. The District has not yet determined the impact on the financial statements.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	Governmental Funds	Internal Service Fund	Governmental Activities
Investment in county treasury	\$ 50,248,044	\$ 5,237,979	\$ 55,486,023
Fair value adjustment	(757,472)	(78,960)	(836,432)
Cash on hand and in banks	20,000	-	20,000
Cash with fiscal agent	18,847,444	-	18,847,444
Cash in revolving fund	15,000	-	15,000
Total	\$ 68,373,016	\$ 5,159,019	\$ 73,532,035

B. Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

Investment in County Treasury – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The San Diego County Treasurer’s pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County’s investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District’s investment in the pool is based upon the District’s pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Cash with Fiscal Agent – The District maintains cash balances with US Bank related to its 2020 General Obligation Refunding Bonds, Series A (2022 Crossover) and Series B (2025 Crossover).

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

C. General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of approximately \$54,649,591. The average weighted maturity for this pool is 449 days.

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 2 – CASH AND INVESTMENTS (continued)

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2024, the District's bank balance was not exposed to custodial credit risk.

G. Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the San Diego County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2024 were as follows:

	<u>Uncategorized</u>
Investment in county treasury	\$ 54,649,591
Total	<u>\$ 54,649,591</u>

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2024 consisted of the following:

	General Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Internal Service Fund	Governmental Activities
Federal Government					
Categorical aid	\$ 1,522,078	\$ -	\$ 96,873	\$ -	\$ 1,618,951
State Government					
Apportionment	234,980	-	-	-	234,980
Categorical aid	198,279	-	379,509	-	577,788
Lottery	314,420	-	-	-	314,420
Local Government					
Other local sources	606,584	65,271	30,325	51,310	753,490
Total	\$ 2,876,341	\$ 65,271	\$ 506,707	\$ 51,310	\$ 3,499,629

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 01, 2023	Additions	Deletions	Balance June 30, 2024
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 20,468,378	\$ -	\$ -	\$ 20,468,378
Construction in progress	4,213,943	2,016,681	5,737,859	492,765
Total capital assets not being depreciated	24,682,321	2,016,681	5,737,859	20,961,143
Capital assets being depreciated				
Land improvements	2,882,364	-	-	2,882,364
Buildings & improvements	141,194,755	6,606,592	-	147,801,347
Furniture & equipment	17,435,924	520,363	901,653	17,054,634
Total capital assets being depreciated	161,513,043	7,126,955	901,653	167,738,345
Less: Accumulated depreciation				
Land improvements	2,743,105	10,933	-	2,754,038
Buildings & improvements	82,426,597	5,571,486	-	87,998,083
Furniture & equipment	15,234,870	770,166	874,152	15,130,884
Total accumulated depreciation	100,404,572	6,352,585	874,152	105,883,005
Total capital assets being depreciated, net	61,108,471	774,370	27,501	61,855,340
Governmental Activities				
Capital Assets, net	\$ 85,790,792	\$ 2,791,051	\$ 5,765,360	\$ 82,816,483

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund Receivables/Payables (Due From/Due To)

Individual interfund receivable and payable balances at June 30, 2024 were as follows:

Due To Other Funds	Due From Other Funds			
	General Fund	Special Reserve Fund for Capital Outlay Projects	Internal Service Fund	Total
General Fund	\$ -	\$ 1,049,521	\$ 833,081	\$ 1,882,602
Non-Major Governmental Funds	133,700	-	-	133,700
Total	\$ 133,700	\$ 1,049,521	\$ 833,081	\$ 2,016,302

Due from the General Fund to the Internal Service Fund for OPEB contributions.	\$ 833,081
Due from the Cafeteria Fund to the General Fund for OPEB and indirect costs.	133,700
Due from the General Fund to the Special Reserve Fund for Capital Outlay Projects to cover District school site construction projects.	1,049,521
Total	\$ 2,016,302

B. Operating Transfers

During the year ended June 30, 2024, the General Fund transferred \$1,300,000 to the Special Reserve Fund for Capital Outlay Projects to cover District school site construction projects.

NOTE 6 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2024 consisted of the following:

	General Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Internal Service Fund	District-Wide	Governmental Activities
Payroll	\$ 582,756	\$ -	\$ 46,408	\$ -	\$ -	\$ 629,164
Vendors payable	1,628,723	10,539	37,474	175	-	1,676,911
Unmatured interest	-	-	-	-	848,092	848,092
Due to grantor government	11,112	-	-	-	-	11,112
Total	\$ 2,222,591	\$ 10,539	\$ 83,882	\$ 175	\$ 848,092	\$ 3,165,279

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 7 – UNEARNED REVENUE

Unearned revenue at June 30, 2024 consisted of the following:

	General Fund
Federal sources	\$ 44,856
State categorical sources	491,307
Local sources	1,137,045
Total	\$ 1,673,208

NOTE 8 – LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the year ended June 30, 2024 consisted of the following:

	Balance July 01, 2023		Additions		Deductions		Balance June 30, 2024		Balance Due In One Year
Governmental Activities									
General obligation bonds	\$ 62,590,405	\$	-	\$	2,279,642	\$	60,310,763	\$	2,375,805
Unamortized premium	554,099		-		79,867		474,232		79,867
Accreted interest	21,318,323		1,025,194		700,358		21,643,159		779,195
Total general obligation bonds	84,462,827		1,025,194		3,059,867		82,428,154		3,234,867
Compensated absences	465,584		44,405		-		509,989		-
Total OPEB liability	9,353,896		321,249		-		9,675,145		-
Net pension liability	62,064,868		4,023,598		-		66,088,466		-
Total	\$ 156,347,175	\$	5,414,446	\$	3,059,867	\$	158,701,754	\$	3,234,867

- Payments for general obligation bonds are made in the Bond Interest and Redemption Fund.
- Payments for compensated absences are typically liquidated in the General Fund and the Non-Major Governmental Funds.

A. General Obligation Bonds

The outstanding bonded debt of the District, including accreted interest, at June 30, 2024 is as follows:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 01, 2023	Additions	Deductions	Bonds Outstanding June 30, 2024
Election 2010 Series 2011	4/20/2011	8/1/2035	5.43% - 6.75%	\$ 12,998,720	\$ 24,678,774	\$ 245,715	\$ 1,040,000	\$ 23,884,489
Election 2010 Series 2013	2/5/2013	8/1/2037	3.00% - 4.35%	9,998,411	11,550,000	-	-	11,550,000
Election 2010 Series 2015	9/3/2015	8/1/2039	2.49% - 4.61%	13,999,453	18,424,954	779,479	720,000	18,484,433
Election 2010 Series 2017	4/27/2017	8/1/2029	2.75% - 4.00%	7,200,000	6,350,000	-	840,000	5,510,000
2020 GO Refunding Bonds, Series A	9/23/2021	8/1/2027	0.402% - 1.161%	2,440,000	2,440,000	-	380,000	2,060,000
2020 GO Refunding Bonds, Series B	9/23/2021	8/1/2039	1.011% - 2.484%	20,465,000	20,465,000	-	-	20,465,000
Total					\$ 83,908,728	\$ 1,025,194	\$ 2,980,000	\$ 81,953,922

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (continued)

A. General Obligation Bonds (continued)

The annual requirements to amortize the general obligation bonds outstanding at June 30, 2024, excluding accreted interest in the amount of \$21,643,159, are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 2,375,805	\$ 2,016,783	\$ 4,392,588
2026	2,460,420	1,977,707	4,438,127
2027	2,728,266	1,939,028	4,667,294
2028	3,030,413	1,895,939	4,926,352
2029	2,613,001	1,763,326	4,376,327
2030 - 2034	13,155,481	8,439,831	21,595,312
2035 - 2039	27,026,097	3,474,911	30,501,008
2040	6,921,280	60,859	6,982,139
Total	\$ 60,310,763	\$ 21,568,384	\$ 81,879,147

B. Compensated Absences

Total unpaid employee compensated absences of June 30, 2024 amounted to \$509,989. This amount is included as part of long-term liabilities in the government-wide financial statements.

C. Other Postemployment Benefits

The District's beginning total OPEB liability was \$9,353,896 and increased by \$321,249 during the year ended June 30, 2024. The ending total OPEB liability at June 30, 2024 was \$9,675,145. See Note 10 for additional information regarding the total OPEB liability.

D. Net Pension Liability

The District's beginning net pension liability was \$62,064,868 and increased by \$4,023,598 during the year ended June 30, 2024. The ending net pension liability at June 30, 2024 was \$66,088,466. See Note 11 for additional information regarding the net pension liability.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 9 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2024:

	General Fund	Special Reserve Fund for Capital Outlay Projects	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable					
Revolving cash	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Stores inventory	143,392	-	-	54,659	198,051
Total non-spendable	158,392	-	-	54,659	213,051
Restricted					
Permanent fund balance	-	-	-	118,754	118,754
Educational programs	7,881,384	-	-	-	7,881,384
Food service	-	-	-	1,566,739	1,566,739
Capital projects	-	-	-	452,116	452,116
Debt service	-	-	23,458,505	-	23,458,505
Total restricted	7,881,384	-	23,458,505	2,137,609	33,477,498
Assigned					
Board fund policy	8,317,308	-	-	-	8,317,308
Mandate block grant	717,545	-	-	-	717,545
One-time mandate cost	624,121	-	-	-	624,121
Vacation liability	509,989	-	-	-	509,989
Facilities projects	500,000	-	-	-	500,000
Testing Materials	36,788	-	-	-	36,788
Technology	500,000	-	-	-	500,000
Preschool grant dollars	774,900	-	-	-	774,900
Lottery	4,360,242	-	-	-	4,360,242
Special reserve	6,465,413	-	-	-	6,465,413
Other assignments	-	7,554,220	-	-	7,554,220
Total assigned	22,806,306	7,554,220	-	-	30,360,526
Unassigned	3,145,010	-	-	-	3,145,010
Total	\$ 33,991,092	\$ 7,554,220	\$ 23,458,505	\$ 2,192,268	\$ 67,196,085

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 10 percent of General Fund expenditures and other financing uses.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Plan Description

The Encinitas Union School District's defined benefit OPEB plan, Encinitas Union School District Retiree Benefit Plan (the Plan) is described below. The Plan is a single-employer defined benefit plan administered by the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

B. Benefits Provided

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements. The following is a description of the current retiree benefit plan:

	<u>Certificated</u>	<u>Classified</u>	<u>Superintendent</u>
Benefit types provided	Medical*	Medical*	Medical*
Duration of Benefits	5 years	5 years	5 years
Required Service	15 years	14 years	10 years
Minimum Age	55	50	55
Dependent Coverage	No	No	No
District Contribution %	100%	100%	100%
District Cap	\$930 per month	\$930 per month	\$930 per month

*At age 65 the retiree is eligible to receive a District contribution for the medical premium and a Medicare Part B premium reimbursement.

The contribution requirements of Plan members and the District are established and may be amended by the District, Teachers of Encinitas (TOE), and the local California Service Employees Association (CSEA), and unrepresented groups. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District, TOE, CSEA, and the unrepresented groups.

C. Contributions

For the measurement period, the District contributed \$400,721 to the Plan, all of which was used for current premiums.

D. Plan Membership

Membership of the Plan consists of the following as of the June 30, 2024 valuation date:

	<u>Number of participants</u>
Inactive employees receiving benefits	55
Inactive employees entitled to but not receiving benefits*	-
Participating active employees	487
Total number of participants**	542

*Information not provided

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

E. Total OPEB Liability

The Encinitas Union School District's total OPEB liability of \$9,675,145 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023.

F. Actuarial Assumptions and Other Inputs

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Economic assumptions:

Inflation	2.50%
Salary increases	2.75%
Discount rate	3.93%
Healthcare cost trend rates	4.00%

Mortality rates were based on the 2020 CalSTRS Mortality Table for certificated employees and the 2021 CalPERS Active Mortality for Miscellaneous Employees Table for classified employees.

The discount rate was based on the Bond Buyer 20 Bond Index. The actuary assumed contributions would be sufficient to fully fund the obligation over a period not to exceed twenty-two years.

G. Changes in Total OPEB Liability

	<u>June 30, 2024</u>
Total OPEB Liability	
Service cost	\$ 616,412
Interest on total OPEB liability	345,354
Changes of assumptions	(239,796)
Benefits payments	<u>(400,721)</u>
Net change in total OPEB liability	321,249
Total OPEB liability - beginning	<u>9,353,896</u>
Total OPEB liability - ending	<u>\$ 9,675,145</u>

H. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Encinitas Union School District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease	Valuation Discount Rate	1% Increase
	(2.93%)	(3.93%)	(4.93%)
Total OPEB liability	\$ 10,506,953	\$ 9,675,145	\$ 8,936,133

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

I. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Encinitas Union School District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease (3.00%)	Healthcare Cost Trend Rate (4.00%)	1% Increase (5.00%)
Total OPEB liability	\$ 8,456,703	\$ 9,675,145	\$ 11,112,263

J. OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the Encinitas Union School District recognized OPEB expense of \$920,679. At June 30, 2024, the Encinitas Union School District reported deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 423,857	\$ 506,609
Changes in assumptions	323,177	1,621,328
Total	\$ 747,034	\$ 2,127,937

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 198,790	\$ 239,877
2026	198,790	221,592
2027	187,685	203,308
2028	161,769	203,308
2029	-	203,308
Thereafter	-	1,056,544
Total	\$ 747,034	\$ 2,127,937

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	Net pension liability	Deferred outflows related to pensions	Deferred inflows related to pensions	Pension expense
CalSTRS Pension	\$ 45,086,236	\$ 17,165,006	\$ 2,659,068	\$ 8,419,954
CalPERS Pension	21,002,230	6,949,451	1,551,320	3,236,839
Total	\$ 66,088,466	\$ 24,114,457	\$ 4,210,388	\$ 11,656,793

A. California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

Benefits Provided

The CalSTRS defined benefit plan has two benefit formulas:

1. CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.
2. CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Contributions

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2024, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2024 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were \$6,698,576 for the year ended June 30, 2024.

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately \$3,455,275 to CalSTRS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	45,086,236
State's proportionate share of the net pension liability associated with the District		21,602,474
Total	\$	<u>66,688,710</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.059 percent, which was an increase of 0.001 percent from its proportion measured as of June 30, 2022.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2024, the District recognized pension expense of \$8,419,954. In addition, the District recognized pension expense and revenue of \$(313,708) for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ -	\$ 192,987
Differences between expected and actual experience	3,543,035	2,412,342
Changes in assumptions	261,066	-
Changes in proportion and differences between District contributions and proportionate share of contributions	6,662,329	53,739
District contributions subsequent to the measurement date	6,698,576	-
Total	<u>\$ 17,165,006</u>	<u>\$ 2,659,068</u>

The \$6,698,576 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2025	\$ 2,393,990	\$ 2,058,563
2026	2,253,751	2,874,055
2027	1,892,597	(3,134,125)
2028	1,648,549	675,369
2029	1,583,543	185,206
2030	694,000	-
Total	<u>\$ 10,466,430</u>	<u>\$ 2,659,068</u>

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Rate of Return*	7.10%
Wage Inflation	3.50%

*Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2016 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance–PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2023 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2023, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return*
Public Equity	38%	5.25%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	<u>100%</u>	

*Real return is net of assumed 2.75% inflation.

NOTE 11 – PENSION PLANS (continued)

A. California State Teachers’ Retirement System (CalSTRS) (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	\$ 75,628,564	\$ 45,086,236	\$ 19,717,274

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalSTRS financial report.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS)

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Benefits Provided

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

Contributions

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 8.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2024 was 26.68% of annual payroll. Contributions to the plan from the District were \$2,956,561 for the year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the District reported a liability of \$21,002,230 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.058 percent, which was a decrease of 0.004 percent from its proportion measured as of June 30, 2022.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

For the year ended June 30, 2024, the District recognized pension expense of \$3,236,839. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ 2,243,338	\$ -
Differences between expected and actual experience	766,431	322,563
Changes in assumptions	967,564	-
Changes in proportion and differences between District contributions and proportionate share of contributions	15,557	1,228,757
District contributions subsequent to the measurement date	2,956,561	-
Total	<u>\$ 6,949,451</u>	<u>\$ 1,551,320</u>

The \$2,956,561 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2025	\$ 1,221,112	\$ 630,407
2026	977,671	595,210
2027	1,724,292	325,703
2028	69,815	-
Total	<u>\$ 3,992,890</u>	<u>\$ 1,551,320</u>

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Discount Rate	6.90%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS' membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 80% of scale MP 2020.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from 2000 through 2019.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 11 – PENSION PLANS (continued)

B. California Public Employees’ Retirement System (CalPERS) (continued)

Actuarial Assumptions (continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10*
Global Equity – cap-weighted	30.0%	4.54%
Global Equity – non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	(5.0)%	(0.59)%
	<u>100.0%</u>	

*An expected inflation of 2.30% used for this period. Figures are based on the 2021-22 CalPERS Asset Liability Management Study

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS’ website.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District’s proportionate share of the net pension liability	\$ 30,363,796	\$ 21,002,230	\$ 13,265,109

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2024.

B. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2024.

C. Construction Commitments

As of June 30, 2024, the District had commitments with respect to unfinished capital projects of \$252,000.

NOTE 13 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District participates in one joint venture under a joint powers agreement (JPA) with the San Diego County Schools Risk Management JPA (RM). The JPA arranges the operation and maintenance for the services and other necessary items associated with administering a self-insurance plan for workers' compensation, health, and property and liability insurance for its member school districts.

San Diego Schools Risk Management JPA (RM) arranges for the operation and maintenance for the services and other necessary items associated with administering a self-insurance plan for workers' compensation, health, and property and liability insurance for its member school districts.

Copies of the annual financial report for RM can be obtained from the Risk Management Department of the San Diego County Office of Education, 6401 Linda Vista Road; San Diego, California, 92111.

NOTE 14 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

A. Pension Plans

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 11. At June 30, 2024, total deferred outflows related to pensions was \$24,114,457 and total deferred inflows related to pensions was \$4,210,388.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 14 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (continued)

B. Other Postemployment Benefits

Pursuant to GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District recognized deferred outflows of resources related to other postemployment benefits and deferred inflows of resources related to other postemployment benefits in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 10. At June 30, 2024, total deferred outflows related to other postemployment benefits was \$747,034 and total deferred inflows related to other postemployment benefits was \$2,127,937.

REQUIRED SUPPLEMENTARY INFORMATION

**ENCINITAS UNION SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual*	Variances -
	Original	Final	(Budgetary Basis)	Final to Actual
REVENUES				
LCFF sources	\$ 64,404,180	\$ 65,465,415	\$ 65,743,346	\$ 277,931
Federal sources	1,778,730	2,994,524	2,738,471	(256,053)
Other state sources	6,937,902	7,568,208	8,171,144	602,936
Other local sources	6,037,099	6,668,510	7,692,718	1,024,208
Total Revenues	79,157,911	82,696,657	84,345,679	1,649,022
EXPENDITURES				
Certificated salaries	36,017,150	38,611,293	35,870,817	2,740,476
Classified salaries	11,813,272	12,038,271	11,279,558	758,713
Employee benefits	21,829,255	22,523,426	20,727,734	1,795,692
Books and supplies	1,368,865	5,477,813	2,197,232	3,280,581
Services and other operating expenditures	7,744,415	9,519,497	9,077,101	442,396
Capital outlay	360,000	1,417,029	2,471,676	(1,054,647)
Other outgo				
Excluding transfers of indirect costs	5,000	5,000	37,263	(32,263)
Transfers of indirect costs	(140,000)	(91,889)	(88,304)	(3,585)
Total Expenditures	78,997,957	89,500,440	81,573,077	7,927,363
Excess (Deficiency) of Revenues				
Over Expenditures	159,954	(6,803,783)	2,772,602	9,576,385
Other Financing Sources (Uses)				
Transfers out	300,000	1,000,000	(1,600,000)	(2,600,000)
Net Financing Sources (Uses)	300,000	1,000,000	(1,600,000)	(2,600,000)
NET CHANGE IN FUND BALANCE				
	459,954	(5,803,783)	1,172,602	6,976,385
Fund Balance - Beginning	26,353,077	26,353,077	26,353,077	-
Fund Balance - Ending	\$ 26,813,031	\$ 20,549,294	\$ 27,525,679	\$ 6,976,385

* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the following reasons:

- The amounts on that schedule include the financial activity of the Special Reserve Fund for Other Than Capital Outlay Projects in accordance with the fund type definitions promulgated by GASB Statement No. 54.

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Total OPEB Liability							
Service cost	\$ 616,412	\$ 614,216	\$ 760,904	\$ 596,169	\$ 578,805	\$ 521,052	\$ 546,524
Interest on total OPEB liability	345,354	327,502	215,799	233,407	241,518	298,407	261,115
Difference between expected and actual experience	-	(278,317)	(1,180,132)	(387,252)	953,682	-	-
Changes of assumptions	(239,796)	(29,958)	-	(580,145)	502,287	322,030	(310,838)
Benefits payments	<u>(400,721)</u>	<u>(447,813)</u>	<u>(477,140)</u>	<u>(649,319)</u>	<u>(700,002)</u>	<u>(644,462)</u>	<u>(548,738)</u>
Net change in total OPEB liability	321,249	185,630	(680,569)	(787,140)	1,576,290	497,027	(51,937)
Total OPEB liability - beginning	<u>9,353,896</u>	<u>9,168,266</u>	<u>9,848,835</u>	<u>10,635,975</u>	<u>9,059,685</u>	<u>8,562,658</u>	<u>8,614,595</u>
Total OPEB liability - ending	<u>\$ 9,675,145</u>	<u>\$ 9,353,896</u>	<u>\$ 9,168,266</u>	<u>\$ 9,848,835</u>	<u>\$ 10,635,975</u>	<u>\$ 9,059,685</u>	<u>\$ 8,562,658</u>
 Covered-employee payroll	 N/A*	 N/A*	 N/A*	 N/A*	 N/A*	 N/A*	 N/A*

*Note: The District's OPEB Plan is not administered through a trust and contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2024

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
District's proportion of the net pension liability	0.059%	0.058%	0.057%	0.056%	0.056%	0.051%	0.050%	0.049%	0.056%	0.058%
District's proportionate share of the net pension liability	\$ 45,086,236	\$ 40,574,557	\$ 25,879,472	\$ 54,126,723	\$ 48,931,698	\$ 46,870,593	\$ 46,014,779	\$ 39,272,664	\$ 37,648,203	\$ 33,981,002
State's proportionate share of the net pension liability associated with the District	21,602,474	20,319,857	13,021,818	27,902,332	26,695,508	26,835,606	7,221,954	22,360,518	19,911,696	20,519,196
Total	\$ 66,688,710	\$ 60,894,414	\$ 38,901,290	\$ 82,029,055	\$ 75,627,206	\$ 73,706,199	\$ 53,236,733	\$ 61,633,182	\$ 57,559,899	\$ 54,500,198
District's covered payroll	\$ 34,955,387	\$ 34,949,055	\$ 30,718,972	\$ 30,107,760	\$ 28,587,549	\$ 26,486,233	\$ 16,486,362	\$ 24,647,074	\$ 25,361,982	\$ 26,213,193
District's proportionate share of the net pension liability as a percentage of its covered payroll	128.98%	116.10%	84.25%	179.78%	171.16%	176.96%	279.11%	159.34%	148.44%	129.63%
Plan fiduciary net position as a percentage of the total pension liability	80.60%	81.20%	87.20%	71.80%	72.60%	71.00%	69.46%	70.04%	74.02%	76.52%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
District's proportion of the net pension liability	0.058%	0.062%	0.064%	0.064%	0.059%	0.054%	0.053%	0.053%	0.052%	0.050%
District's proportionate share of the net pension liability	\$ 21,002,230	\$ 21,490,311	\$ 12,986,575	\$ 19,529,141	\$ 17,247,981	\$ 14,460,942	\$ 12,736,333	\$ 10,411,255	\$ 7,724,889	\$ 5,684,758
District's covered payroll	\$ 10,204,509	\$ 9,976,275	\$ 9,190,401	\$ 9,182,506	\$ 8,005,215	\$ 7,179,750	\$ 6,836,178	\$ 6,328,919	\$ 5,813,049	\$ 5,311,849
District's proportionate share of the net pension liability as a percentage of its covered payroll	205.81%	215.41%	141.31%	212.68%	215.46%	201.41%	186.31%	164.50%	132.89%	107.02%
Plan fiduciary net position as a percentage of the total pension liability	70.00%	69.80%	81.00%	70.00%	70.00%	70.80%	71.87%	73.90%	79.43%	83.38%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 6,698,576	\$ 6,658,940	\$ 5,738,644	\$ 4,961,114	\$ 5,148,427	\$ 4,654,053	\$ 3,821,962	\$ 329,720	\$ 2,644,631	\$ 2,252,144
Contributions in relation to the contractually required contribution*	(6,698,576)	(6,658,940)	(5,738,644)	(4,961,114)	(5,148,427)	(4,654,053)	(3,821,962)	(329,720)	(2,644,631)	(2,252,144)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 35,285,330	\$ 34,955,387	\$ 34,949,055	\$ 30,718,972	\$ 30,107,760	\$ 28,587,549	\$ 26,486,233	\$ 16,486,362	\$ 24,647,074	\$ 25,361,982
Contributions as a percentage of covered payroll	18.98%	19.05%	16.42%	16.15%	17.10%	16.28%	14.43%	2.00%	10.73%	8.88%

*Amounts do not include on-behalf contributions

See accompanying notes to required supplementary information.

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 2,956,561	\$ 2,577,908	\$ 2,213,797	\$ 1,902,413	\$ 1,810,882	\$ 1,445,902	\$ 1,115,087	\$ 949,825	\$ 749,787	\$ 684,254
Contributions in relation to the contractually required contribution*	(2,956,561)	(2,577,908)	(2,213,797)	(1,902,413)	(1,810,882)	(1,445,902)	(1,115,087)	(949,825)	(749,787)	(684,254)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 11,202,958	\$ 10,204,509	\$ 9,976,275	\$ 9,190,401	\$ 9,182,506	\$ 8,005,215	\$ 7,179,750	\$ 6,839,178	\$ 6,328,919	\$ 5,813,049
Contributions as a percentage of covered payroll	26.39%	25.26%	22.19%	20.70%	19.72%	18.06%	15.53%	13.89%	11.85%	11.77%

*Amounts do not include on-behalf contributions

**ENCINITAS UNION SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of Changes in Total OPEB Liability and Related Ratios

This 10-year schedule is required by GASB Statement No. 75 for all sole and agent employers that provide other postemployment benefits (OPEB). Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 75 was applicable. The schedule presents the sources of change in the total OPEB liability, and the components of the total OPEB liability and related ratios, including the total OPEB liability as a percentage of covered-employee payroll.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuation.

Changes in Assumptions

The discount rate used in the current measurement was 3.93%, while the discount rate in the previous measurement was 3.65%.

Schedule of the District's Proportionate Share of the Net Pension Liability

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuations for CalSTRS and CalPERS.

Changes in Assumptions

There were no changes in economic assumptions since the previous valuations for CalSTRS or CalPERS.

Schedule of District Contributions

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

ENCINITAS UNION SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, continued
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2024, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	Actual	Excess
General Fund			
Capital outlay	\$ 1,417,029	\$ 2,471,676	\$ 1,054,647
Other outgo			
Excluding transfers of indirect costs	\$ 5,000	\$ 37,263	\$ 32,263

SUPPLEMENTARY INFORMATION

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster	AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF EDUCATION:			
<i>Passed through California Department of Education:</i>			
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	\$ 380,880
Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	9,288
Title III			
Title III, English Learner Student Program	84.365	14346	33,780
Title III, Immigrant Education Program	84.365	15146	3,817
Subtotal Title III			<u>37,597</u>
Special Education Cluster			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	791,628
IDEA Local Assistance, Part B, Sec 611, Private School ISPs	84.027	10115	18,247
IDEA Mental Health Average Daily Attendance (ADA) Allocation, Part B, Sec 611	84.027A	15197	56,116
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	30,111
IDEA Preschool Staff Development, Part B, Sec 619	84.173A	13431	289
Subtotal Special Education Cluster			<u>896,391</u>
COVID-19 Emergency Acts Funding/Education Stabilization Fund Discretionary Grants: [1]			
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425	15559	258,650
Elementary and Secondary School Emergency Relief III (ESSER III) Fund: Learning Loss	84.425U	10155	619,891
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Learning Loss	84.425	15621	504,625
Subtotal Education Stabilization Fund Discretionary Grants			<u>1,383,166</u>
Total U. S. Department of Education			<u><u>2,707,322</u></u>
U. S. DEPARTMENT OF AGRICULTURE:			
<i>Passed through California Department of Education:</i>			
Child Nutrition Cluster			
School Breakfast Program - Basic	10.553	13525	85,724
National School Lunch Program	10.555	13391	476,466
USDA Commodities [2]	10.555	*	2,766
Local Food for Schools	10.555	15708	31,149
Subtotal Child Nutrition Cluster			<u>596,105</u>
Total U. S. Department of Agriculture			<u>596,105</u>
Total Federal Expenditures			<u><u>\$ 3,303,427</u></u>

[1] - Major Program

[2] - In-Kind Contribution

* - Pass-Through Entity Identifying Number not available or not applicable

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
FOR THE YEAR ENDED JUNE 30, 2024**

	Second Period Report	Annual Report
SCHOOL DISTRICT		
TK/K through Third		
Regular ADA	2,231.71	2,242.19
Extended Year Special Education	6.37	6.37
Total TK/K through Third	2,238.08	2,248.56
Fourth through Sixth		
Regular ADA	1,948.92	1,950.22
Extended Year Special Education	13.29	13.29
Special Education - Nonpublic Schools	0.92	1.28
Extended Year Special Education - Nonpublic Schools	0.21	0.21
Total Fourth through Sixth	1,963.34	1,965.00
TOTAL SCHOOL DISTRICT	4,201.42	4,213.56

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2024**

Grade Level	Minutes Requirement	2023-24 Actual Minutes	Number of Days	Status
Kindergarten	36,000	54,225	180	Complied
Grade 1	50,400	54,225	180	Complied
Grade 2	50,400	54,225	180	Complied
Grade 3	50,400	54,225	180	Complied
Grade 4	54,000	54,225	180	Complied
Grade 5	54,000	54,225	180	Complied
Grade 6	54,000	54,225	180	Complied

See accompanying notes to supplementary information.

**ENCINITAS UNION SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

	2025 (Budget)	2024	2023	2022
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	\$ 83,144,092	\$ 84,345,679	\$ 86,163,237	\$ 75,379,535
Expenditures And Other Financing Uses	83,002,473	83,173,077	80,124,484	74,666,764
Net change in Fund Balance	\$ 141,619	\$ 1,172,602	\$ 6,038,753	\$ 712,771
Ending Fund Balance	\$ 27,667,298	\$ 27,525,679	\$ 26,353,077	\$ 20,314,324
Available Reserves*	\$ 11,327,275	\$ 3,145,010	\$ 10,465,156	\$ 9,960,061
Available Reserves As A Percentage Of Outgo	13.65%	3.78%	13.06%	13.34%
Long-term Liabilities	\$ 155,466,887	\$ 158,701,754	\$ 156,347,175	\$ 138,171,594
Average Daily Attendance At P-2	4,043	4,201	4,343	4,510

The General Fund ending fund balance has increased by \$7,211,355 over the past two years. The fiscal year 2024-25 budget projects an increase of \$141,619. For a District this size, the State recommends available reserves of at least 3% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in each of the past three years but anticipates incurring an operating deficit during the 2024-25 fiscal year. Total long-term obligations have increased by \$20,530,160 over the past two years.

Average daily attendance has decreased by 309 ADA over the past two years. A further decrease of 158 ADA is anticipated during the 2024-25 fiscal year.

*Available reserves consist of all unassigned fund balance within the General Fund.

**The actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Special Reserve Fund for Other Than Capital Outlay Projects, in accordance with the fund type definitions promulgated by GASB Statement No. 54.

**ENCINITAS UNION SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Special Reserve Fund for Other Than Capital Outlay Projects
June 30, 2024, annual financial and budget report fund balance	\$ 27,525,679	\$ 6,465,413
Adjustments and reclassifications:		
Increase (decrease) in total fund balances:		
Fund balance transfer (GASB 54)	6,465,413	(6,465,413)
Net adjustments and reclassifications	6,465,413	(6,465,413)
June 30, 2024, audited financial statement fund balance	<u>\$ 33,991,092</u>	<u>\$ -</u>

ENCINITAS UNION SCHOOL DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2024

	Cafeteria Fund	Capital Facilities Fund	Foundation Permanent Fund	Non-Major Governmental Funds
ASSETS				
Cash and investments	\$ 1,281,012	\$ 449,867	\$ 117,605	\$ 1,848,484
Accounts receivable	501,909	3,649	1,149	506,707
Stores inventory	54,659	-	-	54,659
Total Assets	\$ 1,837,580	\$ 453,516	\$ 118,754	\$ 2,409,850
LIABILITIES				
Accrued liabilities	\$ 82,482	\$ 1,400	\$ -	\$ 83,882
Due to other funds	133,700	-	-	133,700
Total Liabilities	216,182	1,400	-	217,582
FUND BALANCES				
Non-spendable	54,659	-	-	54,659
Restricted	1,566,739	452,116	118,754	2,137,609
Total Fund Balances	1,621,398	452,116	118,754	2,192,268
Total Liabilities and Fund Balances	\$ 1,837,580	\$ 453,516	\$ 118,754	\$ 2,409,850

See accompanying notes to supplementary information.

**ENCINITAS UNION SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024**

	Cafeteria Fund	Capital Facilities Fund	Foundation Permanent Fund	Non-Major Governmental Funds
REVENUES				
Federal sources	\$ 564,956	\$ -	\$ -	\$ 564,956
Other state sources	2,302,590	-	-	2,302,590
Other local sources	203,649	698,892	2,359	904,900
Total Revenues	3,071,195	698,892	2,359	3,772,446
EXPENDITURES				
Current				
Pupil services				
Food services	2,563,278	-	-	2,563,278
General administration				
All other general administration	88,304	3,000	-	91,304
Plant services	228,074	81,400	-	309,474
Facilities acquisition and construction	-	257,480	-	257,480
Total Expenditures	2,879,656	341,880	-	3,221,536
NET CHANGE IN FUND BALANCE	191,539	357,012	2,359	550,910
Fund Balance - Beginning	1,429,859	95,104	116,395	1,641,358
Fund Balance - Ending	\$ 1,621,398	\$ 452,116	\$ 118,754	\$ 2,192,268

See accompanying notes to supplementary information.

**ENCINITAS UNION SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2024**

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The District has not elected to use the 10 percent de minimis indirect cost rate.

Schedule of Average Daily Attendance (ADA)

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the article 8 (commencing with section 46200) of chapter 2 of part 26 of the *Education Code*.

Schedule of Financial Trends and Analysis

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

Combining Statements – Non-Major Funds

These statements provide information on the District's non-major funds.

Local Education Agency Organization Structure

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

OTHER INFORMATION

**ENCINITAS UNION SCHOOL DISTRICT
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2024**

The Encinitas Union School District was established in 1944 and is comprised of an area of approximately 24.6 square miles located in the north coastal portion of San Diego County and serves the City of Encinitas and the La Costa area of Carlsbad. There were no changes in the boundaries of the District during the current year. The District operates nine elementary schools.

GOVERNING BOARD

Member	Office	Term Expires
Marlon Taylor	President	2024
Emily Andrade	Vice President	2026
Jodie Williams	Clerk	2024
Marla Strich	Member	2026
Tom Morton	Member	2024

DISTRICT ADMINISTRATORS

Andrée Grey, Ed. D
Superintendent

Amy Illingworth, Ed. D
Assistant Superintendent, Educational Services

Angelica Lopez, Ed. D
Assistant Superintendent, Administrative Services

Joseph Dougherty
Assistant Superintendent, Business Services

OTHER INDEPENDENT AUDITORS' REPORTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**Independent Auditors' Report

Governing Board
Encinitas Union School District
Encinitas, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Encinitas Union School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Encinitas Union School District's basic financial statements, and have issued our report thereon dated November 1, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Encinitas Union School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Encinitas Union School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Encinitas Union School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Encinitas Union School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
November 1, 2024

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**Independent Auditors' Report

Governing Board
Encinitas Union School District
Encinitas, California

Report on Compliance for Each Major Federal Program***Opinion on Each Major Federal Program***

We have audited Encinitas Union School District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Encinitas Union School District's major federal programs for the year ended June 30, 2024. Encinitas Union School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Encinitas Union School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Encinitas Union School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major federal program. Our audit does not provide a legal determination of Encinitas Union School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Encinitas Union School District's federal programs.

Auditor's Responsibilities for the Audit for Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Encinitas Union School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about Encinitas Union School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Encinitas Union School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Encinitas Union School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Encinitas Union School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Report on Internal Control Over Compliance (continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Christy White, Inc." in a cursive script.

San Diego, California
November 1, 2024

**REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER
COMPLIANCE FOR STATE PROGRAMS**Independent Auditors' Report

Governing Board
Encinitas Union School District
Encinitas, California

Report on State Compliance***Opinion on State Compliance***

We have audited Encinitas Union School District's compliance with the requirements specified in the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to Encinitas Union School District's state program requirements as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report for the year ended June 30, 2024.

In our opinion, Encinitas Union School District complied, in all material respects, with the laws and regulations of the applicable laws and regulations of the applicable state programs for the year ended June 30, 2024.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2023-2024 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

We are required to be independent of Encinitas Union School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of Encinitas Union School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Encinitas Union School District's state programs.

Auditor's Responsibilities for the Audit of State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Encinitas Union School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Encinitas Union School District's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Encinitas Union School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of Encinitas Union School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Encinitas Union School District's internal control over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine Encinitas Union School District's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	PROCEDURES PERFORMED
Local Education Agencies Other Than Charter Schools	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Not Applicable
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Yes
Home to School Transportation Reimbursement	Yes

Auditor's Responsibilities for the Audit of State Compliance (continued)

PROGRAM NAME	PROCEDURES PERFORMED
School Districts, County Offices of Education, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not Applicable
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Not Applicable
Charter Schools	
Attendance; for charter schools	
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

The term "Not Applicable" is used above to mean either the District did not offer the program during the current fiscal year, the District did not participate in the program during the current fiscal year, or the program applies to a different type of local education agency.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying schedule of findings and questioned costs as finding #2024-001. Our opinion on state compliance is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Encinitas Union School District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Encinitas Union School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Report on Internal Control Over Compliance (continued)

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of State Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
November 1, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**ENCINITAS UNION SCHOOL DISTRICT
SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	<u>No</u>
Identification of major programs:	

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>	
84.425, 84.425U	Education Stabilization Funds Discretionary Grants	
Dollar threshold used to distinguish between Type A and Type B programs:	\$	<u>750,000</u>
Auditee qualified as low-risk auditee?		<u>Yes</u>

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with 2023-24 Guide for Annual Audits of California K-12 Local Education Agencies ?	<u>Yes</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

**ENCINITAS UNION SCHOOL DISTRICT
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

FIVE DIGIT CODE

20000
30000

AB 3627 FINDING TYPE

Inventory of Equipment
Internal Control

There were no financial statement findings for the year ended June 30, 2024.

**ENCINITAS UNION SCHOOL DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

FIVE DIGIT CODE

50000

AB 3627 FINDING TYPE

Federal Compliance

There were no federal award findings or questioned costs for the year ended June 30, 2024.

**ENCINITAS UNION SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

FIVE DIGIT CODE

10000
40000
42000
43000
60000
61000
62000
70000
71000
72000

AB 3627 FINDING TYPE

Attendance
State Compliance
Charter School Facilities Programs
Apprenticeship: Related and Supplemental Instruction
Miscellaneous
Classroom Teacher Salaries
Local Control Accountability Plan
Instructional Materials
Teacher Misassignments
School Accountability Report Card

FINDING #2024-001: EXPANDED LEARNING OPPORTUNITIES PROGRAM (40000)

Criteria: Pupils enrolled in the Expanded Learning Opportunities Program (ELOP) must have supporting documentation that includes a signed registration form by a parent or guardian, the completed registration form is on file enrolling the pupil in the Expanded Learning Opportunities Program, and the pupil is on the master enrollment list. Auditors are required to verify compliance with Education Code Section 46120(g)(6) in Section DZ of the 2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting.

Condition: The District used online registration forms that did not include a section for a parent or guardian signature to agree to enroll their pupil into the program. The auditor determined that two (2) out of six (6) students from the ELOP enrollment listing who were classified as unduplicated pupils did not have a signed registration form by a parent or guardian.

Effect: The District is not in compliance with applicable State requirements.

Cause: Administrative oversight.

Questioned Costs: There are no questioned costs associated with this finding as we found no evidence to indicate that the District failed to meet ELOP offering or access requirements.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend the District to work with their ELOP contractors to include a section on ELOP registration forms for a parent or guardian signature.

Corrective Action Plan: The District has notified all of its ELOP vendors that all student registration forms must include a signature line. Moving forward, each form will include a line indicating that the parent agrees to the terms of the enrollment, along with the date of the agreement.

**ENCINITAS UNION SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

There were no findings or questioned costs for the year ended June 30, 2023.

APPENDIX C

ECONOMIC AND DEMOGRAPHIC INFORMATION ABOUT THE CITY OF ENCINITAS AND SAN DIEGO COUNTY

*The following information concerning the City of Encinitas (the “**City**”) and the County of San Diego (the “**County**”) is included only for the purpose of supplying general information regarding the area of the District. The Bonds are not a debt of the City, the County, the State of California (the “**State**”) or any of its political subdivisions (other than the District), and neither the City, the County, the State nor any of its political subdivisions (other than the District) is liable therefor.*

General

The City. The City is a coastal beach city, located along six miles of Pacific Ocean coastline in San Diego County, California. Located within Southern California, it is approximately 25 miles north of the City of San Diego and about 95 miles south of Los Angeles. As of January 1, 2016, the City had a population of 61,928. Incorporated in 1986, the City drew together the communities of New Encinitas, Old Encinitas, Cardiff-by-the-Sea, Olivenhain and Leucadia.

The County. The County is the southernmost major metropolitan area in the State. The County covers 4,255 square miles, extending 70 miles along the Pacific Coast from the border with Mexico to Orange County, and inland 75 miles to Imperial County. The County is approximately the size of the State of Connecticut.

The County possesses a diverse economic base consisting of electronics manufacturing and shipbuilding, tourism, biotech and software development, and defense-related industries. The County is also growing as a center for culture and education. Over 30 recognized art organizations including the San Diego Opera, the Old Globe Theater productions, the La Jolla Chamber Orchestra, as well as museums and art galleries, are located in the County.

The County was incorporated on February 18, 1850 and functions under a charter adopted in 1933, and is amended from time to time. The County is governed by a five-member Board of Supervisors elected to four-year terms in district nonpartisan elections. The Board of Supervisors appoints the Chief Administrative Officer and the County Counsel. Elected officials include the Assessor/County Clerk/Recorder, District Attorney, Sheriff and Treasurer/Tax Collector.

Population

The following table lists population estimates for the County for the last five calendar years, as of January 1.

SAN DIEGO COUNTY Population Estimates Calendar Years 2020 through 2024 as of January 1

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Carlsbad	114,664	115,373	115,033	115,045	114,319
Chula Vista	273,384	275,498	275,427	276,813	278,247
Coronado	21,422	22,415	22,082	22,272	21,589
Del Mar	4,271	3,927	3,909	3,918	3,919
El Cajon	103,576	106,112	105,171	104,804	104,180
Encinitas	62,243	61,593	61,283	61,254	61,028
Escondido	151,803	151,371	150,419	150,571	150,002
Imperial Beach	27,978	26,336	26,163	26,109	26,096
La Mesa	59,621	60,620	60,412	60,753	60,620
Lemon Grove	26,432	27,333	27,109	27,517	27,568
National City	62,496	58,524	58,545	58,374	58,555
Oceanside	176,969	173,354	172,463	172,186	171,483
Poway	49,096	48,637	48,515	48,620	49,273
San Diego	1,421,462	1,377,960	1,375,687	1,383,623	1,385,379
San Marcos	97,281	93,456	93,851	94,823	95,998
Santee	57,430	59,140	58,886	59,574	59,195
Solana Beach	13,872	12,890	12,792	12,831	12,887
Vista	102,570	99,320	99,997	100,113	99,723
Balance Of County	504,709	513,021	510,986	511,223	511,040
County Total	3,331,279	3,286,880	3,278,730	3,290,423	3,291,101

Source: State Department of Finance estimates (as of January 1).

Employment and Industry

The unemployment rate in the County was 4.4% in February 2025, down from a revised 4.5% in January 2025, and above the year-ago estimate of 4.3%. This compares with an unadjusted unemployment rate of 5.5% for the State and 4.5% for the nation during the same period.

Set forth below is data from 2020 through 2024, reflecting the County's civilian labor force, employment, unemployment and unemployment rates.

SAN DIEGO-CARLSBAD MSA (San Diego County) Annual Average Civilian Labor Force, Employment and Unemployment, Unemployment by Industry (March 2024 Benchmark)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Civilian Labor Force ⁽¹⁾	1,569,600	1,571,300	1,609,800	1,636,700	1,648,500
Employment	1,425,300	1,471,300	1,554,700	1,575,700	1,577,300
Unemployment	144,300	100,000	55,100	61,000	71,200
Unemployment Rate	9.2%	6.4%	3.4%	3.7%	4.3%
<u>Wage and Salary Employment: ⁽²⁾</u>					
Agriculture	9,200	9,000	9,600	9,400	9,000
Mining and Logging	300	300	400	300	300
Construction	81,300	83,800	87,400	89,300	90,300
Manufacturing	113,800	114,400	116,900	115,500	112,600
Wholesale Trade	41,300	42,100	43,700	43,500	42,900
Retail Trade	133,200	137,600	138,600	138,800	137,600
Transportation, Warehousing and Utilities	33,300	37,100	40,100	41,300	42,400
Information	22,100	21,500	22,100	22,000	21,100
Finance and Insurance	46,200	46,800	46,100	42,400	41,000
Professional and Business Services	248,300	265,300	282,500	275,600	267,300
Educational and Health Services	210,900	216,700	228,300	244,500	257,300
Leisure and Hospitality	144,800	161,600	193,100	200,900	202,500
Other Services	44,800	47,500	54,400	56,800	57,500
Federal Government	48,600	47,700	47,000	47,100	46,700
State Government	48,200	51,000	55,700	57,900	60,600
Local Government	140,200	139,200	143,900	144,600	147,300
Total, All Industries ⁽³⁾	1,395,000	1,451,100	1,540,600	1,559,800	1,567,100

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Major Employers

The table below lists the major employers in the County as of April 2025, listed alphabetically.

San Diego County Major Employers (Listed Alphabetically) April 2025

Employer Name	Location	Industry
32nd St Naval Station	San Diego	Federal Government-National Security
Collins Aerospace	Chula Vista	Aircraft Components-Manufacturers
Employees' Association-Sdg-E	San Diego	Associations
General Dynamics Nassco	San Diego	Ship Builders & Repairers (mfrs)
Illumina Inc	San Diego	Biotechnology Products & Services
Jennifer Moreno Dept-Veterans	San Diego	Hospitals
Kaiser Permanente Vandever Med	San Diego	Physicians & Surgeons
Kaiser Permanente Zion Med Ctr	San Diego	Hospitals
MCCS MCRD SN DIEGO-MRNE CORPS	San Diego	Military Bases
Merchants Building Maintenance	San Diego	Janitor Service
Naval Medical Ctr San Diego	San Diego	Hospitals
Page One Seo	San Diego	Mental Health Services
Rady Children's Hospital	San Diego	Hospitals
San Diego Community College	San Diego	Junior-Community College-Tech Institutes
San Diego County Sheriff	Santee	Police Departments
Scripps Mercy Hosp Sn Diego	San Diego	Hospitals
Scripps Research Institute	La Jolla	Laboratories-Research & Development
Seaworld San Diego	San Diego	Amusement & Theme Parks
Sharp Grossmont Hospital	La Mesa	Hospitals
Sharp Grossmont Rehab Ctr	La Mesa	Vocational Rehabilitation Services
Sharp Mary Birch Hosp	San Diego	Hospitals
Sony Electronics Inc	San Diego	Electronic Equipment & Supplies-Retail
Ucsd-Neural Computation	La Jolla	University-College Dept/Facility/Office
University of California	La Jolla	University-College Dept/Facility/Office
University-California Sn Diego	La Jolla	Schools-Universities & Colleges Academic

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

Median Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income and median household effective buying income for the City, the County, the State and the United States for the period 2021 through 2025.

**CITY OF ENCINITAS, SAN DIEGO COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Effective Buying Income
As of January 1, 2021 through 2025**

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2021	City of Encinitas	\$3,454,819	\$92,976
	San Diego County	111,133,834	70,396
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	City of Encinitas	\$3,939,206	\$109,185
	San Diego County	127,272,831	80,233
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Encinitas	\$3,773,360	\$111,457
	San Diego County	125,765,628	80,101
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Encinitas	\$3,958,357	\$117,191
	San Diego County	131,948,466	84,854
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Encinitas	\$4,090,222	\$120,402
	San Diego County	138,633,499	88,519
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687

Source: Claritas, LLC.

Construction Activity

Provided below are the building permits and valuations for the City and County for calendar years 2019 through 2023.

CITY OF ENCINTAS Total Building Permit Valuations (Valuations in Thousands)

	2019	2020	2021	2022	2023
<u>Permit Valuation</u>					
New Single-family	\$38,036.6	\$28,854.6	\$16,387.2	\$47,282.9	\$19,237.6
New Multi-family	0.0	907.7	1,302.0	0.0	18,347.5
Res. Alterations/Additions	<u>14,321.9</u>	<u>12,035.1</u>	<u>8,554.6</u>	<u>13,608.5</u>	<u>17,334.4</u>
Total Residential	52,358.5	41,797.4	26,243.8	60,891.4	54,919.5
New Commercial	8,014.3	7,424.6	5,515.7	2,589.6	9,390.8
New Industrial	0.0	0.0	0.0	0.0	0.0
New Other	12,347.0	3,393.7	2,605.8	2,994.0	5,069.0
Com. Alterations/Additions	<u>37,008.1</u>	<u>10,237.5</u>	<u>15,424.5</u>	<u>12,428.4</u>	<u>6,499.2</u>
Total Nonresidential	57,369.4	21,055.8	23,546.0	18,012.0	20,959.0
<u>New Dwelling Units</u>					
Single Family	169	117	95	146	61
Multiple Family	<u>0</u>	<u>8</u>	<u>14</u>	<u>0</u>	<u>216</u>
TOTAL	169	125	109	146	277

Source: Construction Industry Research Board, Building Permit Summary.

COUNTY OF SAN DIEGO Total Building Permit Valuations (Valuations in Thousands)

	2019	2020	2021	2022	2023
<u>Permit Valuation</u>					
New Single-family	\$1,022,156.9	\$880,186.3	\$973,581.3	\$1,060,565.8	\$605,007.3
New Multi-family	668,849.0	1,131,395.7	1,359,647.5	1,048,956.8	1,124,600.7
Res. Alterations/Additions	<u>393,649.1</u>	<u>636,336.6</u>	<u>277,526.0</u>	<u>410,301.4</u>	<u>241,593.5</u>
Total Residential	\$2,084,655.0	\$2,647,918.6	\$2,610,754.8	\$2,519,824.0	\$1,971,201.5
New Commercial	\$861,274.4	\$614,392.2	\$667,257.7	\$722,774.6	\$413,189.5
New Industrial	40,892.2	39,461.0	125,420.1	230,447.9	73,628.8
New Other	223,176.2	348,381.2	351,379.6	471,127.1	336,716.1
Com. Alterations/Additions	<u>1,234,198.2</u>	<u>971,565.6</u>	<u>1,136,136.4</u>	<u>545,661.6</u>	<u>574,604.2</u>
Total Nonresidential	\$2,359,541.0	\$1,973,800.0	\$12,505,421.8	\$1,970,011.2	\$1,398,138.6
<u>New Dwelling Units</u>					
Single Family	3,045	3,160	3,546	3,447	2,573
Multiple Family	<u>4,405</u>	<u>6,326</u>	<u>6,646</u>	<u>6,169</u>	<u>9,100</u>
TOTAL	7,450	9,486	10,192	9,646	11,673

Source: Construction Industry Research Board, Building Permit Summary.

Commercial Activity

A summary of historic taxable sales within the City and County during the past five years in which data is available is shown in the following table.

Total taxable sales during calendar year 2024 in the City were reported to be \$1,284,038,509, a 3.21% decrease from the total taxable sales of \$1,326,588,883 reported during calendar year 2023.

CITY OF ENCINITAS
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
Calendar Years 2020 through 2024
(Dollars in Thousands)

Retail Stores			Total Outlets	
Year	Permits on July 1	Taxable Transactions	Permits on July 1	Taxable Transactions
2020	1,903	\$898,266	3,424	\$1,056,503
2021	1,620	1,150,316	2,952	1,326,013
2022	1,564	1,255,348	2,957	1,456,167
2023	1,492	1,134,582	2,831	1,326,589
2024	1,469	1,100,744	2,787	1,284,039

Source: State Department of Tax and Fee Administration.

Total taxable sales during calendar year 2024 in the County were reported to be \$80,443,547,094, a 0.46% decrease from the total taxable sales of \$80,817,754,488 reported during calendar year 2023.

SAN DIEGO COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
Calendar Years 2020 through 2024
(Dollars in Thousands)

Retail Stores			Total Outlets	
Year	Permits on July 1	Taxable Transactions	Permits on July 1	Taxable Transactions
2020	62,897	\$40,893,921	109,428	\$58,183,067
2021	55,683	48,817,135	98,392	71,714,655
2022	56,988	55,405,593	101,259	80,699,961
2023	55,609	55,099,628	99,265	80,817,754
2024	56,094	55,090,217	100,138	80,443,547

Source: State Department of Tax and Fee Administration.

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APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF JONES HALL]

[Closing Date]

Board of Trustees
Encinitas Union School District
101 South Rancho Santa Fe Road
Encinitas, California 92024

OPINION: \$_____ Encinitas Union School District
 General Obligation Bonds, Election of 2024, Series A

Members of the Board of Trustees:

We have acted as bond counsel to the Encinitas Union School District (the "District") in connection with the issuance by the District of \$_____ principal amount of Encinitas Union School District (San Diego County, California) General Obligation Bonds, Election of 2024, Series A, dated the date hereof (the "Bonds"), under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Trustees of the District (the "Board") on April 8, 2025 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

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

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly established and validly existing as a school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution.
2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the District, enforceable against the District in accordance with its terms.
3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the Board of Supervisors of the County of San Diego is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

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

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ _____
ENCINITAS UNION SCHOOL DISTRICT
(San Diego County, California)
General Obligation Bonds,
Election of 2024, Series A

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “**Disclosure Certificate**”) is executed and delivered by the Encinitas Union School District (the “**District**”) in connection with the execution and delivery of the above-captioned bonds (the “**Bonds**”). The Bonds are being executed and delivered pursuant to a resolution adopted by the Board of Trustees of the District on April 8, 2025 (the “**Resolution**”). U.S. Bank Trust Company, National Association, is initially acting as paying agent for the Bonds (the “**Paying Agent**”).

The District hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

“*Annual Report Date*” means the date not later than nine months after the end of each fiscal year of the District.

“*Dissemination Agent*” means, initially, Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a).

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Bonds.

“*Paying Agent*” means U.S. Bank Trust Company, National Association, or any successor thereto.

“*Participating Underwriter*” means Raymond James & Associates, Inc., the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2026, with the report for the 2024-25 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 business days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 business days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

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

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

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

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

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the

Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, the following information for the most recently completed fiscal year, or, if available at the time of filing the Annual Report, for the fiscal year in which the Annual Report is filed:

- (i) Assessed value of taxable property in the jurisdiction of the District;
- (ii) Assessed valuation of the properties of the top 20 secured property taxpayers in the District;
- (iii) Property tax collection delinquencies for the District, but only if available from the County at the time of filing the Annual Report and only if the District's general obligation bond levies are not included in San Diego County's Teeter Plan;
- (iv) The District's most recently adopted Budget or approved interim report with budgeted figures which is available at the time of filing the Annual Report; and
- (v) Such further information, if any, as may be necessary to make the statements made pursuant to (a) and (b) of this Section 4, in the light of the circumstances under which they are made, not misleading.

(c) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission.

Section 5. Reporting of Significant Events.

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

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.

- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a

receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

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

Section 7. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc. Any Dissemination Agent may resign by providing 30 days’ written notice to the District and the Paying Agent.

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

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

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Resolution for amendments to the Resolution with the consent of holders, or (ii) does not, in the opinion of nationally

recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

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

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(b).

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

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

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

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District

under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

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

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

Date: _____, 2025

ENCINITAS UNION SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

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APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

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

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has 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. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds 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 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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 the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds 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 such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds 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 District or Paying 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 nor its nominee, Paying Agent, or District, 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 District or Paying 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. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

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

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

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APPENDIX G

SAN DIEGO COUNTY INVESTMENT POLICY AND INVESTMENT REPORT

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**SAN DIEGO COUNTY TREASURER'S
POOLED MONEY FUND
INVESTMENT POLICY**

January 1, 2025

The Investment Policy and practices of the County Treasurer are based on prudent money management principles and California State Law, specifically Government Code Sections 27000.1 - 27000.5, 27130 - 27137, and 53600 - 53686. Section 53635 shall apply to a local agency that is a county or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. However, Section 53601 shall apply to all local agencies that pool money in deposits or investments exclusively with local agencies that have the same governing body.

The practices of this office will always comply with the legal authority and limitations placed on it by the governing legislative bodies. The implementation of these laws, allowing for the dynamics of the money markets, will be the focus of this policy statement. All matters contained in this policy are to be read and applied pursuant to and consistent with state law. Where this Investment Policy specifies a percentage limitation, compliance will be measured as of the date of purchase. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the Pooled Money Fund (the "Fund") the objectives of this office shall be as follows.

- 1. The primary objective shall be to safeguard the principal of the funds under the County Treasurer's control.**
- 2. The secondary objective shall be to meet the liquidity needs of the participants.**
- 3. The third objective shall be to achieve an investment return on the funds under control of the County Treasurer within the parameters of prudent risk management.**

The Fund is an actively managed portfolio. By this, it is meant that the County Treasurer and staff will observe, review, and adjust to changing conditions that affect the Fund. This shall be viewed as a full-time responsibility by the County Treasurer and staff. The authority to execute investment transactions that will affect the Fund will be limited to:

**County Treasurer-Tax Collector
Assistant Treasurer-Tax Collector
Chief Deputy Treasurer
Chief Investment Officer
Investment Officers**

The County Treasurer-Tax Collector (the "County Treasurer") and the above staff will meet on a regular basis to discuss current market conditions and future trends and how each of these affects the Fund.

Government Code Sections 27000.3 and Section 53600.3 provide that the "prudent investor" standard is to be used by the County Treasurer as a fiduciary of public funds. This standard provides that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the County Treasurer and their staff shall act with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the County and other depositors, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the County and the other depositors. Within the limitations of this policy and considering individual investments as part of an overall investment strategy, investments may be acquired as authorized by law. The County Treasurer and their staff shall act in accordance with written procedures and the Investment Policy, exercise due diligence, report in a timely fashion, and implement appropriate controls to mitigate adverse developments.

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**2025 SAN DIEGO COUNTY TREASURER'S
POOLED MONEY FUND INVESTMENT POLICY**

The purpose of the County Treasurer's Investment Policy is to implement the legislated parameters of the investment authority of the Fund. As an elected official of the County of San Diego, the County Treasurer must manage public monies in a way that is consistent with its objectives, investment oversight, and sound investment practices and not solely to maximize returns. The basic concept of investment return is based on a risk/reward relationship: the higher the risk, the higher the expected return. Risk management must be an integral part of any investment policy. Risk management must include adequate internal controls so that Fund depositors and the public have confidence that public monies are secure. The policy stated below will concern itself with risk management.

1. **SECURITY OF PRINCIPAL POLICY** - The policy issues directed to protecting the principal entrusted to this office are:
 - A. Limiting the Fund's exposure to each type of security.
 - B. Limiting the Fund's exposure to each issuer of debt.
 - C. Determining the minimum credit requirement for each type of security.
2. **LIQUIDITY POLICY** - The policy issues directed to provide the necessary liquidity to the participants are:
 - A. Limiting the length of maturity for securities in the Fund.
 - B. Limiting the Fund's exposure to Moderately Liquid and Illiquid securities.
3. **RETURN POLICY** - The policy issues directed to achieving a return are:
 - A. Attaining a market rate of return, while considering the investment risk constraints and liquidity needs.
 - B. Limiting most of the investments to low-risk securities in anticipation of earning a fair return relative to the risk being taken.
4. **MATURITY POLICY**
 - A. The maximum maturity allowed by the California Government Code is 5 years, with shorter limitations specified for certain types of securities. The guidelines for maturities of investments and duration of the Fund, as established under this Policy, shall be:
 - At least 35% of the Fund maturing within 1 year
 - At least 15% of the Fund maturing within 90 days, and
 - A maximum effective duration of 2.0 years

- B. The Fund will be considered in compliance with the maturity policy if it meets the maturity targets above. If the Fund distribution does not comply with the table above, until such time as the Fund is within maturity targets, all securities purchased shall be of a maturity or duration that will lower the maturity and or duration of the Fund. In the event a compliance violation has occurred, a variance report shall be made to the County Treasury Oversight Committee as part of the normal public monthly reporting.

5. **GENERAL STRATEGY**

The County Treasurer will generally use a buy and hold investment strategy, where securities are purchased with the intent of holding them to maturity. The investment staff will update the County Treasury Oversight Committee on its asset allocation and investment strategy at its regularly scheduled public meetings. Securities may be sold prior to maturity when deemed prudent. Reasons for selling include, but are not limited to:

- Disposing of a security with declining credit quality
- A financially advantageous sale and replacement of a security that improves the quality, yield, or target duration of the portfolio
- Meeting the liquidity needs of the portfolio
- Portfolio rebalancing to bring the portfolio back into compliance

6. **ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) CONSIDERATIONS**

While Safety, Liquidity, and Yield remain the Fund's primary investment objectives, all else being equal and acting under statutory investment limitations, the County Treasurer affirms their commitment to the consideration of ESG criteria in evaluating securities. Investments in entities that promote environmental stewardship by considering climate change, carbon emissions, pollution, biodiversity, deforestation, and food and water waste are encouraged. The County Treasurer also advocates investments in entities that support labor fairness and equality while opposing discrimination related to sex, race, age, disability, sexual orientation, color, religion, veteran status, genetic information, and other protected classes. Additionally, the County shall not purchase any investments issued directly by a corporation, classified under the Standard Industrial Classification (SIC) codes listed in Appendix C, that engages in the exploration, production, drilling, or refining of coal, petroleum, or natural gas.

7. **PROHIBITED SECURITIES**

The California Government Code prohibits a local agency from investing in any of the following derivative notes:

- Inverse Floaters
- Range Notes
- Interest-only strips derived from a pool of mortgages
Any security that could result in zero interest accrual, except for securities issued by, or backed by, the United States government that could result in zero or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates.

8. CREDIT RATING POLICY

- A.** This Investment Policy sets forth minimum credit ratings for each type of security. These credit limits apply to the initial purchase of a security and do not automatically force the sale of a security if the credit ratings of the security fall below the policy limits.
- B.** Minimum credit ratings:
- a. For securities with maturities of 13 months or less, the rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as "+" or "-") by at least one nationally recognized statistical rating organization (the "NRSRO").
 - b. For securities with maturities greater than 13 months, the rating must be "A" or higher by at least one NRSRO.

The monitoring of credit ratings consists of the following procedures:

1. When a credit rating downgrade occurs which results in a rating below the minimum credit requirement, the County Treasurer and staff will analyze and evaluate the credit to determine whether to hold or sell the security.
2. In the event a security in the Fund receives a credit rating downgrade which results in a rating below the minimum credit requirement, the County Treasurer will report the rating change to the County Treasury Oversight Committee in the monthly public report. In the same manner, the County Treasury Oversight Committee will be informed on the decision to hold or sell a downgraded security.
3. The Investment Group shall meet at least quarterly to review and update the approved list of securities and establish credit criteria for each category of security.

To ensure that the Fund maintains the highest overall credit rating with the contracted NRSRO, the asset allocation and portfolio holdings will be provided to the contracted NRSRO on a monthly basis.

9. INTERNAL CONTROLS

- A.** The Chief Deputy Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that:
1. The cost of a control should not exceed the benefits likely to be derived; and
 2. The valuation of costs and benefits requires estimates and judgments by management.
- B.** Accordingly, the Chief Deputy Treasurer shall establish and maintain internal controls that shall address the following points:
1. Control of Collusion - Collusion is a situation where two or more employees are working in conjunction to defraud their employer. To achieve a segregation of duties, individuals who authorize investment transactions shall not also record or reconcile said transactions.
 2. Clear Delegation of Authority to Subordinate Staff Members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
 3. Delivery-Versus-Payment (DVP) - All investment transactions shall be conducted on a delivery-versus-payment basis.
 4. Safekeeping and Custody - Securities purchased from any bank or dealer, including appropriate collateral (as defined by California Government Code), that are not insured by the FDIC, shall be placed with an independent third party for custodial safekeeping. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the County's portfolio shall be held in safekeeping in the County's name by a third-party custodian, acting as agent for the County under the terms of a custody agreement executed by the bank and the County. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the County from the custodian listing all securities held in safekeeping with current market data and other information. The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, (iii) Local Agency Investment Fund, and (iv) mutual funds and money market mutual funds, since these securities are not deliverable.

5. Avoidance of Physical Delivered Bearer Securities - Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Bearer securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with such securities.
 6. Written Confirmation of Telephone Wire Transfers - Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written or electronic communications and approved by the appropriate person.
 7. Development of a Wire Transfer Agreement with the Lead Bank or Third-Party Custodian - This agreement should outline the various controls, security provisions, and responsibilities of each party making and receiving wire transfers.
 8. A treasury operations manual, as overseen by the Chief Deputy Treasurer, will be reviewed and updated by the treasury staff every two years or on an as needed basis.
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10. **ANNUAL AUDIT** - The County Treasury Oversight Committee shall cause an independent audit to be conducted annually on a fiscal year basis by an external auditor to determine if the County Treasury is in compliance with the Investment Policy, other internal policies and procedures, and the California Government Code.
 11. **PERMISSIBLE INVESTMENTS** - Government Codes 53601, 53601.1, 53601.2, 53601.8, 53635, 53635.8, 53637, 53638, 53651, 53652, and 53653 address permissible investments. These investment categories are addressed individually in sections 12-29 below.
 12. **GOVERNMENT OBLIGATIONS** - The Fund invests in two categories of Government Obligations: U.S. Treasury and Agency obligations. Both are issued at the Federal level. U.S. Treasury obligations are bills, notes, and bonds issued by the Treasury and are direct obligations of the Federal Government. Agency obligations are notes and bonds of federal agencies and government sponsored enterprises, including:
 - Federal Agricultural Mortgage Corporation (Farmer Mac)
 - Federal National Mortgage Association (FNMA, or Fannie Mae)
 - Federal Home Loan Bank (FHLB)
 - Federal Farm Credit Bank (FFCB)
 - Federal Home Loan Mortgage Corporation (FHLMC, or Freddie Mac)
 - Government National Mortgage Corporation (GNMA, or Ginnie Mae)
 - Tennessee Valley Authority (TVA)
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- A. Maximum Maturity - The maximum maturity of a security shall be 5 years from the settlement date.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category is unlimited.

- C. Maximum Exposure Per Issuer - The maximum exposure to the Fund for an individual issuer shall be:
 - 1. Treasury - Unlimited
 - 2. Agency - No more than 35% of the Fund value shall be invested in any single issuer.
 - D. Minimum Credit Requirement - None
 - E. Liquidity Category - Liquid
13. **LOCAL AGENCY AND STATE OBLIGATIONS** -These include registered state warrants or treasury notes or bonds of the state of California and registered bonds of any of the other 49 states, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state and bonds, notes, warrants, or other evidences of indebtedness of a local agency within the state of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- A. Maximum Maturity - The maximum maturity of a security shall be 5 years from the settlement date.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 30%.
 - C. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 10% of the Fund value.
 - D. Minimum Credit Requirement - Issuers must be at or above the following ratings:
 - a. For securities with maturities of 13 months or less, the rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as "+" or "-") by at least one NRSRO.
 - b. For securities with maturities greater than 13 months, the rating must be "A" or higher by at least one NRSRO.
 - E. Liquidity Category - Moderately Liquid

14. **BANKER'S ACCEPTANCES** - This is a draft or bill of exchange accepted by a bank or trust company and brokered to investors in a secondary market. The purpose of the Banker's Acceptance (BA) is to facilitate trade and provide liquidity to the import-export markets. Acceptances are collateralized by the pledge of documents such as invoices, trust receipts, and other documents evidencing ownership and insurance of the goods financed. Since their inception in 1914, there has been no known loss of principal to investors holding Banker's Acceptances.
 - A. Maximum Maturity - The maximum maturity of a security shall be 180 days from the settlement date.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 40%.
 - C. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 5% of the Fund value.
 - D. Minimum Credit Requirement – The rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as “+” or “-”) by at least one NRSRO.
 - E. Liquidity Category – Liquid
15. **COMMERCIAL PAPER** - These are short-term, unsecured or secured, promissory notes issued by firms in the open market. Commercial paper (CP) is generally backed by a bank credit facility, guarantee/bond of indemnity, some other support agreement, or collateralized by other financial assets.
 - A. Maximum Maturity - The maximum maturity of a security shall be 270 days from the settlement date.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 40%.
 - C. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 10% of the Fund value, inclusive of any other non-CP investments with said issuer.
 - D. Minimum Credit Requirements - The Rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as “+” or “-”) by at least one NRSRO.
 - E. Liquidity Category - Liquid

16. **MEDIUM-TERM NOTES ("MTN")** - These are corporate notes, deposit notes, and bank notes sold by an agent in the open market on a continually offered basis. Issuers include well-recognized banks and bank holding companies, thrifts, finance companies, insurance companies, and industrial corporations. These medium-term notes are generally unsecured debt obligations, although some issues come to market on a collateralized or secured basis.
- A. Maximum Maturity - The maximum maturity of a security shall be 5 years from the settlement date.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 30%.
 - C. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 10% of the Fund value, inclusive of any other non-MTN investments with said issuer.
 - D. Minimum Credit Requirements - Issuers must be at or above the following ratings:
 - a. For securities with maturities of 13 months or less, the rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as "+" or "-") by at least one NRSRO.
 - b. For securities with maturities greater than 13 months, the rating must be "A" or higher by at least one NRSRO.
 - E. Liquidity Category - Liquid
17. **NEGOTIABLE CERTIFICATES OF DEPOSIT** - These are issued by commercial banks and thrift institutions against funds deposited for specified periods of time, and they earn specified or variable rates of interest. Negotiable certificates of deposit ("NCD") differ from other certificates of deposit by their liquidity. NCD's are traded actively in secondary markets.
- A. Maximum Maturity
 - 1. The maximum maturity of an NCD security shall be 5 years from the settlement date.
 - 2. The maximum maturity of any FDIC insured CDs, whether directly placed or placed through a private sector entity, shall be 13 months.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 30%.
 - C. Maximum Exposure per Issuer - The maximum exposure to a single issuer shall be 10% of the Fund value, inclusive of any other non-NCD investments with said issuer

- D. Minimum Credit Requirement – Issuers must be at or above the following ratings:
- a. For securities with maturities of 13 months or less, the rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as “+” or “-”) by at least one NRSRO.
 - b. For securities with maturities greater than 13 months, the rating must be “A” or higher by at least one NRSRO.
- E. Liquidity Category - Liquid
18. **REPURCHASE AGREEMENTS** - A repurchase agreement (RP) consists of two simultaneous transactions. One is the purchase of securities by an investor (the Fund); the other is the commitment by the seller (i.e., a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed-upon future date.
- A. Maximum Maturity - The maximum maturity of repurchase agreements shall be one year.
 - B. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 40%.
 - C. Maximum Exposure Per Broker/Dealer - The maximum exposure to a single broker/dealer shall be 10% of the Fund when the dollar-weighted average maturity is greater than 5 days or 15% of the Fund when the dollar-weighted average maturity is 5 days or less.
 - D. Eligible Broker/Dealers - Broker/Dealers shall sign a PSA Master Repurchase Agreement or a Tri-Party Repurchase Agreement. The Agreement must specify a minimum margin percentage of 102% and also provide for daily mark-to-market of the collateral by the custodian bank.
 - E. Eligible Collateral - The securities eligible for repurchase agreement transactions shall be securities authorized in Section 53601 of the California Government Code. Collateral eligible for repurchase agreements maturing from 7 days to 1 year shall be Treasury and Agency obligations.
 - F. Delivery of Collateral - Broker/Dealers shall deliver the underlying securities to the County’s safekeeping bank, a mutually agreed-upon third party custodian bank, or a counterparty bank’s customer book-entry account. When a third-party custodian is used, it will be the custodian’s responsibility to transfer funds and securities between the broker/dealer and the Fund in accordance with the terms of the repurchase agreement.
 - G. Liquidity Category - Liquid

19. **REVERSE REPURCHASE AGREEMENTS** - Reverse repurchase agreements (RRPs) are essentially the mirror image of RPs. In this instance, the Fund is the seller of securities, and the broker or bank is the investor.

Due to the nature of RRP, the policy regarding this instrument is different from the above RP policy.

- A. **Maximum Maturity** - The maximum maturity of a securities lending loan shall be 92 days unless the agreement includes a written guarantee of a minimum earning or spread for the entire period of the RRP.
- B. **Maximum Exposure of Fund** - No more than 20% of the Fund shall be exposed to RRP and/or securities lending at any one time.
- C. **Maximum Exposure Per Broker/Dealer** – No more than 10% of the Fund shall be invested in RRP with any one broker/dealer at any one time.
- D. **Purpose of RRP** - The uses of RRP shall be to invest the proceeds from the agreement into permissible securities that are in the highest short-term rating category; to supplement the yield on securities owned; or to provide funds for the immediate payment of an obligation. The maturity of the RRP and the maturity of the security purchased shall be the same.
- E. **Eligible Securities** - A RRP may only be entered into with a security authorized in California Government Code 53601 which has been owned and paid for 30 days prior to the settlement of the RRP.
- F. **Eligible Broker/Dealer** - Broker/Dealers shall be primary broker/dealers of the Federal Reserve Bank of New York.
- G. **Liquidity Category** - Liquid

20. **SECURITIES LENDING** - This is a program conducted by an agent authorized to execute securities lending under the guidelines listed under RRP and as detailed in the "Services for Securities Lending Agreement." A securities lending transaction is when the Fund transfers its securities to broker/dealers and other entities for collateral which may be cash or securities and simultaneously agrees to return the collateral for the same securities in the future. The loans must be secured continuously by cash collateral or securities and maintained at a value of at least equal to 102 % of the market value of the securities loaned. During the term of the loan, the Fund will continue to receive the equivalent of the interest paid by the issuer of the securities loaned. The Fund will have the right to call the loan and receive the securities loaned at any time with one day's notice.

- A. Maximum Maturity - The maximum maturity of a securities lending loan shall be 92 days.
 - B. Maximum Exposure of Fund - No more than 20% of the Fund shall be exposed to securities lending and/or RRP's at any one time.
 - C. Maximum Exposure Per Counterparty - No more than 10% of the Fund shall be on loan with any single counterparty at any one time.
 - D. Proceeds shall be invested in securities authorized by California Government Code and this Investment Policy.
21. **COLLATERALIZED CERTIFICATES OF DEPOSIT** - This is the deposit of funds in state or national banks, state or federal savings and loan associations, federal credit unions, or FDIC-insured industrial loan companies in California per California Government Code Section 53652. The deposit of the funds will be made under the following conditions:
- A. The deposit may not exceed the total of the paid-in capital and surplus of a depository.
 - B. The depository must maintain securities with a market value of at least 10% in excess of the total amount of the Fund's deposits. These securities will be placed in the institution's pooled collateral account and monitored by the State Treasurer of California or a mutually agreed-upon third party custodian bank.
 - C. The County Treasurer may waive the first \$250,000 of collateral for each depository, so long as that amount is insured by an agency of the Federal Government. The documents listed below in D will not be required for deposits of \$250,000 or less.
 - D. Each institution that receives Fund deposits must provide the County Treasurer with an up-to-date Contract, Annual Report, Affirmative Action Policy, Community Reinvestment Act Statement, and EEO-1 Form.
 - E. Maximum Maturity – The maximum maturity of a collateralized CD shall be 13 months.
 - F. Maximum Exposure of Fund – The maximum exposure to the Fund for this category shall be 5%.
 - G. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 5% of the Fund value.
 - H. Institutions at or above the highest short-term rating category (without regard to qualification of such rating symbol such as "+" or "-") by at least one NRSRO may pledge mortgage-based collateral for County deposits.

- I. Liquidity Category - Illiquid
22. **FDIC & NCUA INSURED DEPOSIT ACCOUNTS** – This is the deposit of funds in a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state per California Government Code Section 53635.8. The deposit of funds will be made under the following conditions:
- A. The deposit of funds may be placed directly with a selected depository institution, not to exceed the issuance limit from the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA).
 - B. A selected depository may use a private sector entity to help place deposits with one or more commercial bank, savings bank, savings and loan association, or credit union located in the United States.
 - C. The full amount of each deposit and the interest that may accrue on each such deposit shall at all times be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA).
 - D. Maximum Maturity - The maximum maturity of an FDIC or NCUA Insured Deposit Account shall be 13 months.
 - E. Maximum Exposure of Fund - The maximum exposure to the Fund for this category shall be 5%.
 - F. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 5% of the Fund value.
 - G. Minimum Credit Requirement - There is no minimum credit requirement for FDIC or NCUA insured deposit accounts whether directly placed or placed through a private sector entity.
 - H. Liquidity Category - Illiquid
23. **COVERED CALL OPTION/PUT OPTION** - An option is the right to buy or sell a specific security within a specific time period at a specific price.
- A. A covered call is when the County Treasurer sells the option to another party giving them the right to buy an existing security in the Fund at a specific price within a specific time period.
 - B. A put option is when the County Treasurer sells the option to another party giving them the right to sell to the County Treasurer a security at a specific price within a specific time period.

- C. The seller of a covered call option/put option is paid at the time of the sale of the option. At the end of the option period, if the option is not exercised, the right to buy or sell the security is canceled.
 - D. The County Treasurer will act only as a seller of covered call and put options with the following exception: County Treasurer may buy an option to offset an existing open option position.
 - E. Securities subject to covered calls shall not be used for Reverse Repurchase Agreements.
 - F. Cash sufficient to pay for outstanding puts shall be invested in securities maturing on or before the expiration date of the options.
 - G. Maximum Maturity - The maximum maturity of a covered call option/put option shall be 90 days.
 - H. Maximum Exposure of Fund - No more than 10% of the Fund may have options written against it at any given time.
 - I. Counterparty Risk - Options shall only be written with primary broker/dealers of the Federal Reserve Bank of New York.
 - J. Liquidity Category - Liquid
24. **MONEY MARKET MUTUAL FUND** – These investments consist of shares of beneficial interest issued by management companies. Such shares represent ownership of a diversified portfolio of securities, which are redeemable at their net asset value. The Government Code allows for purchases of many types of mutual funds, but the Fund will limit use to money market mutual funds managed to maintain a stable NAV.
- A. Maximum Exposure - The maximum exposure to the Fund for this category shall be 20%.
 - B. Maximum Exposure Per Fund - The maximum exposure to a single mutual fund shall be 10% of the Fund value.
 - C. Purchase Price - The purchase price of the mutual fund shall not include any commission.
 - D. Minimum Credit Requirement - Mutual fund ratings must be in the highest rating category by at least two NRSROs or retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience in managing money market mutual funds and with assets under management in excess of five hundred million dollars.
 - E. Liquidity Category - Liquid

25. **LOCAL GOVERNMENT INVESTMENT POOLS (LGIPs)** – These investments consist of shares of beneficial interest issued by a joint powers authority (JPA) organized pursuant to Government Code Section 6509.7 and authorized by Government Code Section 53601(p). The Fund shall only invest in LGIPs that comply with the California Government Code and all relevant sections of this Investment Policy and are managed to maintain a stable NAV.
- A. Maximum Exposure - The maximum exposure to the Fund for this category shall be 5%.
 - B. Minimum Credit Requirement – LGIP ratings must be in the highest rating category by at least one NRSRO.
 - C. Liquidity Category – Liquid
26. **LOCAL AGENCY INVESTMENT FUND (LAIF)** – This fund was established by Government Code Section 16429.1 for use by local agencies in California and operates similarly to a LGIP. It is managed by the Treasurer of the State of California, who may invest money in the fund in securities prescribed in Government Code Section 16430 or elect to have the money of the fund invested through the State's Surplus Money Investment Fund.
- A. Maximum Exposure - The maximum exposure to the Fund for this category shall be 5%.
 - B. Minimum Credit Requirement – LAIF is an unrated fund.
 - C. Liquidity Category – Liquid
27. **PASS-THROUGH SECURITIES** - These will be limited to equipment lease-backed certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds.
- A. Maximum Maturity - The maximum maturity of a security shall be 5 years from the settlement date.
 - B. Maximum Exposure - The maximum exposure to the Fund for this category shall be 20%.
 - C. Maximum Exposure Per Issuer - The maximum exposure to a single issuer shall be 10% of the Fund value.
 - D. Minimum Credit Requirement - The security must be rated "AA" or higher by at least one NRSRO.
 - E. Liquidity Category - Liquid

28. **WHEN-ISSUED SECURITIES** - The Fund may invest in new issues of Government Obligations offered on a when-issued basis; that is, delivery and payment take place after the date of the commitment to purchase, normally within 15 days. Both price and interest rate are fixed at the time of commitment. This allows the Fund to lock in an interest rate that may not be available on the issue date. The Fund does not earn interest on the securities until settlement, and the market value of the securities may fluctuate between purchase and settlement. Such securities can be sold before settlement.
29. **SUPRANATIONALS** – The fund may invest in United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by multi-national organizations, including:
- Inter-American Development Bank (IADB)
 - International Bank for Reconstruction and Development (IBRD)
 - International Finance Corporation (IFC)
- A. **Maximum Maturity** - The maximum maturity of a security shall be 5 years from the settlement date.
- B. **Maximum Exposure of Fund** - The maximum exposure to the Fund for this category shall be 30%.
- C. **Maximum Exposure Per Issuer** - The maximum exposure to a single issuer shall be 10% of the Fund value.
- D. **Minimum Credit Requirement** - The issuer must be rated “AA” or higher by at least one NRSRO.
- E. **Liquidity Category** - Liquid
30. **QUALIFIED BROKERS AND DEALERS** - In order to minimize risk in executing security transactions under this Investment Policy, all transactions will be made only through qualified dealers.
- A. A qualified dealer must be a bank, savings and loan association, or an investment securities dealer. Commercial Paper and Certificate of Deposit issuers may be considered qualified dealers for direct issuance of their paper.
- B. Any dealer entering into a new business relationship to conduct security transactions with the County Treasurer is required to make application to the County Treasurer.
- C. The dealer must ensure that its staff is aware of the County Treasurer's Investment Policy and the California Government Code Sections 53601 and 53635.
- D. Investment securities dealers for Reverse Repurchase Agreements must be primary dealers regularly reporting to the Federal Reserve Bank.

- E. The dealer is required to have net capital in excess of \$10 million with liquidity lines of \$50 million or more.
 - F. The dealer is required to maintain an active secondary market for securities sold to the County and must be competitive in price for bids and offers.
 - G. The dealer will be monitored by the Chief Investment Officer and staff to ensure the services the County requires are delivered in a timely and efficient manner.
 - H. The primary account representative must be in the institutional or middle market fixed income division with 5 years or more experience covering large municipalities.
 - I. A qualified dealer must not have made any political contributions to the County Treasurer, any member of the Board of Supervisors, or any candidate for these offices within any consecutive 48-month period following January 1996. The exception is if the broker/dealer is entitled to vote for any of these offices, in which case the contributions shall not be in excess of \$250 to each official per election.
 - J. Each dealer, at minimum every three years, or more frequently if requested, will be required to respond to the County's Request for Information (RFI) providing the County with up-to-date financial and investment experience information in order to continue in its role.
31. **DELEGATION OF INVESTMENT AUTHORITY TO THE COUNTY TREASURER** - The State of California gives the Board of Supervisors the ability to delegate investment authority to the County Treasurer for a one-year period in accordance with Section 53607 of the California Government Code. The delegation will require renewal each year.
32. **SAFEKEEPING AUTHORITY**
- A. The State of California gives the Board of Supervisors the ability to delegate the deposit for safekeeping authority to the County Treasurer in accordance with Section 53608 of the California Government Code. Board Resolution 109 adopted September 29, 1959 delegated this authority to the County Treasurer.
 - B. In exercising this safekeeping function, the County Treasurer will require depositories to provide evidence that they are taking reasonable measures to prevent unauthorized access to the depository's electronic data files.
 - C. The County Treasurer's Continuity of Operations Plan (COOP) addresses contingency plans in the event that a disaster, natural or otherwise, disrupts normal operations. Contingency plans vary depending upon the severity and expected longevity of the disruption.

33. **EXTERNAL OVERSIGHT** - The County Treasurer shall retain an independent third-party investment advisor to provide oversight and compliance monitoring.

The County Treasurer will also retain an NRSRO to provide a rating for the Fund and will have in place an internal system to provide credit and compliance monitoring.

34. **COUNTY TREASURY OVERSIGHT COMMITTEE** - The Board of Supervisors has established a County Treasury Oversight Committee pursuant to Sections 27130-27137 of the California Government Code. The County Treasurer shall annually prepare an investment policy that will be reviewed and monitored by the County Treasury Oversight Committee and shall be reviewed and approved at a public hearing by the Board of Supervisors.

35. **RULES GOVERNING THE ACCEPTANCE OF HONORARIA, GIFTS, AND GRATUITIES:**

A. The County Treasury Oversight Committee:

1. Gifts and Gratuity Limits: - Members may not accept a gift or gifts aggregating more than the Fair Political Practices Commission (FPPC) guidelines in a calendar year from an advisor, broker, dealer, banker, or other persons with whom the County Treasurer conducts business.
2. Honorarium Limits - Members may not accept any honorarium from advisors, brokers, dealers, bankers, or other persons with whom the County Treasurer conducts business.
3. Employment - A member may not be employed by an entity that has contributed to the campaign of a candidate for the office of the County Treasurer or a candidate for a legislative body of a local agency that has deposited funds in the County Treasury in the previous three years or during the period the employee is a member of the County Treasury Oversight Committee. A member may not secure employment with bond underwriters, bond counsel, security brokers or dealers, or financial services firms during the period that the person is a member of the Committee or for one year after leaving the County Treasury Oversight Committee.
4. Contributions - A member may not directly or indirectly raise money for a candidate for County Treasurer or a member of the governing board of any local agency that has deposited funds in the County Treasury while a member of the County Treasury Oversight Committee.

B. The County Treasurer and Designated Employees:

1. Gifts and Gratuity Limits - The County Treasurer and designated employees may not accept a gift or gifts aggregating more than the Fair Political Practices Commission (FPPC) guidelines in a calendar year from a single source that does business with the County Treasurer's Office.

2. Honorarium Limits - The County Treasurer and designated employees may not accept any honorarium.
 3. Form 700 "Statement of Economic Interests" - The County Treasurer and designated employees are required to file a Form 700 annually.
36. **REPORTING** - The County Treasurer shall prepare an investment report monthly to be posted on the County Treasurer Tax-Collector's public website.
- A.** The report will be available to the following officials:
1. Board of Supervisors
 2. County Treasury Oversight Committee
 3. Chief Administrative Officer
 4. Auditor & Controller
 5. Pool Participants
- B.** The report will include the following:
1. A summary of Fund statistics
 2. The type of investment, issuer, maturity date, par value, and dollar amount invested for all securities, investments, and monies held by the Fund
 3. A description of any of the Fund's investments or programs that are under management of contracted parties, including the securities lending program
 4. Current market value and the source of the valuation as of the date of the report for all securities held by the Fund
 5. Securities lending portfolio, if applicable
 6. Pool purchases, sales, and maturities
 7. Statement denoting the Fund's ability to meet expenditure requirements for the next six months
 8. Statement of compliance with the Investment Policy

37. COSTS AND EARNINGS APPORTIONMENT

- A.** Prior to quarterly interest apportionment, investment costs incurred by the County Treasurer will be deducted from the interest earnings of the pool and Dedicated Portfolios based on an equitable distribution formula. The costs, which are authorized by Government Code Section 27013, are made up of direct costs (salaries, banking services, computer services, and supplies) and indirect costs (department overhead and external overhead).
- B.** The Pool earnings distributed to each participant are proportionate to the average daily balance of the amounts on deposit by the participant. The County Auditor & Controller conducts the apportionment process based on the net earnings of the Fund each quarter.
- C.** In the event there is a negative balance in a participant's fund at any time, it shall reduce the average daily balance for the fund. If at quarter-end there is a negative average daily balance in a participant's fund, that fund will be charged the higher of the pool's earning rate for the quarter or a proxy TRANs cost.
- D.** The apportionment rate is set approximately ten business days after each calendar quarter end. Apportionments are not paid out by warrants; all earnings are credited to the participant's fund balance.

38. TERMS AND CONDITIONS FOR DEPOSITING FUNDS BY VOLUNTARY PARTICIPANTS -
California Government Code Section 53684 allows local agencies, upon adoption of a resolution by the governing body of the agency, the option of depositing excess funds in the County Treasury for the purpose of investment by the County Treasurer.

- A.** The County, in its regional role to assist and aid other local agencies, adopted Board Resolution 11 on March 24, 1987, to allow agencies to deposit excess funds with the County Treasurer for investment. The limitation on acceptance of voluntary deposits and this Investment Policy are structured to help to ensure that, pursuant to Section 27133 of the California Government Code, the County Treasurer shall be able to find that all proposed deposits/withdrawals will not adversely affect the interests of the other depositors in the Fund.
- B.** The policy for the acceptance of local agency deposits is:
 - 1. The local agency must sign an Investment Management Agreement.
 - 2. The local agency may be asked to provide cash flows on a quarterly basis indicating projected withdrawals from the Fund.
- C.** Before any deposits for new accounts from Voluntary Participants can be accepted by the County Treasurer, the local agency must perform the following:

1. Provide a resolution adopted by the Board or governing body that authorizes the local agency to deposit excess funds in the County Treasury for the purpose of investment by the County Treasurer. The resolution must:
 - a. be signed by an authorized official,
 - b. indicate the resolution number and date passed by the Board or governing body,
 - c. indicate the persons authorized to initiate deposits to and instruct withdrawals from the Fund and,
 - d. bear the seal of the local agency, if the local agency has a seal.
2. Provide wire/ACH transfer instructions for withdrawals from the Fund. All withdrawals will be paid by electronic funds transfer.
3. Establish a trust account through the County Auditor & Controller's General Accounting Division.

39. **CRITERIA FOR WITHDRAWAL OF MONIES FROM THE FUND BY VOLUNTARY PARTICIPANTS**

- A. Before a local agency withdraws monies from the Fund, it must submit a withdrawal request a minimum of 2 working days prior to the desired withdrawal date. Although not encouraged, shorter notice may be honored at the discretion of the County Treasurer's Office if the withdrawal does not cause the Fund to fall out of compliance with its maturity policy or jeopardize its ability to meet cash flow requirements.
- B. When monies are requested for withdrawal, the County Treasurer's Office must find that the withdrawal will not adversely affect the interests of all other depositors in the Fund.

40. **GRANDFATHERED AGENCIES**

- A. Grandfathered agencies that use the services of the County to keep their records and/or issue warrants/wires for the agency can continue to function in this manner and will be treated as a mandatory participant (assuming the agency continues to make deposits into the Fund).
- B. These agencies can also opt to be treated as Voluntary Participants and elect to withdraw funds in the same fashion as the other Voluntary Participants. However, any agency so opting shall be subject to all restrictions placed upon the other Voluntary Participants.

GLOSSARY OF TERMS

BID - The price offered by a buyer of securities.

CREDIT RATING - The alphanumeric score which provides an assessment of the credit opinion of one of the Nationally Recognized Statistical Rating Organizations for a particular investment or issuing entity.

DEDICATED PORTFOLIO - Any assets, besides those held in the Fund, invested by the County Treasurer on behalf of any San Diego County agency.

DOLLAR-WEIGHTED AVERAGE MATURITY - The sum of the amount of each security investment multiplied by the number of days to maturity, divided by the total amount of security investments.

DURATION - A measure of the price volatility of a portfolio that reflects an estimate of the projected increase or decrease in the value of a portfolio based upon a decrease or increase in the interest rates. A duration of 1.0 means that for every 1.0 percent increase in interest rates, the market value of a portfolio would decrease by 1.0 percent.

EARNINGS APPORTIONMENT - The quarterly interest distribution to the Pool Participants after the actual investment costs incurred by the County Treasurer are deducted from the interest earnings of the Fund.

EFFECTIVE DURATION OR OPTION-ADJUSTED DURATION - The approximate percentage price change of a bond for a 100 basis point parallel shift in the yield curve, allowing for the cash flow to change as a result of the change in yield.

GRANDFATHERED AGENCIES- Some fire districts and other agencies that use the County's banking and accounting services.

ILLIQUID – Investments for which 1) the secondary market is non-existent or thinly traded, 2) it is not possible to access funds prior to maturity, or 3) One cannot liquidate at the cost of principal.

ISSUER - The entity identified as the counterparty or obligator related to a security trade.

INVESTMENT GROUP - Group consisting of the County Treasurer-Tax Collector, Assistant Treasurer-Tax Collector, Chief Deputy Treasurer, Chief Investment Officer, and Investment Officers.

INVESTMENT MANAGEMENT AGREEMENT - An agreement between a voluntary participant and the San Diego County Treasurer-Tax Collector. The agreement addresses the terms and conditions of local agencies' deposits of funds for investment into the Fund.

LIQUID – Term for securities that can be converted to cash quickly.

MODERATELY LIQUID - Securities that can be converted to cash quickly with the potential for minimum loss of principal.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO) - A credit rating agency that issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes.

OFFER - The price at which a holder of a security would be willing to sell the security.

PORTFOLIO VALUE - The total book value of all the securities held in the Fund.

PRUDENT RISK - An investment system in which the investor will invest conservatively to receive a stable income with little risk.

SAFEKEEPING - A custodian bank's action to store and protect an investor's securities by segregating and identifying the securities.

SELECTED DEPOSITORY INSTITUTION - A nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in the state of California.

SHORT-TERM - The term used to describe a security when the maturity is one year or less.

VOLUNTARY PARTICIPANTS - Local agencies that are not required to deposit their funds with the County Treasurer.

WHEN-ISSUED SECURITIES - A security traded before it receives final trading authorization, with the investor receiving the certificate/security only after the final approval is granted.

2025 San Diego County Treasurer's
Pooled Money Fund Investment Policy

Appendix A
Approved Broker/Dealers

[Link to approved broker/dealers](#)

APPENDIX B - POLICY GUIDELINES

Investment Type	Maximum Maturity	Maximum % of Portfolio	Maximum % With One Issuer	Minimum Rating
US Treasury Obligations	5 years	No Limit	No Limit	No Limit
Agency Obligations	5 years	No Limit	35%	No Limit
Local Agency Obligations	5 years	30%	10%	A
Banker's Acceptances	180 days	40%	5%	A-1
Commercial Paper (1)	270 days	40%	10% (2)	A-1
Medium Term Notes	5 years	30%	10% (2)	A
Negotiable Certificate of Deposits	5 years	30%	10% (2)	A-1/A
Repurchase Agreements	1 year	40%	Note (3)	No Limit
Reverse Repurchase Agreements	92 days	20%	10%	No Limit
Collateralized Certificates of Deposit	13 months	5%	5%	No Limit
FDIC & NCUA Insured Deposit Accounts	13 months	5%	5%	No Limit
Money Market Funds	N/A	20%	10%	AAAm
Local Government Investment Pools (LGIPs)	N/A	5%	5%	AAAm
Local Agency Investment Fund (LAIF)	N/A	5%	N/A	N/A
Pass-Through Securities	5 years	20%	10%	AA
Supranationals	5 years	30%	10%	AA

(1) Government Code Section 53635(a) (1-2) specifies percentage limitations for this security type for county investment pools.

(2) 10% issuer limit includes CP, MTN, and NCD exposure combined, if applicable.

(3) Maximum exposure per issue – The maximum exposure to a single Repurchase Agreement (RP) issue shall be 10% of the portfolio value for RPs with maturities greater than 5 days and 15% of the portfolio for RPs maturing in 5 days or less. The maximum exposure to a single broker/dealer of RPs shall be 10% of the portfolio value for maturities greater than 5 days and 15% of the portfolio value for maturities of 5 days or less.

APPENDIX C – STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES

CATEGORIES	
<div> <div>GENERAL</div> <div></div> <div>SPECIFIC</div> </div>	
3-DIGITS	4-DIGITS
131 - Crude Petroleum and Natural Gas >	1311 - Crude Petroleum and Natural Gas >
132 - Natural Gas Liquids >	1321 - Natural Gas Liquids >
138 - Oil and Gas Field Services >	1381 - Drilling Oil and Gas Wells >
	1382 - Oil and Gas Field Exploration Services >
	1389 - Oil and Gas Field Services, Not Elsewhere Classified >
122 - Bituminous Coal and Lignite Mining >	1221 - Bituminous Coal and Lignite Surface Mining >
	1222 - Bituminous Coal Underground Mining >
123 - Anthracite Mining >	1231 - Anthracite Mining >
124 - Coal Mining Services >	1241 - Coal Mining Services >
291 - Petroleum Refining >	2911 - Petroleum Refining >
295 - Asphalt Paving and Roofing Materials >	2951 - Asphalt Paving Mixtures and Blocks >
	2952 - Asphalt Felts and Coatings >
299 - Miscellaneous Products of Petroleum and Coal >	2992 - Lubricating Oils and Greases >
	2999 - Products of Petroleum and Coal, Not Elsewhere Classified >
492 - Gas Production and Distribution >	4922 - Natural Gas Transmission >
	4923 - Natural Gas Transmission and Distribution >
	4924 - Natural Gas Distribution >
	4925 - Mixed, Manufactured, or Liquefied Petroleum Gas Production and/or Distribution >



COUNTY OF SAN DIEGO INVESTMENT POOL TREASURY INVESTMENT RESULTS

**Mar
2025**

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Note: The Information provided, including all charts, tables, graphs and numerical representations, are provided to readers solely as a general overview of the economic and market conditions which the Treasurer utilizes in making investment decisions.

SUMMARY PORTFOLIO STATISTICS

County of San Diego Pooled Money Fund As of March 31, 2025

Investment Type	Par Value	Book Value	Market Value	% of Portfolio	Market Price	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
ABS	869,672,742	869,596,789	874,256,445	5.34%	100.53	1055	4.77%	1,735,397	4,659,656
Agency	4,488,479,000	4,468,509,242	4,424,902,695	27.01%	98.58	500	2.93%	13,742,707	(43,606,547)
Trade Payables/Receivables	(75,000,000)	(75,000,000)	(75,000,000)	-0.46%	100.00	0	0.00%	-	-
Bank Deposit	53,679,900	53,679,900	53,679,900	0.33%	100.00	0	3.40%	-	-
Commercial Paper	2,490,000,000	2,467,049,036	2,467,233,737	15.06%	99.09	77	4.55%	-	184,701
Corporate	115,000,000	113,976,465.83	114,350,231	0.70%	99.43	252	4.83%	1,393,139	373,765
LAIF	8	8	8	0.00%	100.00	0	4.31%	-	-
Local Gov Investment Pool	257,676,950	257,676,950	257,676,950	1.57%	100.00	0	4.47%	-	-
Money Market Fund FI	248,000,000	248,000,000	248,000,000	1.51%	100.00	0	4.27%	-	-
Municipal Bonds	521,410,000	522,146,252	522,206,223	3.19%	100.15	657	3.33%	4,871,142	59,972
Negotiable CD	2,655,000,000	2,655,000,000	2,655,510,169	16.21%	100.02	91	4.50%	46,591,764	510,169
Supranationals	2,135,181,000	2,119,264,616	2,128,544,985	12.99%	99.69	1164	3.83%	14,686,175	9,280,369
US Treasury	2,740,000,000	2,720,753,565	2,709,177,816	16.54%	98.88	584	3.34%	12,321,619	(11,575,749)
Total for March 2025	16,499,099,600	16,420,652,824	16,380,539,159	100%	99.28	489	3.80%	95,341,943	(40,113,665)
Total for February 2025	16,386,900,856	16,296,442,473	16,238,698,886	100%	99.10	460	3.77%	83,215,669	(57,743,587)
Change from Prior Month	112,198,744	124,210,351	141,840,273		0.19	29	0.03%	12,126,273	17,629,922
Portfolio Effective Duration	1.06								
Return Information	Monthly Return	Annualized	Fiscal Year To Date Return	Annualized	Calendar YTD Return	Annualized			
Book Value	0.31%	3.75%	2.74%	3.66%	0.90%	3.66%			

Notes

Yield to maturity (YTM) is the estimated rate of return on a bond given its purchase price, assuming all coupon payments are made on a timely basis and reinvested at this same rate of return to the maturity date. Weighted Days to Maturity is average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. Yields for the portfolio are aggregated based on the book value of each security.

Monthly Investment Returns are reported gross of fees. Administration fees since fiscal year 17-18 have averaged approximately 7 basis points per annum. **All Investments held during the month of March 2025 were in compliance with the Investment Policy dated January 1, 2023. The County Treasurer believes the Treasury Investment Pool contains sufficient cash flow from liquid and maturing securities, bank deposits, and incoming cash to meet the next six months of expected expenditures.

While Safety, Liquidity, and Yield remain the Fund's primary investment objectives, all else being equal and acting under statutory investment limitations, the County Treasurer affirms his/her commitment to the consideration of ESG criteria in evaluating securities. Sustainalytics, a Morningstar Company, provides high-quality, analytical environmental, social and governance (ESG) research, ratings and data to institutional investors and companies. Using Sustainalytics scoring, which is available on Bloomberg, the Pool had a weighted average MTN/CP/CD score of 19.49 as of 03/31/25, placing it in the "Medium Risk" category. Sustainalytics' ratings categories are: negligible (0-9.99), low (10-19.99), medium (20-29.99), high (30-39.99) and severe (40+).

PARTICIPANT CASH BALANCES

County of San Diego Pooled Money Fund

As of March 31, 2025

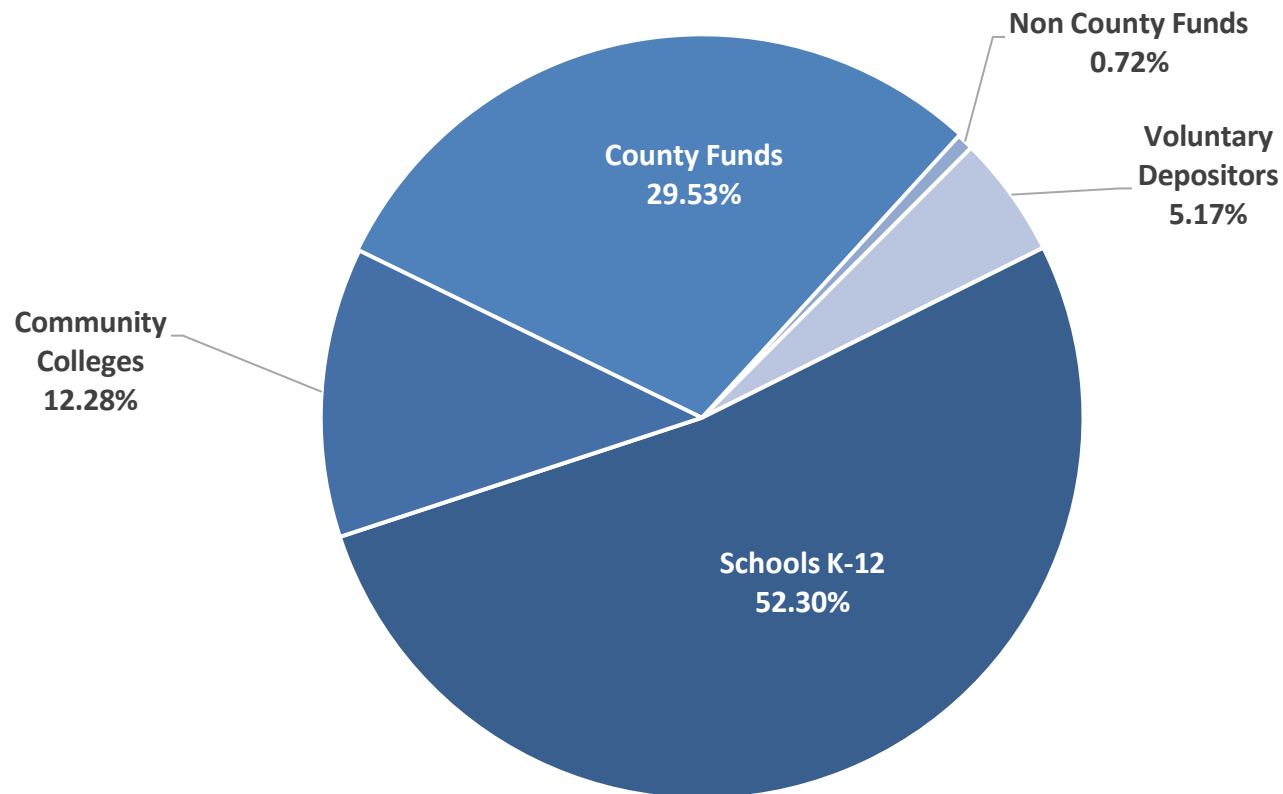
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PARTICIPANT	FMV 01/31/25	FMV 02/28/25	FMV 03/31/25	% of Total	PARTICIPANT	FMV 01/31/25	FMV 02/28/25	FMV 03/31/25	% of Total
COUNTY	1,822,371	1,826,531	2,328,451	14.21%	Lakeside FPD	7,621	9,469	7,669	0.05%
COUNTY - SPECIAL TRUST FUNDS	2,787,919	2,645,075	2,509,149	15.32%	Leucadia Wastewater District	0	0	0	0.00%
NON-COUNTY INVESTMENT FUNDS	134,256	143,775	118,282	0.72%	Lower Sweetwater FPD	739	591	606	0.00%
SCHOOLS - (K THRU 12)	8,910,026	8,704,861	8,566,306	52.30%	Metropolitan Transit System	343,396	353,279	343,770	2.10%
					Mission Resource Conservation District	66	67	44	0.00%
COMMUNITY COLLEGES					North County Transit District	43,805	43,782	43,857	0.27%
Grossmont-Cuyamaca	205,460	209,969	211,365	1.29%	North County Cemetery District	11,457	11,483	11,805	0.07%
MiraCosta	236,908	222,125	205,843	1.26%	North County Dispatch	7,163	8,314	7,889	0.05%
Palomar	268,718	271,059	262,890	1.60%	North County FPD	3,174	3,237	3,655	0.02%
San Diego	1,189,479	1,186,192	1,166,350	7.13%	Otay Water District	38	76	76	0.00%
Southwestern	172,282	161,045	164,757	1.01%	Palomar Health	1	2	0	0.00%
Total Community Colleges	2,072,846	2,050,388	2,011,204	12.28%	Pomerado Cemetery District	2,532	2,500	2,495	0.02%
					Public Agencies Self-Insurance System	0	0	0	0.00%
FIRST 5 COMMISSION	21,897	21,183	20,664	0.13%	Ramona Cemetery District	1,846	1,827	1,814	0.01%
SDCERA	8,839	8,757	8,771	0.05%	Rancho Santa Fe FPD	12,120	11,786	10,821	0.07%
					Resource Conservation District of Greater SD*	0	0	0	0.00%
CITIES					Rincon del Diablo Municipal Water District	3,047	3,046	3,051	0.02%
Chula Vista	6,066	6,063	6,032	0.04%	SANDAG	10,837	14,468	10,860	0.07%
Coronado	7,881	7,883	7,896	0.05%	SD County Regional Airport Authority	136,715	138,482	140,414	0.86%
Del Mar	3,035	3,033	3,039	0.02%	San Diego Housing Commission	8,552	8,548	8,563	0.05%
Encinitas	1,335	1,334	1,336	0.01%	San Diego Geographic Information Source	759	586	570	0.00%
National City	39,816	39,796	39,864	0.24%	San Diego Law Library	8,223	8,240	8,345	0.05%
Oceanside*	0	0	0	0.00%	San Diego Local Agency Formation Comm	2,559	2,514	2,318	0.01%
Solana Beach*	0	0	0	0.00%	San Diego Regional Training Center	1,465	1,449	1,531	0.01%
Vista	91	91	91	0.00%	San Dieguito River Park	1,557	1,421	1,218	0.01%
					San Marcos FPD	1	1	1	0.00%
INDEPENDENT AGENCIES					San Miguel Consolidated FPD	21,775	19,374	17,167	0.10%
Air Pollution Control District	101,756	101,933	98,342	0.60%	Santa Fe Irrigation District	107	107	107	0.00%
Alpine FPD	1,364	987	1,121	0.01%	Upper San Luis Rey Resource Conserv Dist	33	33	34	0.00%
Bonita-Sunnyside FPD	3,240	3,370	2,535	0.02%	Vallecitos Water District	1,011	1,010	1,012	0.01%
Borrego Springs FPD	15	15	15	0.00%	Valley Center FPD	2,564	2,282	2,392	0.01%
Canebrake County Water District	0	0	0	0.00%	Valley Center Cemetery District	508	509	512	0.00%
Deer Springs FPD	22,673	20,212	19,947	0.12%	Valley Center Water District	2,694	2,692	2,697	0.02%
Grossmont Healthcare District	2	2	2	0.00%	Vista FPD	2,664	2,208	2,176	0.01%
Julian-Cuyamaca FPD	0	0	0	0.00%	Whispering Palms Community Services District*	0	0	0	0.00%
Lake Cuyamaca Rec & Park District	21	22	22	0.00%					
					Total Voluntary Participants	857,060	868,068	847,147	5.17%
					Pooled Money Fund Total	\$ 16,584,478	\$ 16,238,699	\$ 16,380,539	100.00%

* Footnote: The Oracle ending balances for these pool participants are under \$500. Due to rounding, the FMV will show as zero even though there is an Oracle balance.

INVESTMENT FUND PARTICIPANTS

County of San Diego Pooled Money Fund
As of March 31, 2025



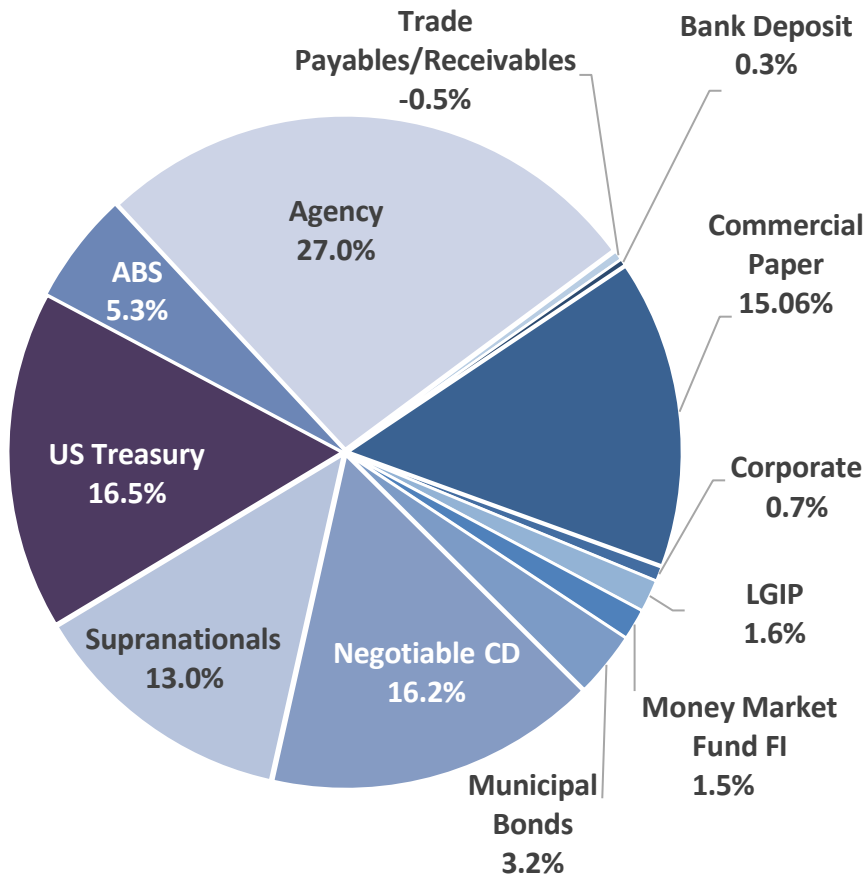
*Totals may not add to 100% due to rounding

INVESTMENT FUND OVERVIEW

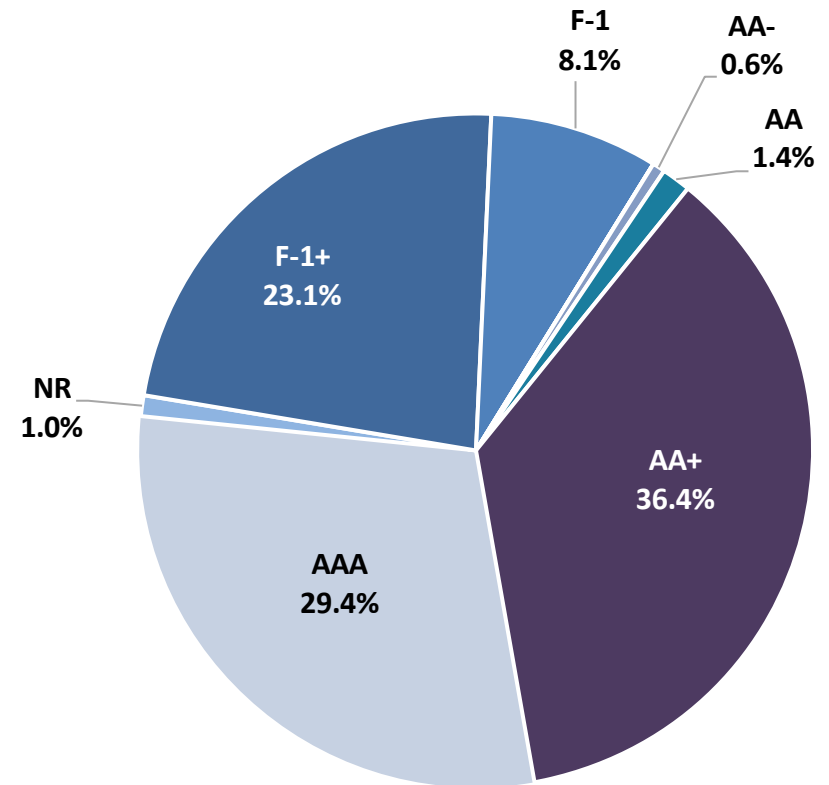
County of San Diego Pooled Money Fund

As of March 31, 2025

ASSET ALLOCATION



CREDIT QUALITY**



Note: Totals in both charts may not add to 100% due to rounding.

**If a security is not rated by Fitch, the report uses the lowest rating provided by either Moody's or Standard and Poor's using the Fitch scale.



APPENDIX



INVESTMENT POLICY COMPLIANCE REPORT

County of San Diego Pooled Money Fund

As of March 31, 2025

Category	Standard	Comment
U.S. Treasury Issues	No limitations; Issued at the Federal level; Obligations are bills, notes, and bonds issued by the Treasury and are direct obligations of the Federal Government	<i>Complies</i>
Federal Agencies	35% max per Agency issuer; Issued at the Federal level; Agency obligations are notes and bonds of the federal agencies and government sponsored enterprise, including: FNMA, FHLB, FFCB, FHLMC, GNMA, TVA	<i>Complies</i>
Supranational Obligations	30% max; 10% max per issuer; "AA" rated or higher by at least one NRSRO; USD denominated senior unsecured unsubordinated obligations; Issued or unconditionally guaranteed by IBRD, IFC, or IADB	<i>Complies</i>
Municipal Securities (Local Agency & State Obligations)	30% max; 10% max per issuer; Minimum Credit Requirements: a) For securities with maturities 13 months or less, the rating must be in the highest short-term rating category by at least one NRSRO; b) For securities with maturities greater than 13 months, the rating must be "A" or higher by at least one NRSRO	<i>Complies</i>
Corporate Medium Term Notes	30% max; 10% max per issuer (inclusive of any other non-MTN investments with said issuer); Minimum Credit Requirements: a) For securities with maturities 13 months or less, the rating must be in the highest short-term rating category by at least one NRSRO; b) For securities with maturities greater than 13 months, the ratings must be "A" or higher by at least one NRSRO	<i>Complies</i>
Pass-Through Securities	20% max; 10% max per issuer; "AA" rated or higher by at least one NRSRO; Limited to equipment lease-backed certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds	<i>Complies</i>
Negotiable Certificates of Deposit (NCD)	30% max; 10% max per issuer (inclusive of any other non-NCD investments with said issuer); Minimum Credit Requirements: a) For securities with maturities 13 months or less, the rating must be in the highest short-term rating category by at least one NRSRO; b) For securities with maturities greater than 13 months, the ratings must be "A" or higher by at least one NRSRO; 5 years max maturity of an NCD Security; 13 months max maturity of any FDIC insured CDs	<i>Complies</i>
FDIC & NCUA Insured Deposits	5% max; 5 max per issuer; 13 months max maturity; There is no minimum credit requirement of FDIC or NCUA insured deposit accounts whether directly placed or placed through a private sector entity; The full amount of deposit and the interest that may accrue on each deposit shall at all times be insured by the FDIC or NCUA	<i>Complies</i>
Collateralized Certificates of Deposit	5% max; 5 max per issuer; 13 months max maturity; Deposit may not exceed the total of the paid-in capital and surplus of a depository; The depository must maintain securities with a market value of at least 10% in excess of the total amount of the Fund's deposits; The County Treasurer may waive the first \$250,000 of collateral for each depository, so long as the amount is insured by an agency of the Federal Government; Institutions at or above the highest short-term rating category by at least one NRSRO may pledge mortgage-based collateral for County deposits	<i>Complies</i>
Banker's Acceptances	40% max; 5% max per issuer; 180 days max maturity; Highest short-term rating category by at least one NRSRO	<i>Complies</i>
Commercial Paper	40% max; 10% max per issuer (inclusive of any other non-CP investments with said issuer); 270 days max maturity; Highest short-term rating category by at least one NRSRO	<i>Complies</i>
Money Market Mutual Funds	20% max; 10% max per fund; Highest rating category by at least two NRSROs; or Retained an investment adviser registered or exempt from SEC registration with > 5 years experience managing money market mutual funds with AUM >\$500 million; The purchase price of the mutual fund shall not include any commission	<i>Complies</i>
Local Government Investment Pool (LGIP)	5% max; Highest rating category by at least one NRSRO; Investments consist of (i) shares of beneficial interest issued by a joint powers authority (JPA) or (ii) the Local Agency investment Fund (LAIF); Invest in LGIPs that comply with California Government Code and all relevant sections of the Investment Policy and are managed to maintain a stable NAV.	<i>Complies</i>
Repurchase Agreements	40% max; 10% max exposure per broker-dealer when the dollar-weighted average maturity is >5 days or 15% of the fund when the dollar-weighted average maturity is 5 days or less; 1 year max maturity; Collateral eligible for repurchase agreements maturing from 7 days to 1 year shall be Treasury and Agency Obligations	<i>Complies</i>
Reverse Repurchase Agreements	20% max; 10% max per broker/dealer; 92 days max maturity if a securities lending loan, unless the agreement includes a written guarantee of a minimum earning or spread for the entire period of the RFP	<i>Complies</i>
Securities Lending	20% max exposed to securities lending and/or Reverse Repurchase Agreements; 10% max per loan with a single counterparty at any one time; 92 days max maturity; Loans must be secured by cash collateral or securities and maintained at a value of at least equal to 102% of the market value of the securities loan	<i>Complies</i>
Covered Call Option/Put Option	10% max; 90 days max maturity	<i>Complies</i>
Prohibited	Inverse floaters; Ranges notes, Interest-only strips from pool of mortgages; Any security that could result in zero interest accrual	<i>Complies</i>
Credit Rating Policy	For securities with maturities 13 months or less, the rating must be in the highest short-term rating category by at least one NRSRO; For securities with maturities greater than 13 months, the ratings must be "A" or higher by at least one NRSRO	<i>Complies</i>
Duration	2 years maximum effective duration	<i>Complies</i>
Maturity	5 years maximum maturity with shorter limitations specified for certain types of securities; At least 35% of the Fund maturing within 1 year; At least 15% of the Fund maturing within 90 days	<i>Complies</i>

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
43815GAC3	HAROT 2021-4 A3 0.88 01/21/2026	793,219.45	11/24/2021 0.89%	793,052.24 793,190.64	99.66 4.86%	790,524.17 193.90	0.00% (2,666.47)	Aaa/NA AAA	0.81 0.08
47789QAC4	JDOT 2021-B A3 0.52 03/16/2026	151,627.16	07/13/2021 0.52%	151,613.63 151,624.75	99.82 5.22%	151,354.15 35.04	0.00% (270.60)	Aaa/NA AAA	0.96 0.04
89238JAC9	TAOT 2021-D A3 0.71 04/15/2026	487,611.97	11/15/2021 0.71%	487,601.59 487,609.86	99.71 4.86%	486,202.43 153.87	0.00% (1,407.43)	NA/AAA AAA	1.04 0.07
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	3,856,713.83	02/23/2022 1.89%	3,856,133.78 3,856,573.63	99.46 4.73%	3,835,957.39 3,222.50	0.02% (20,616.24)	Aaa/AAA NA	1.12 0.19
345286AC2	FORDO 2022-A A3 1.29 06/15/2026	322,675.95	01/20/2022 1.30%	322,637.62 322,666.81	99.67 4.13%	321,600.25 185.00	0.00% (1,066.57)	NA/AAA AAA	1.21 0.12
43815PAC3	HAROT 2022-2 A3 3.73 07/20/2026	2,143,520.88	08/24/2022 3.76%	2,143,393.13 2,143,479.80	99.73 4.65%	2,137,763.60 2,887.20	0.01% (5,716.20)	NA/AAA AAA	1.30 0.30
65479QAC1	NAROT 2022-A A3 1.86 08/17/2026	3,937,711.98	02/23/2022 1.88%	3,936,939.79 3,937,474.57	99.38 4.39%	3,913,291.08 3,255.18	0.02% (24,183.49)	Aaa/AAA NA	1.38 0.24
05602RAD3	BMWOT 2022-A A3 3.21 08/25/2026	1,404,252.25	05/18/2022 3.23%	1,404,179.23 1,404,230.12	99.68 4.55%	1,399,762.01 751.28	0.01% (4,468.11)	Aaa/AAA NA	1.40 0.24
34534LAD9	FORDO 2022-B A3 3.74 09/15/2026	4,042,298.43	06/27/2022 3.77%	4,042,079.75 4,042,228.73	99.84 4.54%	4,035,860.26 6,719.20	0.02% (6,368.47)	Aaa/NA AAA	1.46 0.21
89238FAD5	TAOT 2022-B A3 2.93 09/15/2026	2,446,119.57	04/13/2022 2.95%	2,446,062.33 2,446,102.23	99.56 4.55%	2,435,394.32 3,185.39	0.01% (10,707.92)	Aaa/AAA NA	1.46 0.27
47787JAC2	JDOT 2022 A3 2.32 09/15/2026	2,594,579.37	03/16/2022 2.34%	2,594,005.45 2,594,406.56	99.48 4.16%	2,581,036.71 2,675.30	0.02% (13,369.85)	Aaa/NA AAA	1.46 0.28
362554AC1	GMCAR 2021-4 A3 0.68 09/16/2026	618,720.18	10/21/2021 0.68%	618,704.41 618,716.22	99.47 4.91%	615,471.22 175.30	0.00% (3,245.00)	Aaa/AAA NA	1.46 0.12
448977AD0	HART 2022-A A3 2.22 10/15/2026	4,306,790.66	03/16/2022 2.23%	4,306,624.85 4,306,740.44	99.56 4.39%	4,287,928.64 4,249.37	0.03% (18,811.79)	NA/AAA AAA	1.54 0.20
44918MAD2	HART 2022-B A3 3.72 11/16/2026	7,503,473.34	07/20/2022 4.31%	7,503,470.34 7,503,472.41	99.76 4.62%	7,485,322.44 12,405.74	0.05% (18,149.97)	NA/AAA AAA	1.63 0.28
90291UAC6	USAOT 2022-A A3 4.86 11/16/2026	5,729,469.20	10/11/2022 4.91%	5,729,197.62 5,729,365.71	100.04 4.63%	5,731,547.28 12,375.65	0.03% 2,181.57	Aaa/AAA NA	1.63 0.13
380146AC4	GMCAR 2022-1 A3 1.26 11/16/2026	771,179.73	01/19/2022 1.27%	771,112.72 771,159.93	99.47 4.55%	767,120.94 404.87	0.00% (4,039.00)	NA/AAA AAA	1.63 0.16

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
34535AAD2	FORDO 2022-C A3 4.48 12/15/2026	6,971,306.91	09/23/2022 4.52%	6,970,903.97 6,971,150.65	99.95 4.68%	6,967,800.35 13,880.65	0.04% (3,350.30)	Aaa/AAA NA	1.71 0.31
41284YAD8	HDMOT 2022-A A3 3.06 02/16/2027	2,788,490.14	04/20/2022 3.09%	2,788,025.85 2,788,326.75	99.63 4.75%	2,778,187.78 3,792.35	0.02% (10,138.97)	Aaa/AAA NA	1.88 0.22
362585AC5	GMCAR 2022-2 A3 3.1 02/16/2027	2,875,745.61	04/13/2022 3.13%	2,875,144.58 2,875,531.86	99.49 4.67%	2,860,954.78 3,714.50	0.02% (14,577.08)	Aaa/AAA NA	1.88 0.33
47800AAC4	JDOT 2022-B A3 3.74 02/16/2027	7,745,664.34	07/20/2022 3.77%	7,744,924.63 7,745,372.14	99.62 4.59%	7,715,867.54 12,875.02	0.05% (29,504.60)	Aaa/NA AAA	1.88 0.47
89231CAD9	TAOT 2022-C A3 3.76 04/15/2027	5,530,601.14	08/16/2022 3.80%	5,529,676.97 5,530,215.16	99.58 4.67%	5,507,306.24 9,242.25	0.03% (22,908.91)	NA/AAA AAA	2.04 0.48
448979AD6	HART 2023-A A3 4.58 04/15/2027	12,722,597.98	04/04/2023 5.14%	12,721,356.26 12,721,966.94	99.96 4.70%	12,718,103.09 25,897.56	0.08% (3,863.85)	NA/AAA AAA	2.04 0.48
36265WAD5	GMCAR 2022-3 A3 3.64 04/16/2027	6,863,503.69	07/13/2022 3.67%	6,863,456.34 6,863,484.73	99.68 4.56%	6,841,593.33 10,409.65	0.04% (21,891.40)	Aaa/NA AAA	2.04 0.36
345295AD1	FORDO 2022-D A3 5.27 05/17/2027	7,858,725.18	11/22/2022 5.33%	7,857,613.17 7,858,207.95	100.36 4.67%	7,886,685.74 18,406.88	0.05% 28,477.79	Aaa/NA AAA	2.13 0.54
02582JIT8	AMXCA 2022-2 A 3.39 05/17/2027	16,000,000.00	05/24/2022 3.42%	15,996,460.80 15,999,796.77	99.84 4.72%	15,974,896.00 24,106.67	0.10% (24,900.77)	NA/AAA AAA	0.12 0.12
65480JAC4	NAROT 2022-B A3 4.46 05/17/2027	12,540,721.79	09/28/2022 4.51%	12,538,127.11 12,539,564.52	99.94 4.61%	12,532,931.49 24,858.50	0.08% (6,633.03)	Aaa/AAA NA	2.13 0.55
254683CS2	DCENT 2022-2 A 3.32 05/15/2025	14,500,000.00	05/26/2022 3.35%	14,498,821.15 14,499,928.97	99.83 4.74%	14,475,829.95 21,395.56	0.09% (24,099.02)	Aaa/NA AAA	0.12 0.12
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	14,136,710.22	10/19/2022 5.15%	14,135,613.21 14,136,200.10	100.30 4.63%	14,179,739.53 31,980.38	0.09% 43,539.43	Aaa/NA AAA	2.21 0.58
44933DAD3	HART 2022-C A3 5.39 06/15/2027	29,551,853.47	11/09/2022 5.45%	29,551,711.62 29,551,786.91	100.37 4.73%	29,660,512.68 70,793.11	0.18% 108,725.76	NA/AAA AAA	2.21 0.51
254683CW3	DCENT 2022-3 A 3.56 07/15/2027	25,000,000.00	08/09/2022 3.59%	24,996,897.50 24,998,667.77	99.68 4.73%	24,919,562.50 39,555.56	0.15% (79,105.27)	Aaa/AAA NA	2.29 0.28
02582JIV3	AMXCA 2022-3 A 3.75 08/15/2025	26,000,000.00	08/16/2022 3.78%	25,999,584.00 25,999,926.44	99.68 4.66%	25,917,034.00 43,333.33	0.16% (82,892.44)	Aaa/NA AAA	0.38 0.36
36265QAD8	GMCAR 2022-4 A3 4.82 08/16/2027	20,393,836.27	10/12/2022 4.88%	20,390,493.72 20,392,251.66	100.04 4.77%	20,402,991.06 40,957.62	0.12% 10,739.40	NA/AAA AAA	2.38 0.47
89239HAD0	TAOT 2022-D A3 5.3 09/15/2027	36,212,174.86	11/01/2022 5.36%	36,208,600.71 36,210,400.24	100.44 4.66%	36,373,145.22 85,299.79	0.22% 162,744.97	Aaa/NA AAA	2.46 0.63

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
161571HS6	CHAIT 2022-1 A 3.97 09/15/2025	15,000,000.00	09/15/2022 4.01%	14,997,496.50 14,999,286.75	99.73 4.62%	14,959,176.00 26,466.67	0.09% (40,110.75)	NA/AAA AAA	0.46 0.44
254683CX1	DCENT 2022-4 A 5.03 10/15/2025	13,000,000.00	11/28/2022 5.09%	12,998,326.90 12,999,686.69	100.23 4.63%	13,030,318.60 29,062.22	0.08% 30,631.91	NA/AAA AAA	0.54 0.52
02582JJX9	AMXCA 2022-4 A 4.95 10/15/2027	12,000,000.00	10/27/2022 5.00%	11,999,404.80 11,999,705.51	100.22 4.58%	12,026,288.40 26,400.00	0.07% 26,582.89	NA/AAA AAA	2.54 0.52
437927AC0	HAROT 2023-2 A3 4.93 11/15/2027	12,500,000.00	05/23/2023 3.45%	12,497,975.00 12,498,809.85	100.38 4.52%	12,547,777.50 27,388.89	0.08% 48,967.65	Aaa/AAA NA	2.63 0.83
362583AD8	GMCAR 2023-2 A3 4.47 02/16/2028	12,558,220.57	04/04/2023 4.51%	12,557,875.22 12,558,015.63	99.95 4.59%	12,551,917.60 23,389.69	0.08% (6,098.02)	Aaa/AAA NA	2.88 0.66
43815QAC1	HAROT 2023-3 A3 5.41 02/18/2028	19,000,000.00	08/15/2023 5.48%	18,996,082.20 18,997,486.02	100.82 4.47%	19,155,091.30 37,118.61	0.12% 157,605.28	NA/AAA AAA	2.89 0.81
477920AC6	JDOT 2023-B A3 5.18 03/15/2028	11,000,000.00	06/21/2023 5.51%	10,998,165.20 10,998,850.32	100.59 4.58%	11,065,156.30 25,324.44	0.07% 66,305.98	Aaa/NA AAA	2.96 0.90
44933XAD9	HART 2023-B A3 5.48 04/17/2028	7,000,000.00	07/11/2023 5.77%	6,999,696.20 6,999,805.18	100.80 4.54%	7,055,930.00 17,048.89	0.04% 56,124.82	NA/AAA AAA	3.05 0.79
90291VAC4	USAOT 2023-A A3 5.58 05/15/2028	23,512,625.65	09/07/2023 5.58%	23,508,510.94 23,509,872.85	100.62 4.68%	23,659,353.84 58,311.31	0.14% 149,480.99	Aaa/AAA NA	3.12 0.65
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	5,500,000.00	11/01/2023 5.74%	5,499,031.45 5,499,324.25	101.20 4.66%	5,566,258.50 8,662.50	0.03% 66,934.25	Aaa/NA AAA	3.22 1.11
437918AC9	HAROT 2024-1 A3 5.21 08/15/2028	32,500,000.00	02/13/2024 5.27%	32,498,586.25 32,498,936.02	100.96 4.50%	32,811,428.00 75,255.56	0.20% 312,491.98	Aaa/AAA NA	3.38 1.24
379930AD2	GMCAR 2023-4 A3 5.78 08/16/2028	12,500,000.00	10/03/2023 5.86%	12,497,432.50 12,498,212.46	101.30 4.62%	12,662,786.25 30,104.17	0.08% 164,573.79	Aaa/AAA NA	3.38 1.05
44918CAD4	HART 2023-C A3 5.54 10/16/2028	7,000,000.00	11/03/2023 5.61%	6,999,079.50 6,999,337.91	101.31 4.50%	7,091,812.70 17,235.56	0.04% 92,474.79	NA/AAA AAA	3.54 1.19
89238DAD0	TAOT 2024-A A3 4.83 10/16/2028	24,000,000.00	01/23/2024 4.89%	23,995,197.60 23,996,389.13	100.57 4.42%	24,136,401.60 51,520.00	0.15% 140,012.47	Aaa/AAA NA	3.54 1.23
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	7,300,000.00	03/11/2024 5.12%	7,299,591.20 7,299,681.99	101.00 4.36%	7,372,967.88 16,092.44	0.05% 73,285.89	Aaa/NA AAA	3.63 1.52
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	40,000,000.00	05/14/2024 5.27%	39,995,140.00 39,996,071.20	101.27 4.44%	40,509,296.00 76,122.22	0.25% 513,224.80	NA/AAA AAA	3.64 1.43
36268GAD7	GMCAR 2024-1 A3 4.85 12/18/2028	6,000,000.00	01/09/2024 4.91%	5,998,793.40 5,999,088.84	100.57 4.43%	6,034,140.00 12,125.00	0.04% 35,051.16	Aaa/NA AAA	3.72 1.20

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
89237NAD9	TAOT 2024-B A3 5.33 01/16/2029	34,250,000.00	04/23/2024 5.33%	34,245,115.95 34,246,068.94	101.42 4.39%	34,735,048.50 81,134.44	0.21% 488,979.56	Aaa/AAA NA	3.80 1.41
161571HV9	CHAIT 241 A 4.6 01/16/2029	43,000,000.00	01/24/2024 4.61%	42,993,451.10 42,994,990.74	100.57 4.31%	43,244,128.20 87,911.11	0.26% 249,137.46	NA/AAA AAA	3.80 1.68
448973AD9	HART 2024-A A3 4.99 02/15/2029	10,500,000.00	03/11/2024 5.05%	10,497,684.75 10,498,171.56	100.92 4.43%	10,596,134.85 23,286.67	0.06% 97,963.29	NA/AAA AAA	3.88 1.50
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	17,750,000.00	06/04/2024 5.24%	17,747,303.75 17,747,764.35	101.24 4.40%	17,969,675.78 15,324.17	0.11% 221,911.42	Aaa/AAA NA	3.91 1.47
47786WAD2	JDOT 2024-B A3 5.2 03/15/2029	25,000,000.00	06/11/2024 5.26%	24,995,112.50 24,995,922.85	101.45 4.41%	25,361,835.00 57,777.78	0.15% 365,912.15	Aaa/NA AAA	3.96 1.69
44934QAD3	HART 2024-B A3 4.84 03/15/2029	19,000,000.00	07/16/2024 4.90%	18,997,132.90 18,997,557.47	100.72 4.48%	19,137,731.00 40,871.11	0.12% 140,173.53	NA/AAA AAA	3.96 1.77
379931AD0	GMCAR 2024-2 A3 5.1 03/16/2029	15,500,000.00	04/04/2024 5.10%	15,497,000.75 15,497,593.61	101.00 4.41%	15,655,260.40 32,937.50	0.10% 157,666.79	Aaa/AAA AAA	3.96 1.35
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	24,000,000.00	08/09/2024 4.68%	23,996,229.86 23,996,732.40	100.42 4.36%	24,100,104.00 30,466.67	0.15% 103,371.60	Aaa/NA AAA	3.97 1.65
02582JKH2	AMXCA 2024-1 A 5.23 04/16/2029	45,000,000.00	04/16/2024 5.30%	44,990,775.00 44,992,514.51	101.85 4.32%	45,833,562.00 104,600.00	0.28% 841,047.49	NA/AAA AAA	4.04 1.89
38013KAD2	GMCAR 2024-3 A3 5.13 04/16/2029	20,000,000.00	07/02/2024 5.19%	19,996,922.00 19,997,390.51	101.14 4.40%	20,227,906.00 42,750.00	0.12% 230,515.49	Aaa/AAA NA	4.04 1.45
448976AD2	HART 2024-C A3 4.41 05/15/2029	16,000,000.00	10/08/2024 4.46%	15,998,828.80 15,998,945.78	100.13 4.38%	16,021,443.20 31,360.00	0.10% 22,497.42	NA/AAA AAA	4.12 1.96
477911AD3	JDOT 2024-C A3 4.06 06/15/2029	32,000,000.00	09/10/2024 4.10%	31,992,556.80 31,993,399.10	99.35 4.41%	31,793,484.80 57,742.22	0.19% (199,914.30)	Aaa/NA AAA	4.21 2.04
02589BAE0	AMXCA 2024-3 A 4.65 07/15/2027	18,500,000.00	07/16/2024 4.70%	18,499,160.10 18,499,354.81	100.84 4.30%	18,654,752.50 38,233.33	0.11% 155,397.69	NA/AAA AAA	2.29 2.13
Total ABS		869,672,741.78	4.77%	869,557,879.18 869,596,789.20	100.53 4.52%	874,256,444.86 1,735,397.30	5.34% 4,659,655.66		2.89 1.06
AGENCY									
3133ENTK6	FEDERAL FARM CREDIT BANKS FUNDING CORP 2.51 04/01/2025	25,000,000.00	04/01/2022 2.56%	24,964,750.00 25,000,000.00	100.00 2.51%	25,000,000.00 313,750.00	0.15% 0.00	Aaa/AA+ AA+	0.00 0.00

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3133EMVS8	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.69 04/14/2025	25,000,000.00	04/14/2021 0.69%	25,000,000.00 25,000,000.00	99.87 4.40%	24,966,468.50 80,020.83	0.15% (33,531.50)	Aaa/AA+ AA+	0.04 0.04
313385EQ5	FEDERAL HOME LOAN BANKS 04/21/2025	100,000,000.00	09/26/2024 4.17%	97,656,875.00 99,773,611.11	99.75 4.50%	99,753,833.00 0.00	0.61% (19,778.11)	P-1/A-1+ F1+	0.06 0.05
313313EU8	FEDERAL FARM CREDIT BANKS FUNDING CORP 04/25/2025	35,000,000.00	09/27/2024 4.25%	34,152,708.33 34,903,166.67	99.71 4.47%	34,897,430.40 0.00	0.21% (5,736.27)	P-1/A-1+ F1+	0.07 0.07
31315LFA1	FEDERAL AGRICULTURAL MORTGAGE CORP 05/01/2025	35,000,000.00	10/31/2024 4.42%	34,239,800.00 34,874,000.00	99.64 4.36%	34,874,923.65 0.00	0.21% 923.65	P-1/A-1+ F1+	0.08 0.08
313313FP8	FEDERAL FARM CREDIT BANKS FUNDING CORP 05/14/2025	150,000,000.00	09/26/2024 4.07%	146,185,833.33 149,286,916.67	99.49 4.33%	149,239,167.00 0.00	0.91% (47,749.67)	P-1/A-1+ F1+	0.12 0.12
3134GVUS5	FEDERAL HOME LOAN MORTGAGE CORP 0.75 05/19/2025	25,000,000.00	05/19/2020 0.75%	25,000,000.00 25,000,000.00	99.53 4.32%	24,881,413.50 68,750.00	0.15% (118,586.50)	Aaa/AA+ AA+	0.13 0.13
3130APVB8	FEDERAL HOME LOAN BANKS 1.0 05/22/2025	35,000,000.00	11/22/2021 1.00%	35,000,000.00 35,000,000.00	99.52 4.40%	34,831,769.35 125,416.67	0.21% (168,230.65)	Aaa/AA+ AA+	0.14 0.14
3134GVB31	FEDERAL HOME LOAN MORTGAGE CORP 0.75 05/28/2025	75,000,000.00	-- 0.75%	74,995,000.00 74,999,843.49	99.44 4.27%	74,583,684.00 192,187.50	0.46% (416,159.49)	Aaa/AA+ AA+	0.16 0.16
313385GF7	FEDERAL HOME LOAN BANKS 05/30/2025	190,000,000.00	11/25/2024 4.45%	185,788,650.00 188,664,141.67	99.31 4.31%	188,685,832.70 0.00	1.15% 21,691.03	P-1/A-1+ F1+	0.16 0.16
313385GJ9	FEDERAL HOME LOAN BANKS 06/02/2025	21,000,000.00	12/02/2024 4.35%	20,547,730.00 20,845,930.00	99.27 4.34%	20,846,385.00 0.00	0.13% 455.00	P-1/A-1+ F1+	0.17 0.17
313385GM2	FEDERAL HOME LOAN BANKS 06/05/2025	22,000,000.00	12/02/2024 4.36%	21,518,383.33 21,830,783.33	99.23 4.34%	21,831,406.74 0.00	0.13% 623.41	P-1/A-1+ F1+	0.18 0.18
313385GN0	FEDERAL HOME LOAN BANKS 06/06/2025	100,000,000.00	12/02/2024 4.36%	97,799,000.00 99,219,000.00	99.22 4.34%	99,222,056.00 0.00	0.61% 3,056.00	P-1/A-1+ F1+	0.18 0.18
313385GR1	FEDERAL HOME LOAN BANKS 06/09/2025	50,000,000.00	12/02/2024 4.35%	48,884,375.00 49,592,708.33	99.19 4.33%	49,593,611.00 0.00	0.30% 902.67	P-1/A-1+ F1+	0.19 0.19
313385GT7	FEDERAL HOME LOAN BANKS 06/11/2025	20,000,000.00	12/02/2024 4.35%	19,549,027.78 19,832,361.11	99.16 4.33%	19,832,800.00 0.00	0.12% 438.89	P-1/A-1+ F1+	0.20 0.19
313385GY6	FEDERAL HOME LOAN BANKS 06/16/2025	13,000,000.00	12/02/2024 4.34%	12,699,902.22 12,883,635.55	99.11 4.33%	12,883,772.72 0.00	0.08% 137.17	P-1/A-1+ F1+	0.21 0.21
3136G4WV1	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.75 06/16/2025	50,000,000.00	06/16/2020 0.75%	50,000,000.00 50,000,000.00	99.25 4.39%	49,623,421.50 109,375.00	0.30% (376,578.50)	P-1/A-1+ F1+	0.21 0.21
313385HC3	FEDERAL HOME LOAN BANKS 06/20/2025	52,000,000.00	12/02/2024 4.34%	50,775,111.11 51,510,044.44	99.06 4.33%	51,510,940.00 0.00	0.31% 895.56	P-1/A-1+ F1+	0.22 0.22

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3136G4YU1	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.73 07/15/2025	30,000,000.00	07/15/2020 0.73%	30,000,000.00 30,000,000.00	98.95 4.39%	29,686,160.10 46,233.33	0.18% (313,839.90)	NA/AA+ AA+	0.29 0.29
3136G4A37	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.67 07/28/2025	20,000,000.00	07/28/2020 0.67%	20,000,000.00 20,000,000.00	98.82 4.35%	19,763,658.00 23,450.00	0.12% (236,342.00)	Aaa/AA+ AA+	0.33 0.32
3136G4D75	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.6 07/29/2025	50,000,000.00	07/29/2020 0.60%	50,000,000.00 50,000,000.00	98.79 4.35%	49,394,034.50 51,666.67	0.30% (605,965.50)	Aaa/AA+ AA+	0.33 0.32
313385JZ0	FEDERAL HOME LOAN BANKS 08/04/2025	35,000,000.00	01/23/2025 4.22%	34,225,989.58 34,498,697.91	98.58 4.20%	34,503,875.00 0.00	0.21% 5,177.09	P-1/A-1+ F1+	0.34 0.34
3136G4B77	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.7 08/04/2025	25,000,000.00	08/04/2020 0.70%	25,000,000.00 25,000,000.00	98.75 4.40%	24,688,442.00 27,708.33	0.15% (311,558.00)	Aaa/AA+ AA+	0.34 0.34
313385KA3	FEDERAL HOME LOAN BANKS 08/05/2025	50,000,000.00	01/23/2025 4.22%	48,888,541.66 49,278,125.00	98.57 4.20%	49,285,625.00 0.00	0.30% 7,500.00	P-1/A-1+ F1+	0.35 0.34
313385KC9	FEDERAL HOME LOAN BANKS 08/07/2025	40,000,000.00	01/23/2025 4.22%	39,101,666.67 39,413,333.34	98.55 4.20%	39,419,520.00 0.00	0.24% 6,186.66	P-1/A-1+ F1+	0.35 0.35
313385KG0	FEDERAL HOME LOAN BANKS 08/11/2025	50,000,000.00	01/23/2025 4.21%	48,856,944.45 49,245,583.34	98.50 4.20%	49,251,900.00 0.00	0.30% 6,316.66	P-1/A-1+ F1+	0.36 0.36
313385KH8	FEDERAL HOME LOAN BANKS 08/12/2025	30,000,000.00	01/23/2025 4.26%	29,310,737.50 29,543,920.83	98.49 4.20%	29,547,750.00 0.00	0.18% 3,829.17	P-1/A-1+ F1+	0.37 0.36
3136G4J46	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.57 08/12/2025	25,000,000.00	08/12/2020 0.57%	25,000,000.00 25,000,000.00	98.64 4.37%	24,659,244.75 19,395.83	0.15% (340,755.25)	Aaa/AA+ AA+	0.37 0.36
313385KJ4	FEDERAL HOME LOAN BANKS 08/13/2025	80,000,000.00	-- 4.25%	78,086,836.11 78,769,061.11	98.48 4.20%	78,785,040.00 0.00	0.48% 15,978.89	P-1/A-1+ F1+	0.37 0.36
313385KK1	FEDERAL HOME LOAN BANKS 08/14/2025	50,000,000.00	01/23/2025 4.21%	48,839,798.61 49,228,437.50	98.47 4.20%	49,235,000.00 0.00	0.30% 6,562.50	P-1/A-1+ F1+	0.37 0.36
313385KP0	FEDERAL HOME LOAN BANKS 08/18/2025	100,000,000.00	01/23/2025 4.21%	97,636,750.00 98,413,083.33	98.43 4.20%	98,425,000.00 0.00	0.60% 11,916.67	P-1/A-1+ F1+	0.38 0.37
3136G4H63	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.55 08/19/2025	25,000,000.00	08/19/2020 0.55%	25,000,000.00 25,000,000.00	98.57 4.35%	24,641,975.75 16,041.67	0.15% (358,024.25)	AAA/AA AA	0.39 0.38
3136G4V34	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.55 08/26/2025	25,000,000.00	08/26/2020 0.55%	25,000,000.00 25,000,000.00	98.51 4.32%	24,626,568.25 13,368.06	0.15% (373,431.75)	Aaa/AA+ AA+	0.41 0.40
3136G4S53	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.65 08/27/2025	25,000,000.00	08/27/2020 0.65%	25,000,000.00 25,000,000.00	98.53 4.34%	24,632,195.00 15,347.22	0.15% (367,805.00)	Aaa/AA+ AA+	0.41 0.40
313385LE4	FEDERAL HOME LOAN BANKS 09/02/2025	135,000,000.00	01/23/2025 4.21%	131,582,587.46 132,629,362.47	98.28 4.14%	132,680,812.05 0.00	0.81% 51,449.58	P-1/A-1+ F1+	0.42 0.41

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
313385LF1	FEDERAL HOME LOAN BANKS 09/03/2025	65,000,000.00	01/23/2025 4.21%	63,347,167.36 63,851,170.14	98.27 4.14%	63,876,150.00 0.00	0.39% 24,979.86	P-1/A1+ F1+	0.43 0.42
3130AK5E2	FEDERAL HOME LOAN BANKS 0.375 09/04/2025	5,000,000.00	09/11/2020 0.44%	4,985,000.00 4,998,713.58	98.33 4.38%	4,916,489.85 1,406.25	0.03% (82,223.73)	Aaa/AA+ AA+	0.43 0.42
3133EMAU6	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.5 09/22/2025	40,000,000.00	09/24/2020 0.50%	40,000,000.00 40,000,000.00	98.23 4.30%	39,291,495.20 5,000.00	0.24% (708,504.80)	Aaa/AA+ AA+	0.48 0.47
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	10,000,000.00	11/04/2020 0.51%	9,936,300.00 9,993,751.40	98.14 4.35%	9,814,038.20 833.33	0.06% (179,713.20)	Aaa/AA+ AA+	0.48 0.47
3136G43L5	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.55 09/30/2025	38,400,000.00	09/30/2020 0.55%	38,400,000.00 38,400,000.00	98.17 4.31%	37,697,991.55 586.67	0.23% (702,008.45)	Aaa/AA+ AA+	0.50 0.49
3134GWYS9	FEDERAL HOME LOAN MORTGAGE CORP 0.6 10/15/2025	56,000,000.00	-- 0.82%	55,515,500.00 55,933,486.76	98.10 4.21%	54,934,315.52 154,933.33	0.34% (999,171.24)	Aaa/AA+ AA+	0.54 0.53
3135G06A6	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.58 10/20/2025	25,000,000.00	10/20/2020 0.58%	25,000,000.00 25,000,000.00	98.01 4.26%	24,502,505.50 64,847.22	0.15% (497,494.50)	Aaa/AA+ AA+	0.56 0.54
3134GW5H5	FEDERAL HOME LOAN MORTGAGE CORP 0.53 10/28/2025	25,000,000.00	10/28/2020 0.53%	25,000,000.00 25,000,000.00	97.90 4.25%	24,474,358.75 23,187.50	0.15% (525,641.25)	Aaa/AA+ AA+	0.58 0.57
3136G46N8	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.6 10/29/2025	25,000,000.00	10/29/2020 0.60%	25,000,000.00 25,000,000.00	97.94 4.25%	24,484,954.00 63,333.33	0.15% (515,046.00)	Aaa/AA+ AA+	0.58 0.56
3133EMFS6	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.46 11/03/2025	16,450,000.00	11/04/2020 0.53%	16,391,602.50 16,443,088.30	97.81 4.27%	16,089,448.24 31,108.78	0.10% (353,640.05)	Aaa/AA+ AA+	0.59 0.58
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	23,000,000.00	11/12/2020 0.57%	22,917,660.00 22,990,052.28	97.73 4.37%	22,478,021.67 46,000.00	0.14% (512,030.61)	Aaa/AA+ AA+	0.61 0.59
3135GA3X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.57 11/17/2025	50,000,000.00	11/17/2020 0.57%	50,000,000.00 50,000,000.00	97.74 4.25%	48,871,151.50 106,083.33	0.30% (1,128,848.50)	Aaa/AA+ AA+	0.63 0.61
3134GXFA7	FEDERAL HOME LOAN MORTGAGE CORP 0.65 11/26/2025	25,000,000.00	11/30/2020 0.65%	25,000,000.00 25,000,000.00	97.70 4.25%	24,426,006.00 56,423.61	0.15% (573,994.00)	Aaa/AA+ AA+	0.66 0.64
3134GXDM3	FEDERAL HOME LOAN MORTGAGE CORP 0.62 12/01/2025	25,000,000.00	11/20/2020 0.62%	25,000,000.00 25,000,000.00	97.66 4.22%	24,415,044.25 51,666.67	0.15% (584,955.75)	Aaa/AA+ AA+	0.67 0.65
3135G06J7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.65 12/10/2025	25,000,000.00	12/09/2020 0.65%	25,000,000.00 25,000,000.00	97.64 4.15%	24,409,112.25 50,104.17	0.15% (590,887.75)	Aaa/AA+ AA+	0.70 0.68
3130AQ6B4	FEDERAL HOME LOAN BANKS 1.22 12/15/2025	25,000,000.00	12/15/2021 1.22%	25,000,000.00 25,000,000.00	97.89 4.29%	24,471,857.25 89,805.56	0.15% (528,142.75)	Aaa/AA+ AA+	0.71 0.69
3135G06K4	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.65 12/17/2025	75,000,000.00	12/02/2020 0.65%	75,000,000.00 75,000,000.00	97.51 4.24%	73,132,011.00 140,833.33	0.45% (1,867,989.00)	Aaa/AA+ AA+	0.71 0.69

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3130AKMZ6	FEDERAL HOME LOAN BANKS 0.51 01/14/2026	25,000,000.00	01/06/2021 0.51%	25,000,000.00 25,000,000.00	97.15 4.24%	24,286,896.25 27,270.83	0.15% (713,103.75)	Aaa/AA+ AA+	0.79 0.77
3130AKMY9	FEDERAL HOME LOAN BANKS 0.55 01/15/2026	25,000,000.00	01/06/2021 0.55%	25,000,000.00 25,000,000.00	97.17 4.24%	24,292,218.25 29,027.78	0.15% (707,781.75)	Aaa/AA+ AA+	0.79 0.77
3130AKQ74	FEDERAL HOME LOAN BANKS 0.625 01/22/2026	25,000,000.00	01/22/2021 0.63%	25,000,000.00 25,000,000.00	97.16 4.23%	24,291,217.25 29,947.92	0.15% (708,782.75)	Aaa/AA+ AA+	0.81 0.79
3130AKQX7	FEDERAL HOME LOAN BANKS 0.7 01/28/2026	25,000,000.00	01/28/2021 0.70%	25,000,000.00 25,000,000.00	97.20 4.19%	24,299,969.50 30,625.00	0.15% (700,030.50)	Aaa/AA+ AA+	0.83 0.81
3130AKPL4	FEDERAL HOME LOAN BANKS 0.55 01/28/2026	50,000,000.00	01/28/2021 0.55%	50,000,000.00 50,000,000.00	97.05 4.22%	48,526,216.00 48,125.00	0.30% (1,473,784.00)	Aaa/AA+ AA+	0.83 0.81
3130ALCV4	FEDERAL HOME LOAN BANKS 0.75 02/24/2026	50,000,000.00	02/24/2021 0.75%	50,000,000.00 50,000,000.00	97.04 4.15%	48,519,410.00 38,541.67	0.30% (1,480,590.00)	Aaa/AA+ AA+	0.90 0.88
3130AL7M0	FEDERAL HOME LOAN BANKS 0.625 02/24/2026	25,000,000.00	02/24/2021 0.63%	25,000,000.00 25,000,000.00	97.01 4.05%	24,253,516.50 16,059.03	0.15% (746,483.50)	Aaa/AA+ AA+	0.90 0.88
3130ALB94	FEDERAL HOME LOAN BANKS 0.63 02/26/2026	50,000,000.00	02/26/2021 0.63%	50,000,000.00 50,000,000.00	96.91 4.15%	48,454,882.00 30,625.00	0.30% (1,545,118.00)	Aaa/AA+ AA+	0.91 0.88
3133EMSU7	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.8 03/09/2026	25,000,000.00	03/09/2021 0.80%	25,000,000.00 25,000,000.00	96.93 4.17%	24,232,850.50 12,222.22	0.15% (767,149.50)	Aaa/AA+ AA+	0.94 0.92
3133ENSD3	FEDERAL FARM CREDIT BANKS FUNDING CORP 2.15 03/18/2026	25,000,000.00	03/18/2022 2.15%	25,000,000.00 25,000,000.00	98.16 4.11%	24,540,251.00 19,409.72	0.15% (459,749.00)	Aaa/AA+ AA+	0.96 0.94
3130ALYT5	FEDERAL HOME LOAN BANKS 1.1 04/29/2026	25,000,000.00	04/29/2021 1.10%	25,000,000.00 25,000,000.00	96.79 4.18%	24,197,474.75 116,111.11	0.15% (802,525.25)	Aaa/AA+ AA+	1.08 1.05
3133EMB76	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.95 05/26/2026	20,000,000.00	05/26/2021 0.97%	19,980,000.00 19,995,399.78	96.45 4.13%	19,290,781.20 65,972.22	0.12% (704,618.58)	Aaa/AA+ AA+	1.15 1.12
3130AMME9	FEDERAL HOME LOAN BANKS 1.0 05/26/2026	4,600,000.00	05/26/2021 1.00%	4,600,000.00 4,600,000.00	96.48 4.16%	4,438,016.57 15,972.22	0.03% (161,983.43)	Aaa/AA+ AA+	1.15 1.12
3130AMSA1	FEDERAL HOME LOAN BANKS 0.915 06/24/2026	25,000,000.00	06/24/2021 0.91%	25,000,000.00 25,000,000.00	96.17 4.14%	24,041,272.50 61,635.42	0.15% (958,727.50)	Aaa/AA+ AA+	1.23 1.20
3130AMU75	FEDERAL HOME LOAN BANKS 1.0 06/26/2026	50,000,000.00	06/30/2021 1.00%	50,000,000.00 50,000,000.00	96.25 4.14%	48,125,289.50 131,944.44	0.29% (1,874,710.50)	Aaa/AA+ AA+	1.24 1.20
3130AMYJ5	FEDERAL HOME LOAN BANKS 1.0 06/30/2026	25,000,000.00	06/30/2021 1.00%	25,000,000.00 25,000,000.00	96.22 4.14%	24,055,774.25 63,194.44	0.15% (944,225.75)	Aaa/AA+ AA+	1.25 1.21
3130AN4U1	FEDERAL HOME LOAN BANKS 1.0 07/22/2026	25,000,000.00	07/22/2021 1.00%	25,000,000.00 25,000,000.00	96.09 4.10%	24,022,811.75 47,916.67	0.15% (977,188.25)	Aaa/AA+ AA+	1.31 1.27

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3130ANCM0	FEDERAL HOME LOAN BANKS 0.95 07/29/2026	25,000,000.00	07/14/2021 0.95%	25,000,000.00 25,000,000.00	95.98 4.09%	23,995,058.50 40,902.78	0.15% (1,004,941.50)	Aaa/AA+ AA+	1.33 1.29
3130ANLZ1	FEDERAL HOME LOAN BANKS 0.9 08/26/2026	25,000,000.00	08/26/2021 0.90%	25,000,000.00 25,000,000.00	95.71 4.07%	23,928,266.75 21,875.00	0.15% (1,071,733.25)	Aaa/AA+ AA+	1.41 1.37
3130ANV64	FEDERAL HOME LOAN BANKS 0.96 09/16/2026	25,000,000.00	09/16/2021 0.96%	25,000,000.00 25,000,000.00	95.63 4.07%	23,908,402.00 10,000.00	0.15% (1,091,598.00)	Aaa/AA+ AA+	1.46 1.42
3133EM6E7	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.94 09/28/2026	50,000,000.00	09/28/2021 0.94%	50,000,000.00 50,000,000.00	95.54 4.05%	47,771,442.00 3,916.67	0.29% (2,228,558.00)	Aaa/AA+ AA+	1.50 1.46
3130APM28	FEDERAL HOME LOAN BANKS 1.32 10/28/2026	25,000,000.00	10/28/2021 1.32%	25,000,000.00 25,000,000.00	95.89 4.04%	23,972,106.00 140,250.00	0.15% (1,027,894.00)	Aaa/AA+ AA+	1.58 1.52
3133ENCQ1	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.27 11/02/2026	25,000,000.00	11/02/2021 1.27%	25,000,000.00 25,000,000.00	95.79 4.04%	23,946,446.25 131,409.72	0.15% (1,053,553.75)	Aaa/AA+ AA+	1.59 1.54
3130APN92	FEDERAL HOME LOAN BANKS 1.34 11/09/2026	25,000,000.00	11/09/2021 1.34%	25,000,000.00 25,000,000.00	95.84 4.04%	23,960,503.25 132,138.89	0.15% (1,039,496.75)	Aaa/AA+ AA+	1.61 1.55
3133ENEM8	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.43 11/23/2026	25,000,000.00	11/23/2021 1.43%	25,000,000.00 25,000,000.00	95.89 4.04%	23,971,703.75 127,111.11	0.15% (1,028,296.25)	Aaa/AA+ AA+	1.65 1.59
3133ENHA1	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.5 12/14/2026	25,000,000.00	12/14/2021 1.50%	25,000,000.00 25,000,000.00	95.87 4.03%	23,968,136.00 111,458.33	0.15% (1,031,864.00)	Aaa/AA+ AA+	1.71 1.65
3130AQUT8	FEDERAL HOME LOAN BANKS 2.01 02/17/2027	39,580,000.00	12/28/2023 4.23%	37,023,923.60 38,047,692.42	96.31 4.07%	38,119,664.24 97,234.87	0.23% 71,971.82	Aaa/AA+ AA+	1.88 1.81
3130AL5A8	FEDERAL HOME LOAN BANKS 0.9 02/26/2027	25,000,000.00	06/24/2022 3.38%	22,312,675.00 23,904,930.79	94.45 3.96%	23,611,861.00 21,875.00	0.14% (293,069.79)	Aaa/AA+ AA+	1.91 1.85
3133ENQD5	FEDERAL FARM CREDIT BANKS FUNDING CORP 2.17 03/01/2027	25,000,000.00	03/01/2022 2.17%	25,000,000.00 25,000,000.00	96.58 4.04%	24,145,744.00 45,208.33	0.15% (854,256.00)	Aaa/AA+ AA+	1.92 1.85
3130ARGC9	FEDERAL HOME LOAN BANKS 2.55 03/25/2027	25,000,000.00	03/25/2022 2.55%	25,000,000.00 25,000,000.00	97.36 3.95%	24,340,370.50 10,625.00	0.15% (659,629.50)	Aaa/AA+ AA+	1.98 1.91
3130ARJZ5	FEDERAL HOME LOAN BANKS 2.95 04/19/2027	25,000,000.00	04/19/2022 2.95%	25,000,000.00 25,000,000.00	98.10 3.92%	24,525,735.75 331,875.00	0.15% (474,264.25)	Aaa/AA+ AA+	2.05 1.94
3130ARQV6	FEDERAL HOME LOAN BANKS 3.15 04/26/2027	25,000,000.00	04/26/2022 3.15%	25,000,000.00 25,000,000.00	98.13 4.10%	24,531,408.25 339,062.50	0.15% (468,591.75)	Aaa/AA+ AA+	2.07 1.95
3133ENXL9	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.53 05/24/2027	25,000,000.00	05/24/2022 3.53%	25,000,000.00 25,000,000.00	98.74 4.15%	24,685,378.25 311,326.39	0.15% (314,621.75)	Aaa/AA+ AA+	2.15 2.02
3130ASER6	FEDERAL HOME LOAN BANKS 3.64 06/16/2027	40,000,000.00	06/16/2022 3.64%	40,000,000.00 40,000,000.00	98.85 4.19%	39,541,148.00 424,666.67	0.24% (458,852.00)	Aaa/AA+ AA+	2.21 2.08

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3130ASES4	FEDERAL HOME LOAN BANKS 3.39 06/28/2027	45,000,000.00	06/28/2022 3.39%	45,000,000.00 45,000,000.00	98.84 3.93%	44,479,996.65 394,087.50	0.27% (520,003.35)	Aaa/AA+ AA+	2.24 2.12
3133EPES0	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.65 06/30/2027	50,000,000.00	03/24/2023 3.68%	49,943,500.00 49,970,167.42	99.35 3.95%	49,675,148.50 461,319.44	0.30% (295,018.92)	Aaa/AA+ AA+	2.25 2.12
31422XV90	FEDERAL AGRICULTURAL MORTGAGE CORP 3.77 07/30/2027	100,000,000.00	01/25/2023 3.77%	100,000,000.00 100,000,000.00	99.60 3.95%	99,595,328.00 617,861.11	0.61% (404,672.00)	Aaa/AA+ AA+	2.33 2.20
31422X2T8	FEDERAL AGRICULTURAL MORTGAGE CORP 3.865 07/30/2027	25,000,000.00	04/21/2023 3.87%	25,000,000.00 25,000,000.00	99.81 3.95%	24,952,764.75 402,604.17	0.15% (47,235.25)	Aaa/AA+ AA+	2.33 2.17
3133ERN31	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.34 12/23/2027	25,000,000.00	12/20/2024 4.42%	24,943,750.00 24,948,835.62	100.41 4.18%	25,103,173.25 295,361.11	0.15% 154,337.63	Aaa/AA+ AA+	2.73 1.63
31424WTB8	FEDERAL AGRICULTURAL MORTGAGE CORP 4.28 01/07/2028	13,681,000.00	01/31/2025 4.28%	13,681,000.00 13,681,000.00	100.86 3.95%	13,799,108.35 136,627.59	0.08% 118,108.35	Aaa/AA+ AA+	2.77 2.56
3134HA4H3	FEDERAL HOME LOAN MORTGAGE CORP 4.62 01/21/2028	25,000,000.00	01/17/2025 4.62%	25,000,000.00 25,000,000.00	100.06 4.59%	25,015,822.50 218,166.67	0.15% 15,822.50	Aaa/AA+ AA+	2.81 0.78
3133EPGF6	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.64 01/28/2028	50,000,000.00	04/13/2023 3.64%	50,000,000.00 50,000,000.00	99.15 3.96%	49,575,789.00 318,500.00	0.30% (424,211.00)	Aaa/AA+ AA+	2.83 2.64
31422XZ88	FEDERAL AGRICULTURAL MORTGAGE CORP 3.87 01/28/2028	50,000,000.00	03/28/2023 3.87%	50,000,000.00 50,000,000.00	99.76 3.96%	49,879,897.00 338,625.00	0.30% (120,103.00)	Aaa/AA+ AA+	2.83 2.63
880591EZ1	TENNESSEE VALLEY AUTHORITY 3.875 03/15/2028	25,000,000.00	03/27/2023 4.06%	24,796,750.00 24,878,969.78	99.82 3.94%	24,956,226.75 43,055.56	0.15% 77,256.97	Aaa/AA+ AA+	2.96 2.76
31424WXE7	FEDERAL AGRICULTURAL MORTGAGE CORP 3.96 03/27/2028	25,000,000.00	03/20/2025 3.96%	25,000,000.00 25,000,000.00	99.85 4.01%	24,962,593.00 11,000.00	0.15% (37,407.00)	Aaa/AA+ AA+	2.99 2.79
31422X3J9	FEDERAL AGRICULTURAL MORTGAGE CORP 4.04 05/26/2028	25,000,000.00	05/25/2023 4.04%	25,000,000.00 25,000,000.00	100.21 3.97%	25,051,685.75 350,694.44	0.15% 51,685.75	Aaa/AA+ AA+	3.15 2.89
3133EPLD5	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 05/30/2028	25,000,000.00	05/23/2023 3.94%	24,932,500.00 24,957,327.59	99.72 3.97%	24,930,020.50 325,607.64	0.15% (27,307.09)	Aaa/AA+ AA+	3.16 2.91
31422X4T6	FEDERAL AGRICULTURAL MORTGAGE CORP 4.34 06/30/2028	25,000,000.00	07/05/2023 4.34%	25,000,000.00 25,000,000.00	101.09 3.98%	25,272,750.25 274,263.89	0.15% 272,750.25	Aaa/AA+ AA+	3.25 2.97

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
31422X6E7	FEDERAL AGRICULTURAL MORTGAGE CORP 4.475 07/28/2028	50,000,000.00	08/15/2023 4.48%	50,000,000.00 50,000,000.00	101.52 3.98%	50,759,805.00 391,562.50	0.31% 759,805.00	Aaa/AA+ AA	3.33 3.04
31422X5V0	FEDERAL AGRICULTURAL MORTGAGE CORP 4.43 08/07/2028	25,000,000.00	08/03/2023 4.43%	25,000,000.00 25,000,000.00	101.38 3.99%	25,343,958.50 166,125.00	0.15% 343,958.50	Aaa/AA+ AA	3.35 3.07
3130B0LA5	FEDERAL HOME LOAN BANKS 4.0 09/22/2028	25,000,000.00	03/19/2024 4.57%	24,430,000.00 24,559,939.21	99.11 4.28%	24,778,486.50 25,000.00	0.15% 218,547.29	Aaa/AA+ AA	3.48 3.21
3134H1CM3	FEDERAL HOME LOAN MORTGAGE CORP 4.5 09/25/2028	21,268,000.00	01/25/2024 4.67%	21,116,146.48 21,154,555.44	99.76 4.58%	21,216,342.15 15,951.00	0.13% 61,786.72	Aaa/AA+ AA	3.49 3.19
3130AYF43	FEDERAL HOME LOAN BANKS 4.48 01/09/2029	25,000,000.00	01/09/2024 4.48%	25,000,000.00 25,000,000.00	100.14 4.44%	25,034,649.25 255,111.11	0.15% 34,649.25	Aaa/AA+ AA	3.78 1.21
3130AYHF6	FEDERAL HOME LOAN BANKS 4.3 01/12/2029	25,000,000.00	01/11/2024 4.30%	25,000,000.00 25,000,000.00	99.80 4.36%	24,949,619.25 235,902.78	0.15% (50,380.75)	Aaa/AA+ AA	3.79 3.42
3130AYUQ7	FEDERAL HOME LOAN BANKS 4.75 02/06/2029	25,000,000.00	02/05/2024 4.75%	25,000,000.00 25,000,000.00	100.05 4.73%	25,013,187.00 181,423.61	0.15% 13,187.00	Aaa/AA+ AA	3.85 0.82
3133EP6R1	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.97 03/27/2029	20,000,000.00	04/18/2024 5.19%	19,806,000.00 19,843,336.66	100.24 4.90%	20,047,313.00 11,044.44	0.12% 203,976.34	Aaa/AA+ AA	3.99 0.95
3130ARBZ3	FEDERAL HOME LOAN BANKS 2.7 03/28/2029	22,500,000.00	06/24/2024 4.42%	20,856,082.50 21,121,077.84	94.63 4.17%	21,292,449.30 5,062.50	0.13% 171,371.46	Aaa/AA+ AA	3.99 3.73
3130BOYH6	FEDERAL HOME LOAN BANKS 5.01 04/19/2029	25,000,000.00	04/16/2024 5.01%	25,000,000.00 25,000,000.00	100.66 4.83%	25,164,261.25 563,625.00	0.15% 164,261.25	Aaa/AA+ AA	4.05 1.89
31424WJC7	FEDERAL AGRICULTURAL MORTGAGE CORP 5.19 05/14/2029	25,000,000.00	05/07/2024 5.19%	25,000,000.00 25,000,000.00	100.65 5.01%	25,163,583.75 493,770.83	0.15% 163,583.75	Aaa/AA+ AA	4.12 1.06
3136GA4H9	FEDERAL NATIONAL MORTGAGE ASSOCIATION 4.7 07/02/2029	25,000,000.00	12/20/2024 4.70%	25,000,000.00 25,000,000.00	100.52 4.56%	25,129,678.50 297,013.89	0.15% 129,678.50	Aaa/AA+ AA	4.25 1.19
3136GAEP0	FEDERAL NATIONAL MORTGAGE ASSOCIATION 4.35 07/02/2029	25,000,000.00	03/28/2025 4.35%	25,000,000.00 25,000,000.00	99.83 4.44%	24,956,764.75 0.00	0.15% (43,235.25)	Aaa/AA+ AA	4.25 0.00
31424WLQ3	FEDERAL AGRICULTURAL MORTGAGE CORP 4.16 07/09/2029	15,000,000.00	07/17/2024 4.16%	15,000,000.00 15,000,000.00	100.46 4.04%	15,068,258.10 142,133.33	0.09% 68,258.10	Aaa/AA+ AA	4.27 3.85
31424WMH2	FEDERAL AGRICULTURAL MORTGAGE CORP 3.84 07/27/2029	50,000,000.00	08/07/2024 3.84%	50,000,000.00 50,000,000.00	99.20 4.04%	49,598,321.50 341,333.33	0.30% (401,678.50)	Aaa/AA+ AA	4.32 3.92

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
31424WUJ9	FEDERAL AGRICULTURAL MORTGAGE CORP 4.58 01/28/2030	50,000,000.00	01/24/2025 4.58%	50,000,000.00 50,000,000.00	100.54 4.45%	50,269,267.50 388,027.78	0.31% 269,267.50	Aaa/AA+ AA	4.83 2.61
3130B4SR3	FEDERAL HOME LOAN BANKS 5.16 01/30/2030	50,000,000.00	01/24/2025 5.19%	50,000,000.00 50,000,000.00	99.87 5.19%	49,935,635.00 437,166.67	0.30% (64,365.00)	Aaa/AA+ AA	4.84 4.19
3136GAC98	FEDERAL NATIONAL MORTGAGE ASSOCIATION 4.625 02/26/2030	50,000,000.00	02/21/2025 4.63%	50,000,000.00 50,000,000.00	100.18 4.58%	50,092,413.00 224,826.39	0.31% 92,413.00	Aaa/AA+ AA	4.91 1.80
3130B5DL9	FEDERAL HOME LOAN BANKS 5.0 02/28/2030	50,000,000.00	02/25/2025 5.03%	50,000,000.00 50,000,000.00	99.19 5.19%	49,596,291.00 229,166.67	0.30% (403,709.00)	Aaa/AA+ AA	4.91 4.28
3130B5FY9	FEDERAL HOME LOAN BANKS 4.225 02/28/2030	25,000,000.00	03/03/2025 4.23%	25,000,000.00 25,000,000.00	99.52 4.33%	24,879,217.75 76,284.72	0.15% (120,782.25)	Aaa/AA+ AA	4.91 4.37
Total Agency		4,488,479,000.00	2.93%	4,446,202,555.58 4,468,509,242.21	98.60 4.24%	4,424,902,694.75 13,742,706.81	27.01% (43,606,547.46)		1.37 1.11

CASH

90JPMC\$03	JP Morgan Chase Bank Deposit	53,679,900.25	-- 3.40%	53,679,900.25 53,679,900.25	1.00 3.40%	53,679,900.25 0.00	0.33% 0.00	NA/NA NA	0.00 0.00
CCYUSD	Payable	(974,228.79)	-- 0.00%	(974,228.79) (974,228.79)	1.00 0.00%	(974,228.79) 0.00	(0.01%) 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	974,228.87	-- 0.00%	974,228.87 974,228.87	1.00 0.00%	974,228.87 0.00	0.01% 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Payable	(75,000,000.00)	-- 0.00%	(75,000,000.00) (75,000,000.00)	1.00 0.00%	(75,000,000.00) 0.00	(0.46%) 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		(21,320,099.67)	3.40%	(21,320,099.67) (21,320,099.67)	1.00 3.40%	(21,320,099.67) 0.00	(0.13%) 0.00		0.00 0.00

COMMERCIAL PAPER

06054NRM5	BofA Securities, Inc. 04/21/2025	100,000,000.00	08/28/2024 4.79%	96,958,222.24 99,742,222.22	99.74 4.40%	99,744,100.00 0.00	0.61% 1,877.78	P-1/A-1 F1+	0.06 0.06
21687ARM7	COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH 04/21/2025	100,000,000.00	09/19/2024 4.43%	97,434,377.78 99,760,222.22	99.75 4.56%	99,747,100.00 0.00	0.61% (13,122.22)	P-1/A-1 F1+	0.06 0.06

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
63873JRM4	Natixis, New York Branch 04/21/2025	120,000,000.00	10/25/2024 4.62%	117,318,133.33 119,698,666.67	99.75 4.34%	119,696,880.00 0.00	0.73% (1,786.67)	P-1/A-1 F1	0.06 0.06
06054NRQ6	BofA Securities, Inc. 04/24/2025	55,000,000.00	08/27/2024 4.83%	53,284,000.00 54,835,550.00	99.71 4.40%	54,839,125.00 0.00	0.33% 3,575.00	P-1/A-1 F1+	0.07 0.07
89233GS15	Toyota Motor Credit Corporation 05/01/2025	20,000,000.00	11/01/2024 4.60%	19,555,000.00 19,925,000.00	99.63 4.51%	19,925,080.00 0.00	0.12% 80.00	P-1/A-1+ F1	0.08 0.08
63873JS19	Natixis, New York Branch 05/01/2025	60,000,000.00	10/30/2024 4.62%	58,624,450.00 59,774,500.00	99.63 4.36%	59,775,480.00 0.00	0.36% 980.00	P-1/A-1 F1	0.08 0.08
89233GS23	Toyota Motor Credit Corporation 05/02/2025	35,000,000.00	11/01/2024 4.60%	34,216,875.00 34,864,375.00	99.61 4.51%	34,864,655.00 0.00	0.21% 280.00	P-1/A-1+ F1	0.09 0.09
63873JS76	Natixis, New York Branch 05/07/2025	20,000,000.00	11/13/2024 4.58%	19,564,444.44 19,910,400.00	99.55 4.49%	19,910,540.00 0.00	0.12% 140.00	P-1/A-1 F1	0.10 0.10
63873JS84	Natixis, New York Branch 05/08/2025	40,000,000.00	11/13/2024 4.58%	39,123,911.11 39,815,822.22	99.54 4.49%	39,816,200.00 0.00	0.24% 377.78	P-1/A-1 F1	0.10 0.10
63873JS92	Natixis, New York Branch 05/09/2025	60,000,000.00	11/13/2024 4.58%	58,678,400.00 59,716,266.67	99.53 4.49%	59,716,920.00 0.00	0.36% 653.33	P-1/A-1 F1	0.11 0.11
63873JSC5	Natixis, New York Branch 05/12/2025	50,000,000.00	11/13/2024 4.58%	48,880,000.00 49,744,888.89	99.49 4.49%	49,745,800.00 0.00	0.30% 911.11	P-1/A-1 F1	0.11 0.12
63873JSD3	Natixis, New York Branch 05/13/2025	50,000,000.00	11/15/2024 4.62%	48,876,277.78 49,736,333.33	99.48 4.49%	49,739,650.00 0.00	0.30% 3,316.67	P-1/A-1 F1	0.12 0.12
63873JSP6	Natixis, New York Branch 05/23/2025	40,000,000.00	11/15/2024 4.62%	39,052,900.00 39,739,422.22	99.36 4.48%	39,742,640.00 0.00	0.24% 3,217.78	P-1/A-1 F1	0.15 0.15
13607ESW0	Canadian Imperial Holdings, Inc. 05/30/2025	100,000,000.00	11/15/2024 4.59%	97,560,888.89 99,265,777.78	99.28 4.41%	99,281,900.00 0.00	0.61% 16,122.22	P-1/A-1 F1+	0.16 0.16
06054NT27	BofA Securities, Inc. 06/02/2025	275,000,000.00	-- 4.65%	268,397,222.23 272,851,527.78	99.23 4.51%	272,878,650.00 0.00	1.67% 27,122.22	P-1/A-1 F1+	0.17 0.17
06054NT68	BofA Securities, Inc. 06/06/2025	85,000,000.00	11/25/2024 4.65%	82,931,147.22 84,292,516.67	99.18 4.51%	84,303,085.00 0.00	0.51% 10,568.33	P-1/A-1 F1+	0.18 0.18
78016JTP1	Royal Bank of Canada 06/23/2025	40,000,000.00	12/03/2024 4.53%	39,007,955.56 39,592,377.78	98.99 4.42%	39,596,400.00 0.00	0.24% 4,022.22	P-1/A-1+ F1+	0.23 0.23
78016JTT3	Royal Bank of Canada 06/27/2025	50,000,000.00	10/02/2024 4.24%	48,470,166.67 49,503,375.00	98.94 4.42%	49,471,800.00 0.00	0.30% (31,575.00)	P-1/A-1+ F1+	0.24 0.24
09659BTW0	BNP Paribas New York Branch 06/30/2025	100,000,000.00	12/05/2024 4.58%	97,435,500.00 98,885,000.00	98.92 4.39%	98,915,000.00 0.00	0.60% 30,000.00	P-1/A-1 F1+	0.25 0.25

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
78015CU18	Royal Bank of Canada New York Branch 07/01/2025	300,000,000.00	12/06/2024 4.45%	292,513,500.00 296,708,833.33	98.91 4.36%	296,729,100.00 0.00	1.81% 20,266.67	P-1/A-1+ F1+	0.25 0.25
63873JU24	Natixis, New York Branch 07/02/2025	100,000,000.00	12/09/2024 4.51%	97,494,444.44 98,875,555.55	98.89 4.40%	98,889,000.00 0.00	0.60% 13,444.45	P-1/A-1 F1	0.25 0.25
09659BU32	BNP Paribas New York Branch 07/03/2025	70,000,000.00	12/05/2024 4.58%	68,178,833.33 69,193,483.33	98.88 4.39%	69,215,930.00 0.00	0.42% 22,446.67	P-1/A- 1/F1+	0.26 0.26
06054NU74	BofA Securities, Inc. 07/07/2025	100,000,000.00	12/09/2024 4.52%	97,433,333.34 98,814,444.45	98.81 4.48%	98,806,700.00 0.00	0.60% (7,744.45)	P-1/A-1 F1+	0.27 0.27
09659BU81	BNP Paribas New York Branch 07/08/2025	150,000,000.00	12/09/2024 4.53%	146,122,875.00 148,199,250.00	98.82 4.38%	148,232,100.00 0.00	0.90% 32,850.00	P-1/A-1 F1+	0.27 0.27
21687AU9	COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH 07/10/2025	30,000,000.00	12/16/2024 4.46%	29,253,250.00 29,637,500.00	98.79 4.42%	29,636,220.00 0.00	0.18% (1,280.00)	P-1/A-1 F1+	0.28 0.28
06366GUM9	Bank of Montreal - Chicago Branch 07/21/2025	80,000,000.00	12/16/2024 4.47%	77,902,333.33 78,927,000.00	98.66 4.39%	78,931,600.00 0.00	0.48% 4,600.00	P-1/A-1 F1+	0.31 0.31
46590DV15	J.P. Morgan Securities LLC 08/01/2025	100,000,000.00	12/16/2024 4.51%	97,231,861.11 98,512,277.78	98.53 4.41%	98,527,500.00 0.00	0.60% 15,222.22	P-1/A-1+ F1+	0.34 0.34
06366GV71	Bank of Montreal - Chicago Branch 08/07/2025	48,000,000.00	01/07/2025 4.46%	46,770,400.00 47,257,600.00	98.46 4.39%	47,262,624.00 0.00	0.29% 5,024.00	P-1/A-1 F1+	0.35 0.35
06366GX79	Bank of Montreal - Chicago Branch 10/07/2025	50,000,000.00	03/28/2025 4.37%	48,855,402.78 48,879,125.00	97.77 4.34%	48,886,350.00 0.00	0.30% 7,225.00	P-1/A-1 F1+	0.52 0.52
06366GY78	Bank of Montreal - Chicago Branch 11/07/2025	62,000,000.00	03/26/2025 4.37%	60,345,805.56 60,389,722.23	97.43 4.32%	60,405,608.00 0.00	0.37% 15,885.77	P-1/A- 1/F1+	0.61 0.61
Total Commercial Paper		2,490,000,000.00	4.55%	2,427,471,911.14 2,467,049,036.12	99.09 4.43%	2,467,233,737.00 0.00	15.06% 184,700.88		0.21 0.21

CORPORATE

023135CE4	AMAZON.COM INC 3.0 04/13/2025	10,000,000.00	04/13/2022 3.05%	9,984,100.00 9,999,825.91	99.95 4.52%	9,994,722.10 140,000.00	0.06% (5,103.81)	A1/AA AA-	0.04 0.03
931142EW9	WALMART INC 3.9 09/09/2025	30,000,000.00	09/09/2022 3.92%	29,979,000.00 29,996,915.15	99.86 4.23%	29,956,551.30 71,500.00	0.18% (40,363.85)	AA2/AA AA	0.44 0.43
48133PAU7	JPMORGAN CHASE FINANCIAL COMPANY LLC 5.61 11/03/2025	25,000,000.00	11/01/2022 5.61%	25,000,000.00 25,000,000.00	100.41 4.89%	25,101,570.50 576,583.33	0.15% 101,570.50	A1/A AA-	0.59 0.09

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
06048W2B5	BANK OF AMERICA CORP 5.61 11/03/2025	25,000,000.00	11/01/2022 5.61%	25,000,000.00 25,000,000.00	100.06 5.50%	25,014,173.25 576,583.33	0.15% 14,173.25	A1/A- AA-	0.59 0.56
037833DN7	APPLE INC 2.05 09/11/2026	25,000,000.00	04/18/2024 5.08%	23,315,000.00 23,979,724.77	97.13 4.11%	24,283,213.50 28,472.22	0.15% 303,488.73	Aaa/AA+ NA	1.45 1.40
Total Corporate		115,000,000.00	4.83%	113,278,100.00 113,976,465.83	99.45 4.65%	114,350,230.65 1,393,138.89	0.70% 373,764.82		0.69 0.56

LAIF

90LAIF\$00	Local Agency Investment Fund State Pool	7.62	01/15/2025 4.31%	7.62 7.62	1.00 4.31%	7.62 0.00	0.00% 0.00	NA/NA NA	0.00 0.00
Total LAIF		7.62	4.31%	7.62 7.62	1.00 4.31%	7.62 0.00	0.00% 0.00		0.00 0.00

LOCAL GOV INVESTMENT POOL

90CAMP\$00	CAMP	257,676,949.97	-- 4.47%	257,676,949.97 257,676,949.97	1.00 4.47%	257,676,949.97 0.00	1.57% (0.00)	NA/AAAm AAA	0.00 0.00
Total Local Gov Investment Pool		257,676,949.97	4.47%	257,676,949.97 257,676,949.97	1.00 4.47%	257,676,949.97 0.00	1.57% (0.00)		0.00 0.00

MONEY MARKET FUND

09248U700	BLKRK LQ:FEDFUND INSTL	21,500,000.00	08/28/2024 4.23%	21,500,000.00 21,500,000.00	1.00 4.23%	21,500,000.00 0.00	0.13% 0.00	Aaa/AAA m AAA	0.00 0.00
31607A703	FIDELITY IMM:GOVT INSTL	100,000,000.00	03/31/2025 4.27%	100,000,000.00 100,000,000.00	1.00 4.27%	100,000,000.00 0.00	0.61% 0.00	Aaa/AAm NA	0.00 0.00
61747C707	MORG STAN I LQ:GV I	126,500,000.00	-- 4.27%	126,500,000.00 126,500,000.00	1.00 4.27%	126,500,000.00 0.00	0.77% 0.00	Aaa/AAm AAA	0.00 0.00
Total Money Market Fund		248,000,000.00	4.27%	248,000,000.00 248,000,000.00	1.00 4.27%	248,000,000.00 0.00	1.51% 0.00		0.00 0.00

MUNICIPAL BONDS

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
641462NT9	NEVADA ST 2.94 05/01/2025	7,970,000.00	05/10/2022 2.94%	7,970,000.00 7,970,000.00	99.89 4.17%	7,961,551.80 97,632.50	0.05% (8,448.20)	Aa1/AA+ AA+	0.08 0.08
68609T7E2	OREGON 3.062 05/01/2025	1,000,000.00	05/17/2022 3.06%	1,000,000.00 1,000,000.00	99.89 4.32%	998,910.00 12,758.33	0.01% (1,090.00)	Aa1/AA+ AA+	0.08 0.08
641462NY8	NEVADA ST 2.94 05/01/2025	6,975,000.00	05/10/2022 2.94%	6,975,000.00 6,975,000.00	99.88 4.33%	6,966,630.00 85,443.75	0.04% (8,370.00)	Aa1/AA+ AA+	0.08 0.08
20772KNW5	CONNECTICUT ST 0.923 06/01/2025	5,000,000.00	06/04/2021 0.92%	5,000,000.00 5,000,000.00	99.42 4.44%	4,970,800.00 15,383.33	0.03% (29,200.00)	Aa3/AA- AA-	0.17 0.17
9281094C8	COMMONWEALTH VIRGINIA 0.55 06/01/2025	10,860,000.00	11/05/2020 0.55%	10,860,000.00 10,860,000.00	99.38 4.27%	10,792,993.80 19,910.00	0.07% (67,006.20)	Aaa/AAA AAA	0.17 0.17
34153QUD6	FLORIDA ST BRD ED PUB ED 0.55 06/01/2025	40,000,000.00	10/22/2020 0.55%	40,000,000.00 40,000,000.00	99.40 4.14%	39,761,600.00 73,333.33	0.24% (238,400.00)	Aaa/AAA AAA	0.17 0.17
546417DQ6	LOUISIANA ST 0.84 06/01/2025	5,000,000.00	10/14/2020 0.84%	5,000,000.00 5,000,000.00	99.44 4.19%	4,972,150.00 14,000.00	0.03% (27,850.00)	Aa2/AA NA	0.17 0.17
797646NC6	SAN FRANCISCO CALIF CITY & CNTY 5.45 06/15/2025	4,605,000.00	03/19/2021 0.99%	5,464,154.85 4,646,598.85	100.12 4.77%	4,610,618.10 73,897.46	0.03% (35,980.75)	Aa/AA+ AAA	0.21 0.20
20772KQH5	CONNECTICUT ST 3.292 06/15/2025	2,500,000.00	06/22/2022 3.29%	2,500,000.00 2,500,000.00	99.76 4.44%	2,493,925.00 24,232.78	0.02% (6,075.00)	Aa3/AA- AA-	0.21 0.20
419792F92	HAWAII ST 1.033 08/01/2025	10,000,000.00	10/12/2021 1.03%	10,000,000.00 10,000,000.00	98.93 4.29%	9,892,700.00 17,216.67	0.06% (107,300.00)	Aa2/AA +AA	0.34 0.33
574193TR9	MARYLAND ST 0.66 08/01/2025	25,000,000.00	08/05/2020 0.66%	25,000,000.00 25,000,000.00	98.78 4.37%	24,694,750.00 27,500.00	0.15% (305,250.00)	Aaa/AAA AAA	0.34 0.33
419792YQ3	HAWAII ST 0.67 08/01/2025	5,255,000.00	08/12/2020 0.67%	5,255,000.00 5,255,000.00	98.81 4.29%	5,192,360.40 5,868.08	0.03% (62,639.60)	Aa2/AA +AA	0.34 0.33
64990FM92	NEW YORK STATE DORMITORY AUTHORITY 1.55 03/15/2026	31,180,000.00	12/17/2021 1.55%	31,180,000.00 31,180,000.00	97.49 4.26%	30,398,005.60 21,479.56	0.19% (781,994.40)	NA/AA+ AA+	0.96 0.93
64990FD50	NEW YORK STATE DORMITORY AUTHORITY 1.187 03/15/2026	5,000,000.00	06/23/2021 1.19%	5,000,000.00 5,000,000.00	97.16 4.26%	4,857,750.00 2,637.78	0.03% (142,250.00)	NA/AA+ AA+	0.96 0.93
650028ZF3	NEW YORK ST TWY AUTH ST PERS INCOME TAX REV 3.55 03/15/2026	21,800,000.00	07/28/2022 3.55%	21,800,000.00 21,800,000.00	99.39 4.21%	21,667,238.00 34,395.56	0.13% (132,762.00)	NA/NA AA+	0.96 0.93
641462NZ5	NEVADA ST 3.08 05/01/2026	7,180,000.00	05/10/2022 3.08%	7,180,000.00 7,180,000.00	98.72 4.30%	7,087,808.80 92,143.33	0.04% (92,191.20)	Aa1/AA+ AA+	1.08 1.04
68609T7F9	OREGON 3.215 05/01/2026	1,400,000.00	05/17/2022 3.22%	1,400,000.00 1,400,000.00	99.07 4.10%	1,386,924.00 18,754.17	0.01% (13,076.00)	Aa1/AA+ AA+	1.08 1.04

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
641462NU6	NEVADA ST 3.08 05/01/2026	8,205,000.00	05/10/2022 3.08%	8,205,000.00 8,205,000.00	98.89 4.14%	8,113,678.35 105,297.50	0.05% (91,321.65)	Aa1/AA+ AA+	1.08 1.04
20772KNX3	CONNECTICUT ST 1.123 06/01/2026	5,600,000.00	06/04/2021 1.12%	5,600,000.00 5,600,000.00	96.55 4.18%	5,406,856.00 20,962.67	0.03% (193,144.00)	Aa3/AA- AA-	1.17 1.13
20772KQJ1	CONNECTICUT ST 3.531 06/15/2026	5,000,000.00	06/22/2022 3.53%	5,000,000.00 5,000,000.00	99.24 4.18%	4,962,050.00 51,984.17	0.03% (37,950.00)	Aa3/AA- AA-	1.21 1.16
25477GUX1	DISTRICT COLUMBIA INCOME TAX REV 3.419 07/01/2026	4,500,000.00	07/27/2022 3.42%	4,500,000.00 4,500,000.00	99.23 4.05%	4,465,530.00 38,463.75	0.03% (34,470.00)	Aaa/AAA AA+	1.25 1.20
419792G26	HAWAII ST 1.283 08/01/2026	7,500,000.00	10/12/2021 1.28%	7,500,000.00 7,500,000.00	96.33 4.14%	7,224,600.00 16,037.50	0.04% (275,400.00)	Aa2/AA+ AA	1.34 1.30
13063EBN5	CALIFORNIA ST 5.5 09/01/2026	45,955,000.00	04/12/2024 5.10%	46,367,216.35 46,201,568.21	101.87 4.13%	46,813,439.40 210,627.08	0.29% 611,871.19	Aa2/AA - AA	1.42 1.35
798135E96	SAN JOSE CALIF 2.5 09/01/2026	10,000,000.00	04/28/2022 3.16%	9,730,500.00 9,912,034.66	97.78 4.13%	9,778,200.00 20,833.33	0.06% (133,834.66)	Aa1/AA +AAA	1.42 1.37
798189TL0	SAN JOSE EVERGREEN CALIF CMNTY COLLEGE DIST 4.796 09/01/2026	2,500,000.00	03/01/2023 4.80%	2,500,000.00 2,500,000.00	100.98 4.08%	2,524,450.00 9,991.67	0.02% 24,450.00	Aaa/AA+ NA	1.42 1.35
419792J56	HAWAII ST 4.818 10/01/2026	8,450,000.00	10/20/2022 4.82%	8,450,000.00 8,450,000.00	100.99 4.13%	8,533,570.50 203,560.50	0.05% 83,570.50	Aa2/AA+ AA	1.50 1.44
880558QT1	TENNESSEE ST SCH BD AUTH 4.73 11/01/2026	3,650,000.00	10/26/2022 4.71%	3,652,774.00 3,651,109.98	100.93 4.12%	3,683,872.00 71,935.42	0.02% 32,762.02	Aa1/AA+ AA+	1.59 1.49
57582RK96	MASSACHUSETTS COMMONWEALTH 0.986 11/01/2026	6,710,000.00	10/27/2022 4.62%	5,823,541.90 6,358,933.49	95.31 4.08%	6,395,099.70 27,566.92	0.04% 36,166.21	Aa1/AA+ AA+	1.59 1.54
13063D3N6	CALIFORNIA ST 4.846 03/01/2027	18,500,000.00	03/09/2023 4.85%	18,500,000.00 18,500,000.00	101.37 4.10%	18,752,710.00 74,709.17	0.11% 252,710.00	Aa2/AA - AA	1.92 1.81
641462PA8	NEVADA ST 3.18 05/01/2027	7,400,000.00	05/10/2022 3.18%	7,400,000.00 7,400,000.00	97.91 4.24%	7,245,636.00 98,050.00	0.04% (154,364.00)	Aa1/AA +AA+	2.08 1.96
68609T7G7	OREGON 3.315 05/01/2027	1,000,000.00	05/17/2022 3.32%	1,000,000.00 1,000,000.00	98.57 4.04%	985,720.00 13,812.50	0.01% (14,280.00)	Aa1/AA+ AAA	2.08 1.96
641462NV4	NEVADA ST 3.18 05/01/2027	8,460,000.00	05/10/2022 3.18%	8,460,000.00 8,460,000.00	98.20 4.09%	8,307,550.80 112,095.00	0.05% (152,449.20)	Aa1/AA +AAA	2.08 1.97
68609UBF1	OREGON 4.112 05/01/2027	5,625,000.00	03/16/2023 4.11%	5,625,000.00 5,625,000.00	100.05 4.09%	5,627,587.50 96,375.00	0.03% 2,587.50	Aa1/AA +AAA	2.08 1.94

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
20772KTJ8	CONNECTICUT ST 5.05 05/15/2027	8,670,000.00	06/01/2023 4.51%	8,836,464.00 8,760,543.31	101.83 4.14%	8,828,314.20 165,404.33	0.05% 67,770.89	Aa3/AA- AA-	2.12 1.96
20772KQK8	CONNECTICUT ST 3.631 06/15/2027	5,000,000.00	06/22/2022 3.63%	5,000,000.00 5,000,000.00	98.92 4.15%	4,946,050.00 53,456.39	0.03% (53,950.00)	Aa3/AA - AA-	2.21 2.07
25477GUY9	DISTRICT COLUMBIA INCOME TAX REV 3.499 07/01/2027	5,000,000.00	07/27/2022 3.50%	5,000,000.00 5,000,000.00	98.92 4.01%	4,945,800.00 43,737.50	0.03% (54,200.00)	Aaa/AAA AA+	2.25 2.12
373385KW2	GEORGIA ST 3.43 07/01/2027	8,210,000.00	07/07/2022 3.43%	8,210,000.00 8,210,000.00	98.85 3.97%	8,115,913.40 70,400.75	0.05% (94,086.60)	Aaa/AAA AAA	2.25 2.12
576004HD0	MASSACHUSETTS (COMMONWEALTH OF) 3.68 07/15/2027	5,000,000.00	08/30/2022 3.68%	5,000,000.00 5,000,000.00	98.83 4.22%	4,941,300.00 38,844.44	0.03% (58,700.00)	Aa1/NA AAA	2.29 2.15
46247SEC4	IOWA FIN AUTH REV 4.34 08/01/2027	2,000,000.00	06/02/2023 4.34%	2,000,000.00 2,000,000.00	100.55 4.09%	2,011,020.00 14,466.67	0.01% 11,020.00	Aaa/NA AAA	2.34 2.19
798189TM8	SAN JOSE EVERGREEN CALIF CMNTY COLLEGE DIST 4.718 09/01/2027	2,000,000.00	03/01/2023 4.72%	2,000,000.00 2,000,000.00	101.47 4.07%	2,029,480.00 7,863.33	0.01% 29,480.00	Aaa/AA+ NA	2.42 2.26
57582R4H6	MASSACHUSETTS COMMONWEALTH 5.5 10/01/2027	20,000,000.00	10/17/2023 5.20%	20,210,000.00 20,133,423.80	103.33 4.09%	20,665,800.00 550,000.00	0.13% 532,376.20	Aa1/NA AAA	2.50 2.32
882724T64	TEXAS ST 4.528 10/01/2027	5,000,000.00	08/10/2023 4.53%	5,000,000.00 5,000,000.00	101.36 3.95%	5,068,100.00 113,200.00	0.03% 68,100.00	NA/AAA AAA	2.50 2.35
419792M29	HAWAII ST 5.0 10/01/2027	5,000,000.00	12/07/2023 4.51%	5,084,150.00 5,055,592.58	101.96 4.17%	5,098,050.00 125,000.00	0.03% 42,457.42	Aa2/AA+ AA	2.50 2.33
419792J64	HAWAII ST 4.838 10/01/2027	6,750,000.00	10/20/2022 4.84%	6,750,000.00 6,750,000.00	101.58 4.17%	6,856,650.00 163,282.50	0.04% 106,650.00	Aa2/AA+ AA	2.50 2.34
20772KTK5	CONNECTICUT ST 4.506 05/15/2028	5,000,000.00	06/01/2023 4.51%	5,000,000.00 5,000,000.00	100.86 4.21%	5,042,900.00 85,113.33	0.03% 42,900.00	Aa3/AA - AA-	3.12 2.84
57582R4J2	MASSACHUSETTS COMMONWEALTH 5.5 10/01/2028	14,000,000.00	10/17/2023 5.25%	14,149,800.00 14,106,264.12	104.35 4.15%	14,608,580.00 385,000.00	0.09% 502,315.88	Aa1/NA AAA	3.50 3.17
13063D7D4	CALIFORNIA ST 5.5 10/01/2028	25,000,000.00	10/04/2023 5.17%	25,357,000.00 25,251,294.99	104.22 4.19%	26,053,750.00 687,500.00	0.16% 802,455.01	Aa2/AA - AA	3.50 3.17
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	50,000,000.00	10/30/2024 4.37%	50,272,000.00 50,248,887.86	100.96 4.25%	50,480,450.00 375,000.00	0.31% 231,562.14	Aa2/AA- AA	4.34 3.88

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
419792P75	HAWAII ST 4.287 10/01/2029	15,000,000.00	12/05/2024 4.29%	15,000,000.00 15,000,000.00	99.91 4.31%	14,986,800.00 183,983.75	0.09% (13,200.00)	Aa2/AA+ AA	4.50 4.05
Total Municipal Bonds		521,410,000.00	3.33%	522,767,601.10 522,146,251.85	100.19 4.19%	522,206,223.35 4,871,141.79	3.19% 59,971.50		1.80 1.67

NEGOTIABLE CD									
87019WZA6	Swedbank Sparbanken Svenge Ab 4.44 04/21/2025	200,000,000.00	09/19/2024 4.44%	200,000,000.00 200,000,000.00	100.00 5.26%	199,999,600.00 4,785,333.33	1.22% (400.00)	P-1/A-1 NA	0.06 0.06
87019WZZ1	Swedbank Sparbanken Svenge Ab 4.57 04/30/2025	150,000,000.00	10/29/2024 4.57%	150,000,000.00 150,000,000.00	100.01 5.10%	150,018,150.00 2,932,416.67	0.92% 18,150.00	P-1/A-1 NA	0.08 0.08
78015JYX9	Royal Bank of Canada New York Branch 4.56 04/30/2025	170,000,000.00	10/29/2024 4.56%	170,000,000.00 170,000,000.00	100.01 4.46%	170,014,790.00 3,316,133.33	1.04% 14,790.00	P-1/A-1+ F1+	0.08 0.08
87019WZX6	Swedbank Sparbanken Svenge Ab 4.57 04/30/2025	30,000,000.00	10/28/2024 4.57%	30,000,000.00 30,000,000.00	100.01 5.14%	30,003,600.00 590,291.67	0.18% 3,600.00	P-1/A-1 NA	0.08 0.08
22536HYT0	Credit Agricole Corporate And Investment Bank, New 4.63 05/01/2025	80,000,000.00	10/29/2024 4.63%	80,000,000.00 80,000,000.00	100.03 5.08%	80,020,080.00 1,584,488.89	0.49% 20,080.00	P-1/A-1 NA	0.08 0.08
13606DAE2	Canadian Imperial Bank Of Commerce, New York Branc 4.38 05/07/2025	100,000,000.00	09/19/2024 4.38%	100,000,000.00 100,000,000.00	99.99 5.48%	99,990,200.00 2,360,333.33	0.61% (9,800.00)	P-1/A-1 F1+	0.10 0.10
05593DCD3	BNP Paribas New York Branch 4.28 06/27/2025	100,000,000.00	09/26/2024 4.28%	100,000,000.00 100,000,000.00	99.96 5.43%	99,959,400.00 2,223,222.22	0.61% (40,600.00)	P-1/A-1 F1+	0.24 0.24
89115DGF7	Toronto-Dominion Bank - New York Branch 4.56 06/30/2025	100,000,000.00	12/04/2024 4.56%	100,000,000.00 100,000,000.00	100.04 5.28%	100,036,000.00 1,494,666.67	0.61% 36,000.00	P-1/A-1 F1+	0.25 0.25
22536HUV9	Credit Agricole Corporate And Investment Bank, New 4.24 06/30/2025	60,000,000.00	09/24/2024 4.24%	60,000,000.00 60,000,000.00	99.96 5.52%	59,973,720.00 1,335,600.00	0.37% (26,280.00)	P-1/A-1 NA	0.25 0.25
05593DBS1	BNP Paribas New York Branch 4.58 07/01/2025	50,000,000.00	09/04/2024 4.58%	50,000,000.00 50,000,000.00	100.03 4.35%	50,014,600.00 1,329,472.22	0.31% 14,600.00	P-1/A-1 F1+	0.25 0.25
89115D6K7	Toronto-Dominion Bank - New York Branch 4.24 07/01/2025	100,000,000.00	09/24/2024 4.24%	100,000,000.00 100,000,000.00	99.95 5.53%	99,947,100.00 2,226,000.00	0.61% (52,900.00)	P-1/A-1 F1+	0.25 0.25
05593DAQ6	BNP Paribas New York Branch 5.15 07/01/2025	100,000,000.00	07/29/2024 5.15%	100,000,000.00 100,000,000.00	100.16 4.59%	100,163,800.00 3,519,166.67	0.61% 163,800.00	P-1/A-1 F1+	0.25 0.25

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
22536HK65	Credit Agricole Corporate And Investment Bank, New 4.49 07/01/2025	75,000,000.00	12/09/2024 4.49%	75,000,000.00 75,000,000.00	100.03 5.30%	75,021,000.00 1,057,020.83	0.46% 21,000.00	P-1/A-1 NA	0.25 0.25
89115DHF6	Toronto-Dominion Bank - New York Branch 4.5 07/02/2025	150,000,000.00	12/06/2024 4.50%	150,000,000.00 150,000,000.00	100.02 5.34%	150,031,950.00 2,175,000.00	0.92% 31,950.00	P-1/A-1 F1+	0.25 0.25
13606DDH2	Canadian Imperial Bank Of Commerce, New York Branc 4.49 07/02/2025	180,000,000.00	12/09/2024 4.49%	180,000,000.00 180,000,000.00	100.03 5.35%	180,048,420.00 2,536,850.00	1.10% 48,420.00	P-1/A-1 F1+	0.25 0.25
05593DBC6	BNP Paribas New York Branch 4.8 07/02/2025	60,000,000.00	08/15/2024 4.80%	60,000,000.00 60,000,000.00	100.08 4.35%	60,048,840.00 1,832,000.00	0.37% 48,840.00	P-1/A-1 F1+	0.25 0.25
22536HK73	Credit Agricole Corporate And Investment Bank, New 4.49 07/07/2025	50,000,000.00	12/09/2024 4.49%	50,000,000.00 50,000,000.00	100.03 4.31%	50,015,450.00 704,680.56	0.31% 15,450.00	P-1/A-1 NA	0.27 0.26
06418NFD9	Bank of Nova Scotia, Houston Branch 4.42 07/11/2025	25,000,000.00	01/03/2025 4.42%	25,000,000.00 25,000,000.00	100.00 4.36%	25,000,925.00 270,111.11	0.15% 925.00	P-1/A-1 NA	0.28 0.28
78015JBG1	Royal Bank of Canada New York Branch 4.43 07/16/2025	25,000,000.00	12/30/2024 4.43%	25,000,000.00 25,000,000.00	100.01 4.34%	25,002,600.00 283,027.78	0.15% 2,600.00	P-1/A-1 F1+	0.29 0.29
78015JBL0	Royal Bank of Canada New York Branch 4.43 07/17/2025	25,000,000.00	12/30/2024 4.43%	25,000,000.00 25,000,000.00	100.01 4.35%	25,002,600.00 283,027.78	0.15% 2,600.00	P-1/A-1 F1+	0.30 0.29
13606DDS8	Canadian Imperial Bank Of Commerce, New York Branc 4.45 07/18/2025	65,000,000.00	12/12/2024 4.45%	65,000,000.00 65,000,000.00	100.01 5.41%	65,008,905.00 883,819.44	0.40% 8,905.00	P-1/A-1 F1+	0.30 0.30
78015JBQ9	Royal Bank of Canada New York Branch 4.43 07/23/2025	50,000,000.00	12/30/2024 4.43%	50,000,000.00 50,000,000.00	100.01 4.35%	50,005,200.00 566,055.56	0.31% 5,200.00	P-1/A-1+ F1+	0.31 0.31
22536HM22	Credit Agricole Corporate And Investment Bank, New 4.48 07/31/2025	100,000,000.00	12/11/2024 4.48%	100,000,000.00 100,000,000.00	100.04 5.29%	100,040,000.00 1,381,333.33	0.61% 40,000.00	P-1/A-1 NA	0.33 0.33
05593DB93	BNP Paribas New York Branch 4.7 07/31/2025	25,000,000.00	08/13/2024 4.70%	25,000,000.00 25,000,000.00	100.08 5.00%	25,019,175.00 753,958.33	0.15% 19,175.00	P-1/A-1+ F1+	0.33 0.33
21684X2A3	COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH 4.48 08/06/2025	50,000,000.00	12/24/2024 4.48%	50,000,000.00 50,000,000.00	100.03 4.35%	50,013,550.00 609,777.78	0.31% 13,550.00	P-1/A-1 F1+	0.35 0.35
13606DEB4	Canadian Imperial Bank Of Commerce, New York Branc 4.48 08/07/2025	50,000,000.00	12/24/2024 4.48%	50,000,000.00 50,000,000.00	100.02 4.36%	50,011,350.00 609,777.78	0.31% 11,350.00	P-1/A-1 F1+	0.35 0.35

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
86959TJU1	Svenska Handels AB Publ - New York Branch 4.44 08/29/2025	150,000,000.00	12/10/2024 4.44%	150,000,000.00 150,000,000.00	100.02 5.30%	150,036,900.00 2,072,000.00	0.92% 36,900.00	P-1/A-1+ F1+	0.41 0.41
13606DDR0	Canadian Imperial Bank Of Commerce, New York Branc 4.48 08/29/2025	150,000,000.00	12/10/2024 4.48%	150,000,000.00 150,000,000.00	100.02 5.40%	150,031,650.00 2,090,666.67	0.92% 31,650.00	P-1/A-1 F1+	0.41 0.41
89115DSB3	Toronto-Dominion Bank - New York Branch 4.42 09/08/2025	108,000,000.00	02/25/2025 4.42%	108,000,000.00 108,000,000.00	100.01 4.37%	108,015,984.00 464,100.00	0.66% 15,984.00	P-1/NA F1+	0.44 0.44
89115DSK3	Toronto-Dominion Bank - New York Branch 4.42 09/12/2025	77,000,000.00	02/26/2025 4.42%	77,000,000.00 77,000,000.00	100.02 4.36%	77,014,630.00 321,432.22	0.47% 14,630.00	P-1/NA F1+	0.45 0.45
Total Negotiable CD		2,655,000,000.00	4.50%	2,655,000,000.00 2,655,000,000.00	100.02 5.03%	2,655,510,169.00 46,591,764.17	16.21% 510,169.00		0.25 0.24

SUPRANATIONAL

459058JB0	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.625 04/22/2025	50,000,000.00	-- 0.69%	49,857,250.00 49,998,238.56	99.76 4.68%	49,882,067.00 138,241.67	0.30% (116,171.56)	Aaa/AAA NA	0.06 0.06
459053GC2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 05/27/2025	30,000,000.00	12/18/2024 4.28%	29,440,000.00 29,804,000.00	99.34 4.31%	29,802,875.10 0.00	0.18% (1,124.90)	NA/NA NA	0.16 0.15
45818WDC7	INTER-AMERICAN DEVELOPMENT BANK 0.775 07/09/2025	50,000,000.00	04/09/2021 0.78%	50,000,000.00 50,000,000.00	98.97 4.60%	49,484,410.50 88,263.89	0.30% (515,589.50)	NA/NA NA	0.27 0.27
459058JE4	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.375 07/28/2025	25,000,000.00	07/28/2020 0.40%	24,966,500.00 24,997,835.16	98.70 4.43%	24,675,339.00 16,406.25	0.15% (322,496.16)	Aaa/AAA NA	0.33 0.32
45818WDP8	INTER-AMERICAN DEVELOPMENT BANK 3.03 08/01/2025	25,000,000.00	05/02/2022 3.03%	25,000,000.00 25,000,000.00	99.43 4.73%	24,858,180.00 126,250.00	0.15% (141,820.00)	NA/NA NA	0.34 0.33
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	44,000,000.00	-- 0.62%	43,762,370.00 43,970,962.36	97.86 4.30%	43,060,572.72 93,500.00	0.26% (910,389.64)	Aaa/AAA NA	0.58 0.56
45950VPJ9	INTERNATIONAL FINANCE CORP 0.58 01/15/2026	19,700,000.00	02/12/2021 0.53%	19,748,068.00 19,707,726.17	97.07 4.40%	19,122,087.10 24,121.56	0.12% (585,639.07)	Aaa/AAA NA	0.79 0.77
45950VPK6	INTERNATIONAL FINANCE CORP 0.45 02/05/2026	25,000,000.00	02/05/2021 0.52%	24,907,500.00 24,984,296.28	96.76 4.40%	24,190,367.00 17,500.00	0.15% (793,929.28)	Aaa/AAA NA	0.85 0.83

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
45905U5Y6	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.6 02/18/2026	75,000,000.00	02/18/2021 0.60%	74,987,500.00 74,997,788.88	97.08 4.01%	72,809,542.50 53,750.00	0.44% (2,188,246.38)	Aaa/AAA NA	0.89 0.86
45906M2P5	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.875 06/30/2026	25,000,000.00	06/30/2021 0.87%	25,000,000.00 25,000,000.00	96.02 4.18%	24,006,063.75 55,295.14	0.15% (993,936.25)	Aaa/AAA NA	1.25 1.22
459058LK7	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.0 08/27/2026	25,000,000.00	08/20/2024 4.06%	24,971,000.00 24,979,620.55	99.96 4.03%	24,990,115.75 94,444.44	0.15% 10,495.20	Aaa/AAA NA	1.41 1.35
4581X0EM6	INTER-AMERICAN DEVELOPMENT BANK 4.375 02/01/2027	50,000,000.00	04/16/2024 4.92%	49,289,000.00 49,531,814.52	100.63 4.01%	50,314,816.50 364,583.33	0.31% 783,001.98	Aaa/AAA NA	1.84 1.74
45950VRW8	International Finance Corporation 3.81 06/30/2027	25,000,000.00	02/07/2023 3.81%	25,000,000.00 25,000,000.00	99.57 4.01%	24,893,205.50 240,770.83	0.15% (106,794.50)	Aaa/AAA NA	2.25 2.11
45818WEH5	Inter-American Development Bank 3.96 06/30/2027	50,000,000.00	02/07/2023 3.96%	50,000,000.00 50,000,000.00	99.63 4.13%	49,814,341.50 499,068.49	0.30% (185,658.50)	Aaa/AAA NA	2.25 2.11
45950VTR7	INTERNATIONAL FINANCE CORP 3.58 09/07/2027	50,000,000.00	09/11/2024 3.58%	50,000,000.00 50,000,000.00	99.04 4.00%	49,521,097.50 119,333.33	0.30% (478,902.50)	Aaa/AAA NA	2.44 2.30
45906M4E8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.5 06/26/2028	35,000,000.00	01/23/2024 4.54%	34,947,500.00 34,961,552.04	100.08 4.47%	35,026,943.70 415,625.00	0.21% 65,391.66	Aaa/AAA NA	3.24 1.18
45818WFB7	INTER-AMERICAN DEVELOPMENT BANK 4.16 06/30/2028	50,000,000.00	01/19/2024 4.16%	50,000,000.00 50,000,000.00	100.47 4.00%	50,235,963.50 525,777.78	0.31% 235,963.50	Aaa/AAA NA	3.25 2.98
45950VUH7	INTERNATIONAL FINANCE CORP 4.3 06/30/2028	50,000,000.00	01/30/2025 4.32%	49,964,000.00 49,965,539.95	101.24 3.89%	50,621,792.00 322,500.00	0.31% 656,252.05	Aaa/AAA NA	3.25 2.99
459058LS0	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.619 06/30/2028	50,000,000.00	03/27/2025 4.62%	50,000,000.00 50,000,000.00	100.00 4.65%	50,000,000.00 0.00	0.31% 0.00	Aaa/NA NA	3.25 0.00
45818WFM3	INTER-AMERICAN DEVELOPMENT BANK 4.76 07/03/2028	50,000,000.00	04/11/2024 4.76%	50,000,000.00 50,000,000.00	102.33 3.99%	51,163,407.00 581,777.78	0.31% 1,163,407.00	Aaa/AAA NA	3.26 2.97
45818WFP6	INTER-AMERICAN DEVELOPMENT BANK 4.82 07/05/2028	50,000,000.00	05/03/2024 4.82%	50,000,000.00 50,000,000.00	102.47 4.00%	51,233,938.00 575,722.22	0.31% 1,233,938.00	Aaa/AAA NA	3.26 2.97
459058KT9	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.5 07/12/2028	50,835,000.00	-- 4.10%	49,596,943.80 49,933,097.32	98.51 3.99%	50,079,237.58 390,441.04	0.31% 146,140.26	Aaa/AAA NA	3.28 3.04

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
4581X0DX3	INTER-AMERICAN DEVELOPMENT BANK 1.125 07/20/2028	50,801,000.00	01/22/2024 4.17%	44,531,140.58 46,187,546.39	91.22 3.99%	46,341,972.71 112,714.72	0.28% 154,426.31	Aaa/AAA AAA	3.30 3.18
45950VST4	INTERNATIONAL FINANCE CORP 4.07 07/31/2028	50,000,000.00	01/08/2024 4.07%	50,000,000.00 50,000,000.00	100.40 3.94%	50,200,781.00 344,819.44	0.31% 200,781.00	Aaa/AAA NA	3.33 3.07
459058KW2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.625 08/01/2028	75,000,000.00	-- 4.46%	75,490,750.00 75,381,860.94	101.97 3.99%	76,478,910.75 578,125.00	0.47% 1,097,049.81	Aaa/AAA NA	3.34 3.05
459058JZ7	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 1.125 09/13/2028	35,000,000.00	12/28/2023 3.95%	30,794,750.00 31,916,964.97	90.82 4.00%	31,788,187.90 19,687.50	0.19% (128,777.07)	Aaa/AAA NA	3.45 3.32
45818WEY8	INTER-AMERICAN DEVELOPMENT BANK 4.05 09/29/2028	50,000,000.00	01/10/2024 4.05%	50,000,000.00 50,000,000.00	100.28 3.96%	50,137,560.00 405,000.00	0.31% 137,560.00	Aaa/AAA NA	3.50 3.20
45818WFQ4	INTER-AMERICAN DEVELOPMENT BANK 4.815 11/07/2028	50,000,000.00	04/30/2024 4.82%	50,000,000.00 50,000,000.00	102.21 4.15%	51,105,759.50 963,000.00	0.31% 1,105,759.50	Aaa/AAA NA	3.61 3.22
45906M4P3	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.875 01/12/2029	25,000,000.00	01/03/2024 4.87%	25,000,000.00 25,000,000.00	101.98 4.30%	25,494,725.00 267,447.92	0.16% 494,725.00	Aaa/NA NA	3.79 3.39
45818WEZ5	INTER-AMERICAN DEVELOPMENT BANK 4.125 01/29/2029	28,405,000.00	02/13/2024 4.39%	28,075,786.05 28,150,541.26	100.25 4.05%	28,476,587.99 201,793.85	0.17% 326,046.72	Aaa/AAA NA	3.83 3.49
45818WFJ0	INTER-AMERICAN DEVELOPMENT BANK 4.46 01/31/2029	50,000,000.00	04/05/2024 4.47%	49,987,500.00 49,990,021.37	101.11 4.14%	50,556,738.50 377,861.11	0.31% 566,717.13	Aaa/AAA NA	3.84 3.47
45818WFH4	INTER-AMERICAN DEVELOPMENT BANK 4.5 02/01/2029	50,000,000.00	04/03/2024 4.50%	50,000,000.00 50,000,000.00	101.53 4.06%	50,766,020.50 375,000.00	0.31% 766,020.50	Aaa/AAA NA	3.84 3.47
45818WFC5	INTER-AMERICAN DEVELOPMENT BANK 4.22 02/07/2029	25,000,000.00	02/05/2024 4.22%	25,000,000.00 25,000,000.00	100.59 4.05%	25,146,319.50 158,250.00	0.15% 146,319.50	Aaa/NA NA	3.86 3.50
4581X0EN4	INTER-AMERICAN DEVELOPMENT BANK 4.125 02/15/2029	50,000,000.00	-- 4.44%	49,307,250.00 49,453,054.91	100.42 4.01%	50,207,987.50 263,541.67	0.31% 754,932.59	Aaa/AAA NA	3.88 3.53
45818WFF8	INTER-AMERICAN DEVELOPMENT BANK 4.328 03/29/2029	25,000,000.00	03/22/2024 4.33%	25,000,000.00 25,000,000.00	100.87 4.09%	25,216,562.75 6,011.11	0.15% 216,562.75	Aaa/AAA NA	3.99 3.64
45950VTF3	INTERNATIONAL FINANCE CORP 4.47 03/29/2029	25,000,000.00	04/05/2024 4.47%	25,000,000.00 25,000,000.00	101.65 4.02%	25,411,655.25 524,604.17	0.16% 411,655.25	Aaa/AAA NA	3.99 3.56
45818WFS0	INTER-AMERICAN DEVELOPMENT BANK 4.33 05/30/2029	25,000,000.00	06/13/2024 4.34%	24,990,675.00 24,992,143.02	101.25 4.00%	25,312,468.25 363,840.28	0.15% 320,325.23	Aaa/AAA NA	4.16 3.73

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
45818WFR2	INTER-AMERICAN DEVELOPMENT BANK 4.6 06/07/2029	25,000,000.00	06/04/2024 4.44%	25,174,250.00 25,145,812.71	101.93 4.09%	25,482,591.50 364,166.67	0.16% 336,778.79	Aaa/AAA NA	4.19 3.73
4581X0DG0	INTER-AMERICAN DEVELOPMENT BANK 2.25 06/18/2029	56,440,000.00	-- 4.28%	51,382,442.48 52,141,310.62	93.16 4.03%	52,581,261.54 363,332.50	0.32% 439,950.92	Aaa/AAA AAA	4.22 3.93
45950KDH0	INTERNATIONAL FINANCE CORP 4.25 07/02/2029	50,000,000.00	06/25/2024 4.36%	49,753,000.00 49,789,928.26	100.82 4.04%	50,408,425.50 525,347.22	0.31% 618,497.24	Aaa/AAA NA	4.25 3.82
45818WFU5	INTER-AMERICAN DEVELOPMENT BANK 4.343 07/02/2029	50,000,000.00	07/09/2024 4.34%	50,000,000.00 50,000,000.00	101.55 3.94%	50,773,948.00 536,843.06	0.31% 773,948.00	Aaa/AAA NA	4.25 3.82
45950KDL1	INTERNATIONAL FINANCE CORP 4.71706 08/28/2029	50,000,000.00	03/04/2025 4.66%	50,061,622.50 50,060,606.12	99.99 4.70%	49,996,892.00 307,072.54	0.31% (63,714.12)	Aaa/AAA NA	4.41 0.00
45905U2K9	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 2.778 09/13/2029	10,000,000.00	11/01/2024 4.28%	9,349,400.00 9,403,677.79	93.55 4.39%	9,354,562.10 13,890.00	0.06% (49,115.69)	Aaa/AAA NA	4.45 4.11
459058KL6	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.625 09/21/2029	10,000,000.00	10/04/2024 3.83%	9,907,000.00 9,916,043.09	98.27 4.05%	9,826,694.50 10,069.44	0.06% (89,348.59)	Aaa/AAA NA	4.48 4.08
459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029	65,000,000.00	-- 4.25%	64,266,600.00 64,300,914.73	99.26 4.06%	64,517,609.65 1,154,427.08	0.39% 216,694.92	Aaa/AAA NA	4.54 4.05
45950VUG9	INTERNATIONAL FINANCE CORP 4.665 01/23/2030	50,000,000.00	01/14/2025 4.67%	50,000,000.00 50,000,000.00	102.01 4.20%	51,004,638.00 440,583.33	0.31% 1,004,638.00	Aaa/AAA NA	4.82 4.25
45950VUK0	INTERNATIONAL FINANCE CORP 4.55 01/28/2030	50,000,000.00	02/11/2025 4.55%	50,000,000.00 50,000,000.00	101.13 4.29%	50,565,714.00 271,736.11	0.31% 565,714.00	Aaa/AAA NA	4.83 2.62
45906M5Z0	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.42 01/31/2030	50,000,000.00	01/28/2025 4.42%	50,000,000.00 50,000,000.00	101.11 4.16%	50,555,400.00 337,638.89	0.31% 555,400.00	Aaa/AAA NA	4.84 4.29
4581X0ES3	INTER-AMERICAN DEVELOPMENT BANK 4.5 02/15/2030	50,000,000.00	02/12/2025 4.58%	49,814,000.00 49,818,285.24	101.89 4.07%	50,947,341.00 468,750.00	0.31% 1,129,055.76	Aaa/AAA NA	4.88 4.31
4581X0ET1	INTER-AMERICAN DEVELOPMENT BANK 4.73616 03/13/2030	50,000,000.00	03/06/2025 4.71%	50,000,000.00 50,000,000.00	100.00 4.73%	49,999,019.50 124,227.54	0.31% (980.50)	Aaa/AAA NA	4.95 0.00
459058LR2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	50,000,000.00	-- 4.22%	49,782,000.00 49,783,432.64	100.20 4.08%	50,102,287.50 63,020.83	0.31% 318,854.86	Aaa/AAA NA	4.97 4.45

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
Total Supranational		2,135,181,000.00	3.83%	2,114,105,798.41 2,119,264,615.86	99.76 4.16%	2,128,544,985.09 14,686,174.75	12.99% 9,280,369.23		3.19 2.56
US TREASURY									
912828ZL7	UNITED STATES TREASURY 0.375 04/30/2025	15,000,000.00	06/01/2020 0.33%	15,036,328.13 15,000,587.24	99.69 4.31%	14,952,839.85 23,618.78	0.09% (47,747.39)	Aaa/AA+ AA+	0.08 0.08
912828ZT0	UNITED STATES TREASURY 0.25 05/31/2025	50,000,000.00	12/10/2021 1.06%	48,607,421.88 49,934,105.14	99.33 4.34%	49,665,364.50 41,895.60	0.30% (268,740.64)	Aaa/AA+ AA+	0.17 0.16
912828ZW3	UNITED STATES TREASURY 0.25 06/30/2025	200,000,000.00	-- 0.70%	196,323,242.19 199,778,408.54	99.00 4.30%	198,005,208.00 125,690.61	1.21% (1,773,200.54)	Aaa/AA+ AA+	0.25 0.25
91282CAB7	UNITED STATES TREASURY 0.25 07/31/2025	275,000,000.00	-- 4.30%	268,337,890.64 272,241,823.66	98.66 4.32%	271,313,281.25 113,950.28	1.66% (928,542.41)	Aaa/AA+ AA+	0.33 0.33
91282CHN4	UNITED STATES TREASURY 4.75 07/31/2025	150,000,000.00	-- 4.27%	150,314,453.14 150,235,182.15	100.14 4.29%	150,210,937.50 1,180,939.23	0.92% (24,244.65)	Aaa/AA+ AA+	0.33 0.33
912828K74	UNITED STATES TREASURY 2.0 08/15/2025	30,000,000.00	01/21/2025 4.26%	29,623,828.13 29,751,653.52	99.15 4.28%	29,745,703.20 74,585.64	0.18% (5,950.32)	Aaa/AA+ AA+	0.38 0.37
91282CAM3	UNITED STATES TREASURY 0.25 09/30/2025	235,000,000.00	-- 4.26%	229,610,546.89 232,739,447.92	98.06 4.23%	230,448,710.35 1,605.19	1.41% (2,290,737.57)	Aaa/AA+ AA+	0.50 0.49
91282CAT8	UNITED STATES TREASURY 0.25 10/31/2025	135,000,000.00	-- 3.27%	132,099,218.76 132,683,991.99	97.76 4.21%	131,970,409.65 141,712.71	0.81% (713,582.34)	Aaa/AA+ AA+	0.59 0.57
9128285J5	UNITED STATES TREASURY 3.0 10/31/2025	50,000,000.00	03/26/2025 4.21%	49,648,437.50 49,656,500.86	99.32 4.20%	49,657,812.50 629,834.25	0.30% 1,311.64	Aaa/AA+ AA+	0.59 0.56
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	30,000,000.00	05/28/2021 0.68%	29,587,500.00 29,939,139.34	97.54 4.17%	29,260,546.80 37,706.04	0.18% (678,592.54)	Aaa/AA+ AA+	0.67 0.65
91282CBC4	UNITED STATES TREASURY 0.375 12/31/2025	33,000,000.00	01/27/2021 0.39%	32,971,640.63 32,995,680.67	97.26 4.12%	32,097,333.84 31,108.43	0.20% (898,346.83)	Aaa/AA+ AA+	0.75 0.73
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	50,000,000.00	-- 0.98%	48,671,874.99 49,753,112.42	96.96 4.12%	48,478,906.00 31,077.35	0.30% (1,274,206.42)	Aaa/AA+ AA+	0.84 0.82
91282CBQ3	UNITED STATES TREASURY 0.5 02/28/2026	25,000,000.00	04/12/2021 0.87%	24,554,687.50 24,916,831.71	96.79 4.12%	24,198,046.75 10,869.57	0.15% (718,784.96)	Aaa/AA+ AA+	0.91 0.89
91282CGV7	UNITED STATES TREASURY 3.75 04/15/2026	25,000,000.00	04/01/2024 4.71%	24,537,109.38 24,763,882.17	99.69 4.06%	24,921,875.00 432,692.31	0.15% 157,992.83	Aaa/AA+ AA+	1.04 0.99

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CBW0	UNITED STATES TREASURY 0.75 04/30/2026	50,000,000.00	05/26/2021 0.77%	49,945,312.50 49,988,029.51	96.54 4.05%	48,270,703.00 157,458.56	0.29% (1,717,326.51)	Aaa/AA+ AA+	1.08 1.05
91282CHB0	UNITED STATES TREASURY 3.625 05/15/2026	25,000,000.00	04/09/2024 4.72%	24,458,007.81 24,710,229.01	99.56 4.03%	24,889,648.50 342,973.07	0.15% 179,419.49	Aaa/AA+ AA+	1.12 1.07
91282CCF6	UNITED STATES TREASURY 0.75 05/31/2026	50,000,000.00	06/09/2021 0.74%	50,015,625.00 50,003,654.72	96.30 4.04%	48,148,437.50 125,686.81	0.29% (1,855,217.22)	Aaa/AA+ AA+	1.17 1.14
9128286X3	UNITED STATES TREASURY 2.125 05/31/2026	50,000,000.00	-- 1.76%	51,056,640.63 50,217,535.21	97.85 4.03%	48,923,828.00 356,112.64	0.30% (1,293,707.21)	Aaa/AA+ AA+	1.17 1.13
91282CHH7	UNITED STATES TREASURY 4.125 06/15/2026	50,000,000.00	-- 4.72%	49,380,859.38 49,659,730.18	100.15 3.99%	50,076,172.00 606,284.34	0.31% 416,441.82	Aaa/AA+ AA+	1.21 1.15
91282CKY6	UNITED STATES TREASURY 4.625 06/30/2026	25,000,000.00	01/27/2025 4.21%	25,140,625.00 25,123,283.96	100.74 4.00%	25,185,547.00 290,659.53	0.15% 62,263.04	Aaa/AA+ AA+	1.25 1.19
91282CCJ8	UNITED STATES TREASURY 0.875 06/30/2026	25,000,000.00	10/05/2021 0.94%	24,924,804.69 24,980,211.76	96.22 4.01%	24,055,664.00 54,989.64	0.15% (924,547.76)	Aaa/AA+ AA+	1.25 1.22
91282CHM6	UNITED STATES TREASURY 4.5 07/15/2026	50,000,000.00	-- 4.77%	49,712,890.63 49,836,920.96	100.63 3.99%	50,314,453.00 472,375.69	0.31% 477,532.04	Aaa/AA+ AA+	1.29 1.23
91282CCP4	UNITED STATES TREASURY 0.625 07/31/2026	100,000,000.00	-- 1.05%	98,006,835.88 99,440,241.71	95.68 3.98%	95,679,688.00 103,591.16	0.58% (3,760,553.71)	Aaa/AA+ AA+	1.33 1.30
91282CHU8	UNITED STATES TREASURY 4.375 08/15/2026	25,000,000.00	04/12/2024 4.82%	24,754,882.81 24,855,864.19	100.52 3.98%	25,129,882.75 135,963.40	0.15% 274,018.56	Aaa/AA+ AA+	1.38 1.32
9128282A7	UNITED STATES TREASURY 1.5 08/15/2026	25,000,000.00	06/16/2022 3.45%	23,105,468.75 24,375,963.08	96.71 3.98%	24,178,711.00 46,616.02	0.15% (197,252.08)	Aaa/AA+ AA+	1.38 1.34
91282CCW9	UNITED STATES TREASURY 0.75 08/31/2026	25,000,000.00	09/24/2021 0.90%	24,819,335.94 24,948,166.86	95.61 3.98%	23,902,343.75 16,304.35	0.15% (1,045,823.11)	Aaa/AA+ AA+	1.42 1.38
91282CHY0	UNITED STATES TREASURY 4.625 09/15/2026	25,000,000.00	04/10/2024 4.84%	24,877,929.69 24,926,785.34	100.94 3.95%	25,234,375.00 53,413.72	0.15% 307,589.66	Aaa/AA+ AA+	1.46 1.39
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	50,000,000.00	10/13/2021 1.05%	49,564,453.13 49,868,591.21	95.56 3.96%	47,779,297.00 1,195.36	0.29% (2,089,294.21)	Aaa/AA+ AA+	1.50 1.46
91282CJC6	UNITED STATES TREASURY 4.625 10/15/2026	25,000,000.00	04/10/2024 4.83%	24,880,859.38 24,926,982.52	100.99 3.95%	25,248,047.00 533,653.85	0.15% 321,064.48	Aaa/AA+ AA+	1.54 1.44
91282CJP7	UNITED STATES TREASURY 4.375 12/15/2026	25,000,000.00	04/12/2024 4.77%	24,755,859.38 24,843,840.24	100.70 3.94%	25,175,781.25 321,514.42	0.15% 331,941.01	Aaa/AA+ AA+	1.71 1.61
91282CEF4	UNITED STATES TREASURY 2.5 03/31/2027	50,000,000.00	01/23/2025 4.27%	48,169,921.88 48,323,961.12	97.34 3.90%	48,671,900.00 3,415.30	0.30% 347,938.88	Aaa/AA+ AA+	2.00 1.92

INVESTMENT INVENTORY – MARKET VALUE

County of San Diego Pooled Money Fund As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CEN7	UNITED STATES TREASURY 2.75 04/30/2027	25,000,000.00	01/24/2025 4.26%	24,190,429.69 24,256,097.02	97.71 3.90%	24,428,711.00 288,674.03	0.15% 172,613.98	Aaa/AA+ AA+	2.08 1.97
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	45,000,000.00	-- 4.24%	43,118,164.04 44,099,033.50	98.66 3.88%	44,395,335.00 367,645.03	0.27% 296,301.50	Aaa/AA+ AA+	2.25 2.13
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	25,000,000.00	03/03/2025 3.98%	25,012,695.31 25,012,369.79	100.29 3.89%	25,073,242.25 86,956.52	0.15% 60,872.46	Aaa/AA+ AA+	2.92 2.72
91282CHK0	UNITED STATES TREASURY 4.0 06/30/2028	145,000,000.00	-- 4.13%	144,245,507.82 144,278,175.62	100.34 3.89%	145,487,110.10 1,458,011.05	0.89% 1,208,934.48	Aaa/AA+ AA+	3.25 2.99
91282CHQ7	UNITED STATES TREASURY 4.125 07/31/2028	150,000,000.00	-- 4.29%	149,706,054.69 149,829,703.76	100.71 3.90%	151,060,546.50 1,025,552.49	0.92% 1,230,842.74	Aaa/AA+ AA+	3.33 3.07
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	197,000,000.00	-- 4.30%	195,203,984.39 195,290,492.09	100.26 3.93%	197,515,586.43 1,306,077.35	1.21% 2,225,094.34	Aaa/AA+ AA+	4.33 3.92
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	25,000,000.00	01/10/2025 4.51%	24,080,078.13 24,124,064.95	98.75 3.94%	24,686,523.50 78,804.35	0.15% 562,458.55	Aaa/AA+ AA+	4.42 4.02
91282CFL0	UNITED STATES TREASURY 3.875 09/30/2029	50,000,000.00	02/12/2025 4.50%	48,710,937.50 48,746,787.17	99.72 3.94%	49,859,400.00 5,293.72	0.30% 1,112,612.83	Aaa/AA+ AA+	4.50 4.09
91282CFT3	UNITED STATES TREASURY 4.0 10/31/2029	25,000,000.00	11/12/2024 4.33%	24,631,835.94 24,660,062.53	100.22 3.95%	25,055,664.00 419,889.50	0.15% 395,601.47	Aaa/AA+ AA+	4.59 4.08
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	25,000,000.00	01/03/2025 4.38%	24,722,656.25 24,736,507.70	100.73 3.95%	25,183,593.75 433,011.05	0.15% 447,086.05	Aaa/AA+ AA+	4.59 4.07
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	50,000,000.00	03/26/2025 4.11%	50,300,781.25 50,299,932.07	101.28 3.96%	50,640,650.00 352,209.94	0.31% 340,717.93	Aaa/AA+ AA+	4.84 4.31
Total US Treasury		2,740,000,000.00	3.34%	2,701,417,617.25 2,720,753,565.10	98.90 4.09%	2,709,177,816.47 12,321,618.86	16.54% (11,575,748.63)		1.60 1.49
Total Portfolio		16,499,099,599.70	3.80%	16,334,158,320.58 16,420,652,824.10	96.38 4.40%	16,380,539,159.08 95,341,942.58	100.00% (40,113,665.01)		1.34 1.06
Total Market Value + Accrued						16,475,881,101.66			

TRANSACTION ACTIVITY REPORT

County of San Diego Pooled Money Fund As of March 31, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	03/04/2025	91282CGP0	25,000,000.00	UNITED STATES TREASURY 4.0 02/29/2028	100.051	3.98%	(25,012,695.31)	(10,869.57)	(25,023,564.88)	0.00
Purchase	03/05/2025	3130B5FY9	25,000,000.00	FEDERAL HOME LOAN BANKS 4.225 02/28/2030	100.000	4.21%	(25,000,000.00)	0.00	(25,000,000.00)	0.00
Purchase	03/05/2025	45950KDL1	50,000,000.00	INTERNATIONAL FINANCE CORP 4.71706 08/28/2029	100.123	4.66%	(50,061,622.50)		(50,192,321.39)	0.00
Purchase	03/13/2025	4581X0ET1	50,000,000.00	INTER-AMERICAN DEVELOPMENT BANK 4.73616 03/13/2030	100.000	4.71%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	03/18/2025	91282CHK0	20,000,000.00	UNITED STATES TREASURY 4.0 06/30/2028	99.875	4.04%	(19,975,000.00)		(20,145,165.75)	0.00
Purchase	03/18/2025	91282CHK0	50,000,000.00	UNITED STATES TREASURY 4.0 06/30/2028	99.875	4.04%	(49,937,500.00)		(50,362,914.36)	0.00
Purchase	03/19/2025	63873JQL7	5,000,000.00	Natixis, New York Branch 03/20/2025	99.988	4.32%	(4,999,400.00)	0.00	(4,999,400.00)	0.00
Purchase	03/20/2025	63873JQM5	100,000,000.00	Natixis, New York Branch 03/21/2025	99.988	4.32%	(99,988,000.00)	0.00	(99,988,000.00)	0.00
Purchase	03/20/2025	459058LR2	25,000,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	99.643	4.20%	(24,910,750.00)	0.00	(24,910,750.00)	0.00
Purchase	03/20/2025	459058LR2	25,000,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	99.485	4.24%	(24,871,250.00)	0.00	(24,871,250.00)	0.00
Purchase	03/21/2025	63873JQQ6	135,000,000.00	Natixis, New York Branch 03/24/2025	99.964	4.32%	(134,951,400.00)	0.00	(134,951,400.00)	0.00
Purchase	03/24/2025	09659BQR4	175,000,000.00	BNP Paribas New York Branch 03/25/2025	99.988	4.31%	(174,979,048.61)	0.00	(174,979,048.61)	0.00
Purchase	03/24/2025	63873JQR4	100,000,000.00	Natixis, New York Branch 03/25/2025	99.988	4.32%	(99,988,000.00)	0.00	(99,988,000.00)	0.00
Purchase	03/25/2025	63873JQS2	93,000,000.00	Natixis, New York Branch 03/26/2025	99.988	4.32%	(92,988,840.00)	0.00	(92,988,840.00)	0.00
Purchase	03/25/2025	91282CLC3	50,000,000.00	UNITED STATES TREASURY 4.0 07/31/2029	99.723	4.07%	(49,861,328.13)		(50,154,145.81)	0.00

TRANSACTION ACTIVITY REPORT

County of San Diego Pooled Money Fund As of March 31, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	03/25/2025	91282CLC3	50,000,000.00	UNITED STATES TREASURY 4.0 07/31/2029	99.723	4.07%	(49,861,328.13)		(50,154,145.81)	0.00
Purchase	03/25/2025	91282CHN4	50,000,000.00	UNITED STATES TREASURY 4.75 07/31/2025	100.168	4.24%	(50,083,984.38)		(50,431,705.37)	0.00
Purchase	03/25/2025	91282CHN4	50,000,000.00	UNITED STATES TREASURY 4.75 07/31/2025	100.168	4.24%	(50,083,984.38)		(50,431,705.37)	0.00
Purchase	03/26/2025	63873JQT0	200,000,000.00	Natixis, New York Branch 03/27/2025	99.988	4.32%	(199,976,000.00)	0.00	(199,976,000.00)	0.00
Purchase	03/26/2025	06366GY78	62,000,000.00	Bank of Montreal - Chicago Branch 11/07/2025	97.332	4.37%	(60,345,805.56)	0.00	(60,345,805.56)	0.00
Purchase	03/26/2025	09659BQT0	150,000,000.00	BNP Paribas New York Branch 03/27/2025	99.988	4.31%	(149,982,041.67)	0.00	(149,982,041.67)	0.00
Purchase	03/27/2025	31424WXE7	25,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CORP 3.96 03/27/2028	100.000	3.96%	(25,000,000.00)	0.00	(25,000,000.00)	0.00
Purchase	03/27/2025	63873JQU7	165,000,000.00	Natixis, New York Branch 03/28/2025	99.988	4.32%	(164,980,200.00)	0.00	(164,980,200.00)	0.00
Purchase	03/27/2025	91282CAT8	50,000,000.00	UNITED STATES TREASURY 0.25 10/31/2025	97.699	4.21%	(48,849,609.38)	(50,759.67)	(48,900,369.05)	0.00
Purchase	03/27/2025	91282CMG3	50,000,000.00	UNITED STATES TREASURY 4.25 01/31/2030	100.602	4.11%	(50,300,781.25)		(50,623,640.37)	0.00
Purchase	03/27/2025	9128285J5	50,000,000.00	UNITED STATES TREASURY 3.0 10/31/2025	99.297	4.21%	(49,648,437.50)		(50,257,553.52)	0.00
Purchase	03/27/2025	91282CHQ7	50,000,000.00	UNITED STATES TREASURY 4.125 07/31/2028	100.367	4.01%	(50,183,593.75)		(50,496,957.01)	0.00
Purchase	03/27/2025	91282CHQ7	50,000,000.00	UNITED STATES TREASURY 4.125 07/31/2028	100.367	4.01%	(50,183,593.75)		(50,496,957.01)	0.00
Purchase	03/28/2025	63873JQX1	129,000,000.00	Natixis, New York Branch 03/31/2025	99.964	4.32%	(128,953,560.00)	0.00	(128,953,560.00)	0.00
Purchase	03/28/2025	06366GX79	50,000,000.00	Bank of Montreal - Chicago Branch 10/07/2025	97.711	4.37%	(48,855,402.78)	0.00	(48,855,402.78)	0.00
Purchase	03/31/2025	91282CAT8	50,000,000.00	UNITED STATES TREASURY 0.25 10/31/2025	97.773	4.16%	(48,886,718.75)	(52,140.88)	(48,938,859.63)	0.00
Purchase	04/01/2025	90CAMP\$00	974,228.79	CAMP	1.000	4.47%	(974,228.79)	0.00	(974,228.79)	0.00

TRANSACTION ACTIVITY REPORT

County of San Diego Pooled Money Fund As of March 31, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	04/02/2025	3136GAEP0	25,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 4.35 07/02/2029	100.000	4.35%	(25,000,000.00)	0.00	(25,000,000.00)	0.00
Purchase	04/03/2025	459058LS0	50,000,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.619 06/30/2028	100.000	4.62%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Total Purchase									(2,233,353,932.74)	0.00
TOTAL ACQUISITIONS									(2,233,353,932.74)	0.00
DISPOSITIONS										
Call Redemption	03/15/2025	64990FD43	(5,000,000.00)	NEW YORK STATE DORMITORY AUTHORITY 0.887 03/15/2025	100.000	0.89%	5,000,000.00	0.00	5,000,000.00	0.00
Call Redemption	03/15/2025	64990FM84	(30,495,000.00)	NEW YORK STATE DORMITORY AUTHORITY 1.36 03/15/2025	100.000	1.36%	30,495,000.00	0.00	30,495,000.00	0.00
Total Call Redemption			(35,495,000.00)				35,495,000.00	0.00	35,495,000.00	0.00
Maturity	03/03/2025	313385CP9	(41,000,000.00)	FEDERAL HOME LOAN BANKS 03/03/2025	100.000	4.33%	41,000,000.00	0.00	41,000,000.00	0.00
Maturity	03/03/2025	63873JQ37	(40,000,000.00)	Natixis, New York Branch 03/03/2025	100.000	4.68%	40,000,000.00	0.00	40,000,000.00	0.00
Maturity	03/04/2025	63873JQ45	(25,000,000.00)	Natixis, New York Branch 03/04/2025	100.000	4.68%	25,000,000.00	0.00	25,000,000.00	0.00
Maturity	03/05/2025	63873JQ52	(20,000,000.00)	Natixis, New York Branch 03/05/2025	100.000	4.68%	20,000,000.00	0.00	20,000,000.00	0.00
Maturity	03/07/2025	313385CT1	(87,765,000.00)	FEDERAL HOME LOAN BANKS 03/07/2025	100.000	4.38%	87,765,000.00	0.00	87,765,000.00	0.00
Maturity	03/14/2025	22536HRG6	(50,000,000.00)	Credit Agricole Corporate And Investment Bank, New 4.92 03/14/2025	100.000	4.92%	50,000,000.00	0.00	50,000,000.00	0.00
Maturity	03/19/2025	891158X54	(35,000,000.00)	Toronto-Dominion Bank - New York Branch 4.98 03/19/2025	100.000	4.98%	35,000,000.00	0.00	35,000,000.00	0.00

TRANSACTION ACTIVITY REPORT

County of San Diego Pooled Money Fund As of March 31, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Maturity	03/20/2025	63873JQL7	(5,000,000.00)	Natixis, New York Branch 03/20/2025	100.000	4.32%	5,000,000.00	0.00	5,000,000.00	0.00
Maturity	03/21/2025	63873JQM5	(100,000,000.00)	Natixis, New York Branch 03/21/2025	100.000	4.32%	100,000,000.00	0.00	100,000,000.00	0.00
Maturity	03/24/2025	63873JQQ6	(135,000,000.00)	Natixis, New York Branch 03/24/2025	100.000	4.32%	135,000,000.00	0.00	135,000,000.00	0.00
Maturity	03/25/2025	09659BQR4	(175,000,000.00)	BNP Paribas New York Branch 03/25/2025	100.000	4.31%	175,000,000.00	0.00	175,000,000.00	0.00
Maturity	03/25/2025	63873JQR4	(100,000,000.00)	Natixis, New York Branch 03/25/2025	100.000	4.32%	100,000,000.00	0.00	100,000,000.00	0.00
Maturity	03/26/2025	63873JQS2	(93,000,000.00)	Natixis, New York Branch 03/26/2025	100.000	4.32%	93,000,000.00	0.00	93,000,000.00	0.00
Maturity	03/27/2025	63873JQT0	(200,000,000.00)	Natixis, New York Branch 03/27/2025	100.000	4.32%	200,000,000.00	0.00	200,000,000.00	0.00
Maturity	03/27/2025	09659BQT0	(150,000,000.00)	BNP Paribas New York Branch 03/27/2025	100.000	4.31%	150,000,000.00	0.00	150,000,000.00	0.00
Maturity	03/28/2025	3130ARDS7	(25,000,000.00)	FEDERAL HOME LOAN BANKS 2.2 03/28/2025	100.000	2.20%	25,000,000.00	0.00	25,000,000.00	0.00
Maturity	03/28/2025	313385DQ6	(50,000,000.00)	FEDERAL HOME LOAN BANKS 03/28/2025	100.000	4.27%	50,000,000.00	0.00	50,000,000.00	0.00
Maturity	03/28/2025	63873JQU7	(165,000,000.00)	Natixis, New York Branch 03/28/2025	100.000	4.32%	165,000,000.00	0.00	165,000,000.00	0.00
Maturity	03/28/2025	22536HTV1	(200,000,000.00)	Credit Agricole Corporate And Investment Bank, New 4.59 03/28/2025	100.000	4.59%	200,000,000.00	0.00	200,000,000.00	0.00
Maturity	03/31/2025	313385DT0	(40,000,000.00)	FEDERAL HOME LOAN BANKS 03/31/2025	100.000	4.27%	40,000,000.00	0.00	40,000,000.00	0.00
Maturity	03/31/2025	63873JQX1	(129,000,000.00)	Natixis, New York Branch 03/31/2025	100.000	4.32%	129,000,000.00	0.00	129,000,000.00	0.00
Maturity	03/31/2025	912828ZF0	(15,000,000.00)	UNITED STATES TREASURY 0.5 03/31/2025	100.000	0.42%	15,000,000.00	0.00	15,000,000.00	0.00
Total Maturity							1,880,765,000.00	0.00	1,880,765,000.00	0.00
TOTAL DISPOSITIONS							1,916,260,000.00	0.00	1,916,260,000.00	0.00

CONTACT US



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