

**NEW ISSUES – BOOK-ENTRY ONLY**

**Moody's: "Aa3"**  
**(See "MISCELLANEOUS – Rating.")**

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See "TAX MATTERS."*

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**



<b>\$60,000,000*</b>	<b>\$26,285,000*</b>	<b>\$7,160,000*</b>
<b>General Obligation Bonds, Election of 2020, Series C</b>	<b>2025 General Obligation Refunding Bonds, Series A</b>	<b>2025 General Obligation Refunding Bonds, Series B</b>

**Dated: Date of Delivery**

**Due: As shown on the inside cover**

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

The Oceanside Unified School District General Obligation Bonds, Election of 2020, Series C (the "Series 2025 Bonds") are being issued by the Oceanside Unified School District (the "District") for the purpose of providing funds (i) to finance specific construction, acquisition and modernization projects approved by the voters (as described herein) and (ii) to pay costs of issuance of the Series 2025 Bonds.

The Oceanside Unified School District 2025 General Obligation Refunding Bonds, Series A (the "2025A Refunding Bonds") are being issued by the District for the purpose of providing funds (i) to refund and defease all or a portion of the District's outstanding 2015 General Obligation Refunding Bonds (the "2015 Refunding Bonds") and (ii) to pay costs of issuance of the 2025A Refunding Bonds.

The Oceanside Unified School District 2025 General Obligation Refunding Bonds, Series B (the "2025B Refunding Bonds" and, together with the 2025A Refunding Bonds, the "Refunding Bonds") are being issued by the District for the purpose of providing funds (i) to refund and defease all or a portion of the District's outstanding General Obligation Bonds, 2008 Election, Series D (the "Series 2016 Bonds" and, together with the 2015 Refunding Bonds, the "Prior Bonds") and (ii) to pay costs of issuance of the 2025B Refunding Bonds. The portion of the Prior Bonds to be refunded and defeased are herein referred to as the "Refunded Bonds."

The Series 2025 Bonds and the Refunding Bonds are herein referred to collectively as the "Bonds."

The Board of Supervisors of the County of San Diego, California (the "County") is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds, all as more fully described herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

**The Bonds are general obligation bonds of the District, secured and payable from *ad valorem* property taxes assessed on taxable properties within the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). The Bonds are not obligations of the County or of the general fund of the District. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."**

The Bonds will be issued as current interest bonds and dated the date of their delivery. The Bonds will mature in the principal amounts and will bear interest payable commencing on August 1, 2025\*, and thereafter on each February 1 and August 1 to maturity or upon earlier redemption, at the rates set forth on the inside cover pages hereof. See "THE BONDS – Payment of Principal and Interest."

Payments of principal of the Bonds will be made by the Paying Agent (initially U.S. Bank Trust Company, National Association) to The Depository Trust Company, New York, New York ("DTC"), for subsequent disbursement to DTC Participants, who will remit such payments to the Beneficial Owners (as defined in Appendix F) of the Bonds. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of a nominee of DTC. Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS – Payment of Principal and Interest" and APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

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

**See Inside Cover for  
Maturity Schedules**

*The Bonds will be offered when, as, and if issued by the District and received by the Underwriter, subject to the approval of validity by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel, and for the Underwriter by Norton Rose Fulbright US LLP, Los Angeles, California. It is anticipated that the Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about \_\_\_\_\_, 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 any such jurisdiction.

**MATURITY SCHEDULES**

**\$60,000,000\***

**OCEANSIDE UNIFIED SCHOOL DISTRICT**

**(San Diego County, California)**

**GENERAL OBLIGATION BONDS, ELECTION OF 2020, SERIES C**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield†</u>	<u>CUSIP‡ (675383)</u>
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\$ \_\_\_\_\_ % Term Bonds due August 1, 20\_\_ – Yield† \_\_\_\_\_ % – CUSIP No.‡ 675383 \_\_\_\_\_

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\* Preliminary, subject to change.

† Yields certified by the Underwriter. The District takes no responsibility for the accuracy therefor.

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**\$26,285,000\***  
**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES A**

Maturity (August 1)	Principal Amount	Interest Rate	Yield†	CUSIP‡ (675383)
------------------------	---------------------	------------------	--------	--------------------

\$ \_\_\_\_\_ % Term Bonds due August 1, 20\_\_ – Yield† \_\_\_\_\_ % – CUSIP No.‡ 675383 \_\_\_\_\_

**\$7,160,000\***  
**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES B**

Maturity (August 1)	Principal Amount	Interest Rate	Yield†	CUSIP‡ (675383)
------------------------	---------------------	------------------	--------	--------------------

\$ \_\_\_\_\_ % Term Bonds due August 1, 20\_\_ – Yield† \_\_\_\_\_ % – CUSIP No.‡ 675383 \_\_\_\_\_

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\* Preliminary, subject to change.

† Yields certified by the Underwriter. The District takes no responsibility for the accuracy therefor.

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# **OCEANSIDE UNIFIED SCHOOL DISTRICT**

## **Board of Education**

Stacy Begin  
*President*

Raquel Alvarez  
*Vice President*

Mike Blessing  
*Clerk*

Eleanor Juanita Evans  
*Member*

Nancy Licona  
*Member*

## **District Administration**

Dr. Julie A. Vitale  
*Superintendent*

Dr. Andrea Norman\*  
*Associate Superintendent of Business Services*

Dr. Todd McAteer\*  
*Associate Superintendent of Human Resources*

Dr. Mercedes Lovie  
*Associate Superintendent of Educational Support Services*

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## **Bond Counsel and Disclosure Counsel**

Orrick, Herrington & Sutcliffe LLP  
*San Francisco, California*

## **Municipal Advisor**

KNN Public Finance, LLC  
*Berkeley, California*

## **Paying Agent and Escrow Agent**

U.S. Bank Trust Company, National Association  
*Los Angeles, California*

## **Verification Agent**

Causey Public Finance, LLC  
*Denver, Colorado*

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\* On May 20, 2025, the Board of Education accepted the resignation of Dr. Andrea Norman as the Associate Superintendent of Business Services and appointed Dr. Todd McAteer to serve in that role, beginning on June 16, 2025. Elizabeth Blackman, Ed.D. has been appointed to serve as the new Associate Superintendent of Human Resources, beginning on June 16, 2025.

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Bonds are exempted from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The Underwriter listed on the cover page hereof (the "Underwriter") have provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their respective 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.

Certain statements contained in this Official Statement reflect not historical facts but forecasts and "forward-looking statements." In this respect, the words "estimate," "project," "anticipate," "expect," "intend," "believe," and similar expressions are intended to identify forward-looking statements. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements are expressly qualified in their entirety by the foregoing and the other cautionary statements set forth in this Official Statement.

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

**In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the cover page hereof and said public offering prices may be changed from time to time by the Underwriter.**

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**OCEANSIDE UNIFIED SCHOOL DISTRICT  
(San Diego County, California)**

**\$60,000,000\***  
**General Obligation Bonds,**  
**Election of 2020, Series C**

**\$26,285,000\***  
**2025 General Obligation**  
**Refunding Bonds, Series A**

**\$7,160,000\***  
**2025 General Obligation**  
**Refunding Bonds, Series B**

**INTRODUCTION**

This Official Statement, which includes the cover page and appendices hereto, is provided to furnish information in connection with the sale of the Oceanside Unified School District General Obligation Bonds, Election of 2020, Series C (the “Series 2025 Bonds”), the Oceanside Unified School District 2025 General Obligation Refunding Bonds, Series A (the “2025A Refunding Bonds”) and the Oceanside Unified School District 2025 General Obligation Refunding Bonds, Series B (the “2025B Refunding Bonds” and, together with the 2025A Refunding Bonds, the “Refunding Bonds”). The Series 2025 Bonds and the Refunding Bonds are herein referred to collectively as the “Bonds.”

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Except as set forth in the Continuing Disclosure Certificate to be executed by the Oceanside Unified School District (the “District”), the District has no obligation to update the information in this Official Statement. See “OTHER LEGAL MATTERS – Continuing Disclosure.”

The Series 2025 Bonds are being issued pursuant to a resolution of the District adopted on June 10, 2025 (the “Series 2025 District Resolution”) and a paying agent agreement (the “Series 2025 Paying Agent Agreement”), dated as of July 1, 2025, by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”).

The Refunding Bonds are being issued pursuant to a resolution of the District adopted on June 10, 2025 (the “Refunding District Resolution” and, together with the Series 2025 Resolution, the “District Resolutions”) and a paying agent agreement (the “Refunding Paying Agent Agreement” and, together with the Series 2025 Paying Agent Agreement, the “Paying Agent Agreements”), dated as of July 1, 2025, by and between the District and the Paying Agent.

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the District Resolutions and the Paying Agent Agreements providing for the issuance of the Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof. 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.

Copies of documents referred to herein and information concerning the Bonds are available from the District upon request to the Superintendent, Oceanside Unified School District, 2111 Mission Avenue, Oceanside, California 92058. The District may impose a charge for copying, handling and mailing such requested documents.

**The District**

The District, a school district of the State, was established in 1970. It encompasses an area of about 63.5 square miles and is primarily located in the City of Oceanside but includes portions of unincorporated areas, including part of Marine Corps Base-Camp Pendleton, in the County of San Diego (the “County”). The District currently operates eleven elementary schools, three schools serving kindergarten through eighth grade, four middle schools, two comprehensive high schools, one alternative education high school and one adult transition program. The District closed E. G. Garrison Elementary School at the end of the 2019-20 school year, and expects to sell the facilities by

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\* Preliminary, subject to change.

the end of 2025. The Average Daily Attendance (“A.D.A.”) of the District’s students is estimated to be 14,475.0 students in fiscal year 2024-25 and is budgeted to be 13,878.5 students in fiscal year 2025-26.

Taxable property in the District has a fiscal year 2024-25 assessed value of approximately \$23.8 billion. For fiscal year 2025-26, the District has budgeted the employment of 867 full-time equivalent (“FTE”) certificated employees (teaching staff), 702 FTE classified employees and 104 FTE management, supervisory and confidential personnel. The District operates under the jurisdiction of the San Diego County Superintendent of Schools.

As of June 1, 2025, the District has \$60,000,000 remaining voter-approved authorization under its November 3, 2020 election authorization (the “2020 Authorization”) prior to the issuance of the Bonds. See APPENDIX A – “INFORMATION RELATING TO THE DISTRICT – DISTRICT FINANCIAL MATTERS – District Debt Structure.”

The District is governed by a Board of Education consisting of five members (the “Board” or the “Board of Education”). The members of the Board are elected at-large to four-year terms in staggered years. Elections for positions to the Board are held every two years, alternating between two and three available positions. The day-to-day operations are managed by a Board-appointed Superintendent. The current Superintendent is Dr. Julie Vitale.

The District is a Local Control Funding Formula (“LCFF”) district, which means that it receives some financial support from the State of California (the “State”). For additional information about the District’s operations and finances, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT” and APPENDIX B – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024.”

## THE BONDS

### Authority for Issuance; Purpose

**Series 2025 Bonds.** The Series 2025 Bonds described herein are authorized to be issued pursuant to the Constitution and laws of the State, including the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the “Government Code”), and other applicable provisions of law, including applicable provisions of the Education Code of the State (the “Education Code”). The Series 2025 Bonds are authorized by the Series 2025 District Resolution adopted by the Board of Education on June 10, 2025 and are being issued pursuant to the Series 2025 Paying Agent Agreement, dated as of July 1, 2025, by and between the District and the Paying Agent.

The District received authorization to issue bonds of the District in an aggregate principal amount not to exceed \$160,000,000 to finance specific school facility construction, repair and improvement projects pursuant to the 2020 Authorization. The measure required approval by at least 55% of the votes cast by eligible voters within the District and received an approval vote of approximately 61.2%. Proceeds from the Series 2025 Bonds are expected to be used (i) to finance specific construction, acquisition and modernization projects approved by the voters of the District, and (ii) to pay costs of issuance of the Series 2025 Bonds. See “PLAN OF FINANCE.”

**Refunding Bonds.** The Refunding Bonds described herein are authorized to be issued pursuant to the Constitution and laws of the State, including the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code, the Refunding District Resolution adopted by the Board of Education on June 10, 2025 and the Refunding Paying Agent Agreement, dated as of July 1, 2025, by and between the District and the Paying Agent. The Government Code permits the issuance of bonds payable from *ad valorem* property taxes without a vote of the electors solely in order to refund other outstanding bonds, provided that the total debt service to maturity on the refunding bonds does not exceed the total debt service to maturity on the bonds being refunded.

Proceeds of the 2025A Refunding Bonds will be applied (i) to defease and refund all or a portion of the District’s outstanding 2015 General Obligation Refunding Bonds (the “2015 Refunding Bonds”), and (ii) to pay costs of issuance of the 2025A Refunding Bonds. Proceeds of the 2025B Refunding Bonds will be applied (i) to defease and refund all or a portion of the District’s outstanding General Obligation Bonds, 2008 Election, Series D (the “Series 2016 Bonds” and, together with the 2015 Refunding Bonds, the “Prior Bonds”), and (ii) to pay costs of issuance of



the 2025B Refunding Bonds. See “PLAN OF REFUNDING.” Such portion of the Prior Bonds to be refunded is collectively referred to herein as the “Refunded Bonds.” The 2015 Refunding Bonds were issued pursuant to the District’s March 7, 2000 voter-approved election authorization (the “2000 Authorization”), and the District’s June 3, 2008 voter-approved election authorization (the “2008 Authorization”), and the Series 2016 Bonds were issued pursuant to the 2008 Authorization.

### **Form and Registration**

The Bonds will be issued in fully registered book-entry form only, in denominations of \$5,000 or any integral multiple thereof. The Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchases of Bonds under the DTC system must be made by or through a DTC participant, and ownership interests in Bonds or any transfer thereof will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Bonds, beneficial owners will not receive physical certificates representing their ownership interests. See APPENDIX F – “BOOK-ENTRY ONLY SYSTEM.”

### **Payment of Principal and Interest**

The Bonds will be issued as current interest bonds, and shall be dated as of their date of delivery. The Bonds will mature in the amounts and on the dates, in each of the years as set forth on the inside front cover page hereof. The Bonds will bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on August 1, 2025\*, and on February 1 and August 1 of each year thereafter (each, an “Interest Payment Date”), computed on the basis of a 360-day year consisting of twelve 30-day months. Each of the Bonds shall bear interest (payable to the owner thereof) from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15<sup>th</sup> day of the calendar month immediately preceding an Interest Payment Date (the “Record Date”) and on or prior to the succeeding Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any of the Bonds, interest is in default on any outstanding Bonds, such Bonds shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Bonds.

### **Redemption\***

***Optional Redemption of Series 2025 Bonds.*** The Series 2025 Bonds maturing on or before August 1, 20\_\_, are not subject to redemption prior to their stated maturity date. The Series 2025 Bonds maturing on and after August 1, 20\_\_, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20\_\_, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued thereon to the date of redemption, without premium.

***Optional Redemption of Refunding Bonds.*** The Refunding Bonds maturing on or before August 1, 20\_\_, are not subject to redemption prior to their stated maturity date. The Refunding Bonds maturing on and after August 1, 20\_\_, shall be subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20\_\_, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued thereon to the date of redemption, without premium.

***Mandatory Sinking Fund Redemption.*** The \$\_\_\_\_\_ Term Series 2025 Bond maturing on August 1, 20\_\_, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

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\* Preliminary, subject to change.

<u>Mandatory Sinking Fund Redemption Date (August 1)</u>	<u>Principal Amount To be Redeemed</u>
†	
† Maturity.	

The \$\_\_\_\_\_ Term 2025A Refunding Bond maturing on August 1, 20\_\_, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

<u>Mandatory Sinking Fund Redemption Date (August 1)</u>	<u>Principal Amount To be Redeemed</u>
†	
† Maturity.	

The \$\_\_\_\_\_ Term 2025B Refunding Bond maturing on August 1, 20\_\_, is also subject to mandatory sinking fund redemption on each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption:

<u>Mandatory Sinking Fund Redemption Date (August 1)</u>	<u>Principal Amount To be Redeemed</u>
†	
† Maturity.	

The principal amount to be redeemed in each year shown in the tables above will be reduced proportionately, in integral multiples of \$5,000, by the amount of such Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

***Selection of Bonds for Redemption.*** If less than all of the Bonds are called for redemption, such Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District, and if less than all of the Bonds of any given maturity are called for redemption, the portions of such bonds of a given maturity to be redeemed will be determined by lot (or as otherwise set forth in such bond purchase agreement or by DTC procedures).

***Notice of Redemption.*** Notice of redemption of the Bonds is required to be given by the Paying Agent, not less than 20 nor more than 60 days prior to the date fixed for redemption (i) by first class mail to the respective Owners of Bonds designated for redemption at the addresses appearing on the bond registration books of the Paying Agent, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate. See APPENDIX D – “PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the affected Bonds and the date of issue of the Bonds; (iii) the date fixed for redemption; (iv) the redemption price; (v) the dates of maturity of the Bonds to be redeemed; (vi) if less than all of the then outstanding Bonds are to be redeemed, the distinctive serial numbers of the Bonds of each maturity to be redeemed; (vii) in the case of Bonds redeemed in part only, the respective portions of the principal amount of the Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Bonds to be redeemed; (ix) a statement that such Bonds must be

surrendered by the Owners at the office of the Paying Agent designated by the Paying Agent for such purpose; (x) notice that further interest on such Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. The actual receipt by the Owner of any Bond of notice of such redemption will not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, will not affect the validity of the proceedings for the redemption of such Bonds or the cessation of interest on the date fixed for redemption.

***Effect of Notice of Redemption.*** When notice of redemption has been given substantially as provided for in the respective Paying Agent Agreement, and when the amount necessary for the payment of the redemption price of the Bonds called for redemption is set aside for such purpose, the Bonds designated for redemption shall become due and payable on the date fixed for redemption and interest will cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Bonds at the place specified in the notice of redemption, such Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of Bonds so called for redemption after such date fixed for redemption shall look for the payment of such Bonds and the redemption premium thereon, if any, only to moneys on deposit in the interest and sinking fund of the District (the "Interest and Sinking Fund") or the escrow fund established for such purpose. All Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

***Conditional Notice.*** Any notice of optional redemption of the Bonds delivered in accordance with the respective Paying Agent Agreement may be conditioned on any fact or circumstance stated therein, and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, (i) said notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds, (iii) the redemption shall be cancelled, and (iv) the Paying Agent within a reasonable time thereafter give notice to the persons and in the manner in which the conditional notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the Owner of any Bond of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

***Rescission of Notice of Redemption.*** The District may rescind any optional redemption and notice thereof for any reason on any date on or prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

## **Defeasance of Bonds**

The District may pay and discharge any or all of the Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or Defeasance Securities (as defined below) in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient in the opinion of a certified public accountant licensed to practice in the State to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums, if any) at or before their respective maturity dates.

If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all outstanding Bonds all of the principal, interest and premium, if any, represented by such Bonds when due, or as described in the respective Paying Agent Agreement, or as otherwise provided by law, then such Owners shall cease to be entitled to the obligation of the County to levy and collect taxes to pay the Bonds as described in the respective Paying Agent Agreement, and such obligation and all agreements and covenants of the District to such Owners under the respective Paying Agent Agreement and under the Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Bonds, but only out of moneys on deposit in the Interest and Sinking Fund or otherwise held in

trust for such payment, provided, that the unclaimed moneys provisions described in the respective Paying Agent Agreement shall apply in all events.

Any outstanding Bond shall prior to the maturity date thereof be deemed to have been paid within the meaning of and with the effect expressed in the respective District Resolution (i) there shall have been deposited with the Paying Agent (or an escrow agent) either (A) money in an amount which shall be sufficient, or (B) Defeasance Securities, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which shall be sufficient to pay when due the principal of, premium, if any, and interest on such Bond, and (ii) in the event such Bond is not by its terms subject to redemption within the next succeeding 60 days, the District shall have given the Paying Agent in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Owners of such Bond that the deposit required by clause (i) above has been made and that such Bond is deemed to have been paid in accordance with the respective District Resolution and stating the maturity date upon which money is to be available for the payment of the principal of, premium, if any, and interest on such Bond.

No Bond shall be deemed to have been paid pursuant to clause (i)(B) above unless the District shall have caused to be delivered (i) an executed copy of a verification report with respect to such deemed payment, addressed to the District and the Paying Agent, in form and in substance acceptable to the District and the Paying Agent, and (ii) a copy of the direction or the escrow agreement entered into in connection with the deposit pursuant to clause (i)(B) above resulting in such deemed payment, which direction or escrow agreement shall provide that no substitution of Defeasance Securities shall be permitted except with other Defeasance Securities and upon delivery of a new verification report, and no reinvestment of Defeasance Securities shall be permitted except as contemplated by the original verification report or upon delivery of a new verification report.

The "Defeasance Securities" agreed to by the District for the Bonds is as follows: (i) direct, non-callable obligations of the United States Treasury; (ii) direct non-callable and non-prepayable obligations which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest; (iii) non-callable, non-prepayable coupons from the above securities which are stripped pursuant to United States Treasury programs; (iv) non-callable and non-prepayable (or irrevocably called to a specified redemption date) refunded municipal bonds that are backed by an escrow funded with obligations of or guaranteed by the United States of America; (v) Resolution Funding Corporation (REFCORP) securities consisting of interest components stripped by the Federal Reserve Bank of New York; (vi) United States State and Local Government Securities (SLGS); and (vii) the following non-callable, non-prepayable obligations of federal government-sponsored agencies that are not backed by the full faith and credit of the U.S. Government: Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Farm Credit System, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration (provided such entities maintain a rating at the same level as obligations of the United States Treasury).

### **Unclaimed Moneys**

Any money held in any fund created pursuant to the Paying Agent Agreements, or held by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on any Bonds or the Refunded Bonds and remaining unclaimed for two years after the principal of all of the Bonds or the Refunded Bonds has become due and payable (whether by maturity or upon prior redemption), shall be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from said fund, or, if no such bonds of the District are at such time outstanding, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

## **PLAN OF FINANCE**

The District received authorization under the 2020 Authorization to issue general obligation bonds in an amount not to exceed \$160,000,000 to upgrade classrooms for science, technology, engineering, arts, math instruction; address school earthquake, fire, health and safety standards; modernize computers and technology; and repair or replace deteriorating roofs, plumbing, electrical, heating and cooling systems. The Series 2025 Bonds are the third issuance of general obligation bonds of the District under the 2020 Authorization.

A portion of the proceeds from the Series 2025 Bonds, exclusive of any premium and accrued interest received, if any, will be deposited in the County treasury to the credit of the building fund of the District (the "Building Fund"). Any premium or accrued interest received will be deposited in the Interest and Sinking Fund in the County treasury. Earnings on the investment of moneys in either fund will be retained in that fund and used only for the purposes to which that fund may lawfully be applied. Moneys in the Building Fund may only be applied for the purposes for which the Series 2025 Bonds were approved. Moneys in the Interest and Sinking Fund may only be applied to make payments of interest, principal, and premium, if any, on bonds of the District. Amounts deposited into the Interest and Sinking Fund, as well as proceeds of taxes held therein for payment of the Series 2025 Bonds, will be invested at the sole discretion of the Treasurer-Tax Collector of the County (the "County Treasurer") pursuant to law and the County's investment policy. See APPENDIX E – "SAN DIEGO COUNTY INVESTMENT POOL." A portion of the proceeds of the Series 2025 Bonds will be deposited with the Paying Agent in a costs of issuance account and used to pay costs associated with the issuance of the Series 2025 Bonds.

## **PLAN OF REFUNDING**

A portion of the proceeds from the sale of the Refunding Bonds will be deposited in an escrow fund (the "Escrow Fund") to be created and maintained by U.S. Bank Trust Company, National Association, acting as escrow agent (the "Escrow Bank") under that certain Escrow Agreement, dated as of July 1, 2025 (the "Escrow Agreement"), by and between the District and the Escrow Bank. Moneys in the Escrow Fund will be invested in cash or United States government obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, and applied to pay all principal of, redemption premium and interest on the Refunded Bonds on and prior to the date designated for their redemption as set forth below. See "ESCROW VERIFICATION."

A portion of the proceeds of the Refunding Bonds will be deposited with the Paying Agent, in a costs of issuance account and used to pay costs associated with the issuance of the Refunding Bonds and the refunding of the Refunded Bonds. Any proceeds of sale of the Refunding Bonds not needed to fund the Escrow Fund or pay for costs of issuance will be transferred to the County Treasurer for deposit in the District's Interest and Sinking Fund, and applied only for payment of principal of and interest on outstanding bonds of the District. Amounts deposited into the Interest and Sinking Fund, as well as proceeds of taxes held therein for payment of the Refunding Bonds, will be invested at the sole discretion of the County Treasurer pursuant to law and the investment policy of the County. See APPENDIX E – "SAN DIEGO COUNTY INVESTMENT POOL."

Causey Public Finance, LLC, a certified public accountant licensed to practice within the State, acting as verification agent (the "Verification Agent") with respect to the Escrow Fund, will verify the mathematical accuracy of the computations relating to the sufficiency of the moneys proposed to be deposited and invested in the Escrow Fund, together with earnings thereon and any uninvested money, for the payment of interest on the Bonds to the respective redemption dates of the Refunded Bonds, and the redemption prices of the Refunded Bonds on such redemption dates.

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The Refunded Bonds to be refunded by the Refunding Bonds are as follows\*:

**Oceanside Unified School District  
2015 General Obligation Refunding Bonds  
Redemption Date: \_\_\_\_\_, 2025\***

<b>Maturity Date (August 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP No.<sup>†</sup> (675383)</b>
2029	\$ 995,000	5.000%	MX8
2030	2,275,000	5.000	MY6
2031	2,390,000	5.000	MZ3
2032	2,505,000	5.000	NA7
2033	2,625,000	5.000	NB5
2034	2,760,000	5.000	NC3
2035	1,340,000	3.500	ND1
2048 <sup>‡</sup>	13,375,000	5.000	NE9
2051 <sup>‡</sup>	12,715,000	4.000	NF6

<sup>‡</sup> Term Bonds

**Oceanside Unified School District  
General Obligation Bonds, 2008 Election, Series D  
Redemption Date: \_\_\_\_\_, 2025\***

<b>Maturity Date (August 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP No.<sup>†</sup> (675383)</b>
2026	\$ 945,000	5.000%	PK3
2027	1,095,000	5.000	PL1
2028	1,340,000	5.000	PM9
2029	1,795,000	5.000	PN7
2030	2,150,000	4.000	PP2
2031	2,510,000	3.000	PQ0
2032	1,590,000	3.000	PR8
2033	760,000	3.000	PS6
2034	3,565,000	3.000	PT4
2035	2,395,000	3.000	PU1
2036	1,045,000	3.000	PV9
2041 <sup>‡</sup>	8,005,000	4.000	PW7
2045 <sup>‡</sup>	2,555,000	4.000	PX5

<sup>‡</sup> Term Bonds

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\* Preliminary, subject to change.

<sup>†</sup> CUSIP numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assumes any responsibility for the accuracy of such numbers.

## ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Bonds are expected to be applied as shown in the following table:

Sources of Funds:

	Series 2025 Bonds	2025A Refunding Bonds	2025B Refunding Bonds	Total
Principal Amount of Bonds				
[Net] Original Issue				
[Premium/Discount]				
Total Sources				

Uses of Funds:

Deposit to Building Fund				
Deposit to Interest and Sinking Fund				
Deposit to Escrow Fund				
Underwriter's Discount				
Costs of Issuance <sup>(1)</sup>				
Total Uses				

<sup>(1)</sup> Includes fees for the municipal advisor, Bond Counsel, Disclosure Counsel, rating agency, Paying Agent, Escrow Bank, Verification Agent, printing, and other miscellaneous expenses.

## DEBT SERVICE

### Semi-Annual Debt Service

Upon issuance of the Bonds, the semi-annual debt service on the Bonds, assuming no early redemptions, will be as follows:

Date	Series 2025 Bonds		2025A Refunding Bonds		2025B Refunding Bonds		Semi-Annual Debt Service	Total Annual Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest		
8/1/2025								
2/1/2026								
8/1/2026								
2/1/2027								
8/1/2027								
2/1/2028								
8/1/2028								
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2/1/2051								
8/1/2051								
2/1/2052								
8/1/2052								
2/1/2053								
8/1/2053								
TOTAL								



### Aggregate Annual Debt Service

The following table summarizes the annual aggregate debt service requirements of all outstanding general obligation bonds of the District assuming no early redemptions.

Year ending (August 1)	Outstanding General Obligation Bonds*	Series 2025 Bonds	2024A Refunding Bonds	2024B Refunding Bonds	Combined Annual Debt Service of All Outstanding General Obligation Bonds
2025	\$27,481,121.00				
2026	28,315,339.00				
2027	25,922,000.50				
2028	27,348,590.50				
2029	25,285,919.50				
2030	26,106,722.50				
2031	27,277,852.50				
2032	26,745,312.50				
2033	26,135,162.50				
2034	24,783,862.50				
2035	24,523,012.50				
2036	23,806,212.50				
2037	24,492,262.50				
2038	25,195,362.50				
2039	25,919,412.50				
2040	26,813,512.50				
2041	27,639,462.50				
2042	22,100,470.50				
2043	22,487,062.50				
2044	22,972,608.80				
2045	23,397,992.60				
2046	20,885,616.00				
2047	22,118,662.50				
2048	23,466,350.00				
2049	18,772,562.50				
2050	9,463,087.50				
2051	10,966,306.26				
2052	-				
2053	-				
TOTAL	\$640,421,839.66				

\* Includes debt service on the Refunded Bonds to be refunded.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **General**

In order to provide sufficient funds for payment of principal and interest on the Bonds when due, the Board of Supervisors of the County is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District, including the countywide tax of 1% of assessed value. When collected, the tax revenues levied to pay the Bonds will be deposited by the County Treasurer in the Interest and Sinking Fund, which is required by law to be maintained by the County and to be used solely for the payment of bonds of the District.

### **Pledge of and Lien on Tax Revenues**

Pursuant to the District Resolutions, the District pledges, and grants a lien on and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors of the County with respect to each voter-approved bond measure of the District for the payment of District Bonds issued under such bond measure and all amounts on deposit in any interest and sinking fund of the District related to such bond measure with respect to the District Bonds of such bond measure, in order to secure the payment of the principal or redemption price of and interest on such District Bonds. This pledge and grant is valid and binding from the date of the District Resolutions for the benefit of the owners of the District Bonds and successors thereto. The property taxes and amounts held in any interest and sinking fund of the District shall be immediately subject to this pledge and grant, and the pledge and grant constitutes a lien and security interest which immediately attaches to (i) the property taxes theretofore and thereafter collected and (ii) the amounts held in any interest and sinking fund of the District. The pledge and grant shall secure the payment of District Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge or grant and without the need of any physical delivery, recordation, filing, or further act. The pledge and grant is an agreement between the District and the owners of District Bonds to provide security for the District Bonds in addition to any statutory lien that may exist, and the District Bonds secured by the pledge and grant are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

As used herein, "District Bonds" means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District pursuant to the 2000 Authorization, the 2008 Authorization, and the 2020 Authorization.

### **Statutory Lien on Taxes (Senate Bill 222)**

Pursuant to Section 53515 of the Government Code of the State (which became effective on January 1, 2016), all general obligation bonds issued by local agencies, including refunding bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. Section 53515 provides that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Section 53515 further provides that the revenues received pursuant to the levy and collection of the tax will be immediately subject to the lien, and the lien will immediately attach to the revenues and be effective, binding and enforceable against the local agency, its successor, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

### **Property Taxation System**

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts levy property taxes for payment of voter-approved bonds and receive property taxes for general operating purposes as well.

Local property taxation in the State is the responsibility of various county officers. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding general obligation bonds in each year, the county

auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes. In addition, the county treasurer-tax collector, as *ex officio* treasurer of each school district located in the county, holds and invests school district funds, including taxes collected for payment of school general obligation bonds, and is charged with payment of principal and interest on such bonds when due. Taxes on property in a school district whose boundaries extend into more than one county are administered separately by the county in which the property is located. The State Board of Equalization also assesses certain special classes of property, as described later in this section.

### **Assessed Valuation of Property Within the District**

All property (real, personal and intangible) is taxable unless an exemption is granted by the State Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific, and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See “– *Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” below.

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

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

The greater the assessed value of taxable property in the District, the lower the tax rate necessary to generate taxes sufficient to pay scheduled debt service on the Bonds. The following table sets forth the recent history of taxable property assessed valuation in the District.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**Summary of Taxable Assessed Valuation**  
**Fiscal Years 2015-16 to 2024-25**

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>% Change</u>
2015-16	\$13,170,587,322	--	\$330,095,636	\$13,500,682,958	-
2016-17	14,062,224,463	--	357,563,500	14,419,787,963	6.81%
2017-18	15,073,592,388	--	429,294,485	15,502,886,873	7.51
2018-19	16,090,730,286	--	443,167,340	16,533,897,626	6.65
2019-20	17,085,202,479	--	454,176,772	17,539,379,251	6.08
2020-21	18,104,734,780	--	480,701,424	18,585,436,204	5.96
2021-22	18,971,569,926	--	434,139,660	19,405,709,586	4.41
2022-23	20,477,382,655	--	497,399,668	20,974,782,323	8.09
2023-24	21,744,055,610	--	605,697,605	22,349,753,215	6.56
2024-25	23,098,488,448	--	668,687,044	23,767,175,492	6.34

*Source:* California Municipal Statistics, Inc.

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

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

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

***Assembly Bill 102.*** On June 27, 2017, the Governor signed into law Assembly Bill 102 ("AB 102"). AB 102 restructures the functions of the State Board of Equalization and creates two new agencies: (a) the California Department

of Tax and Fee Administration (the “Tax Administration Department”) and (b) the Office of Tax Appeals. Under AB 102, the Tax Administration Department will take over programs previously in the State Board of Equalization’s Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the State Board of Equalization will continue to perform the duties assigned by the State Constitution related to property taxes, however, beginning January 1, 2018, the State Board of Equalization only hears appeals related to the programs that it constitutionally administers and the Office of Tax Appeals hears appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Offices of Tax Appeals to adopt regulations as necessary to carry out its duties, powers and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the District.

In addition, Article XIII A of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See APPENDIX A – “INFORMATION RELATING TO THE DISTRICT – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues” for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

***Risk of Decline in Property Values.*** Property values could be reduced by factors beyond the District’s control, including an earthquake, or a depressed real estate market due to general economic conditions in the County, the region, and the State. Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, drought, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable, or religious purposes). Lower assessed values could necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional bonds in the future might also cause the tax rate to increase.

***Risk of Sea Level Changes and Flooding.*** In May 2009, the California Climate Change Center released a final paper, for informational purposes only, which was funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation and the California Ocean Protection Council. The title of the paper is “The Impacts of Sea-Level Rise on the California Coast.” The paper posits that increases in sea level will be a significant consequence of climate change over the next century. The paper evaluated the population, infrastructure, and property at risk from projected sea-level rise if no actions are taken to protect the coast. The paper concluded that significant property in the State is at risk of flooding as a result of a 1.4 meter sea level rise. The paper further estimates that the replacement value of this property totals nearly \$100 billion (in year 2000 dollars). The District may be particularly vulnerable to impacts associated with sea-level rise due to extensive development on its coastline. A wide range of critical infrastructure, such as roads, airports, hospitals, schools, emergency facilities, wastewater treatment plants, power plants, and wetlands is also vulnerable. Continued development in vulnerable areas will put additional assets at risk and raise protection costs.

The District is unable to predict whether sea-level rise or other impacts of climate change or flooding from a major storm will occur, when they may occur, and if any such events occur, whether they will have a material adverse effect on the financial condition of the District and the local economy.

***Drought.*** In recent years the State has experienced severe drought conditions. In January 2014, the Governor declared a Statewide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California State Water Resources Control Board (the “State Water Board”) subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures.

On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in California, as primary natural disaster areas due to drought. On April 21, 2021, the Governor issued a drought emergency proclamation (the “April Drought Proclamation”) which applied to two counties within the State. On May 10, 2021, the Governor declared a State of Emergency due to the State facing serious water shortfalls, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, significantly expanding the April Drought Proclamation to 41 counties within the State. On July 8, 2021, the Governor expanded the declaration further to include an additional nine counties in the State. On October 19, 2021, the Governor extended the declaration to include the remaining counties such that the drought state of emergency was then in effect Statewide. However, increased rainfall in late 2022 and early 2023 led to the rescission of certain of these restrictions, including in the County, as described in the following section “– 2022-23 Winter Storms.”

It is not possible for the District to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the boundaries of the District or the extent to which drought conditions may impact District facilities or the assessed value of taxable property within the District.

**2022-23 Winter Storms.** The State experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2022 and early 2023, which impacted communities across the State (the “2022-23 Winter Storms”). The increased rainfall caused by the 2022-23 Winter Storms has eased drought conditions across the State considerably. Accordingly, in March 2023, the Governor rescinded some of the State’s drought restrictions, including restrictions in the County. In addition, in January 2023, the Governor announced an extension of its tax filing deadline for residents and businesses in counties which were impacted by the 2022-23 Winter Storms and the resulting mudslides and flooding (the “2023 Winter Storm Tax Extension”). Most counties in the State were included in the 2023 Winter Storm Tax Extension, such that certain individual and business tax payments which would have typically been due at various times between January and September 2023 were then due on October 16, 2023.

**2023-24 Winter Storms.** Portions of the State experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2023 and early 2024, which impacted communities within the State (the “2023-24 Winter Storms”). In particular, portions of the County experienced severe storms and flooding. In February 2024, the Franchise Tax Board announced an extension of its tax filing deadline for residents and businesses in the County.

It is not possible for the District to make any representation regarding the extent to which the 2022-23 Winter Storms, the 2023-24 Winter Storms or any future winter storms, or related increased rainfall, mudslides or flooding conditions, could cause reduced economic activity within the boundaries of the District or the extent to which such conditions may impact District facilities or the assessed value of taxable property within the District.

**Wildfire.** In recent years, portions of California, including the County and adjacent counties, have experienced wildfires that have burned millions of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of property in the District. It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact the value of taxable property within the District.

**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. See “– Drought” “– Risk of Sea Level Changes and Flooding,” “– Wildfire,” “– 2022-23 Winter Storms,” and “– 2023-24 Winter Storms” above. 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 predict when or if adverse impacts of climate change will occur or the extent of such impacts.

**Bonding Capacity.** The District may not issue bonds in excess of 2.5% of the assessed valuation of taxable property within its boundaries. The District's gross bonding capacity is estimated at approximately \$594.2 million, and its net bonding capacity is approximately \$278.4 million, prior to the issuance of the Bonds. Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

**Assessed Valuation by Jurisdiction.** The following table provides a distribution of taxable property located in the District by jurisdiction.

**OCEANSIDE UNIFIED SCHOOL DISTRICT  
(San Diego County, California)  
2024-25 Assessed Valuation by Jurisdiction**

<u>Jurisdiction:</u>	<u>Assessed Valuation in District</u>	<u>% of District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in District</u>
City of Carlsbad	\$773,812	0.00%	\$45,453,018,967	0.00%
City of Oceanside	23,723,030,451	99.81	33,637,333,013	70.53
Unincorporated San Diego County	<u>43,371,229</u>	<u>0.18</u>	103,742,600,350	0.04
Total District	\$23,767,175,492	100.00%		
San Diego County	\$23,767,175,492	100.00%	\$741,281,955,804	3.21%

*Source:* California Municipal Statistics, Inc.

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**Assessed Valuation by Land Use.** The following table gives a distribution of taxable property located in the District by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use in fiscal year 2024-25. Single-family residential properties comprise 49.49% of the assessed value of property in the District.

**OCEANSIDE UNIFIED SCHOOL DISTRICT  
(San Diego County, California)  
2024-25 Assessed Valuation and Parcels by Land Use**

	2024-25 <u>Assessed Valuation<sup>(1)</sup></u>	% of <u>Total</u>	No. of <u>Parcels</u>	% of <u>Total</u>
<b>Non-Residential:</b>				
Agricultural	\$3,625,797	0.02%	8	0.02%
Commercial	2,547,548,176	11.03	970	2.23
Vacant Commercial	146,904,036	0.64	113	0.26
Industrial	1,784,133,122	7.72	430	0.99
Vacant Industrial	95,491,878	0.41	60	0.14
Recreational/Marina	110,305,403	0.48	923	2.13
Government/Social/Institutional	27,749,690	0.12	92	0.21
Miscellaneous	<u>2,195,823</u>	<u>0.01</u>	<u>58</u>	<u>0.13</u>
Subtotal Non-Residential	\$4,717,953,925	20.43%	2,654	6.11%
<b>Residential:</b>				
Single Family Residence	\$11,432,035,550	49.49%	24,262	55.90%
Condominium/Townhouse	3,716,603,421	16.09	8,124	18.72
Timeshare	78,917,499	0.34	4,133	9.52
Mobile Home	192,170,468	0.83	1,554	3.58
Mobile Home Park	143,609,292	0.62	35	0.08
2-4 Residential Units	773,430,849	3.35	970	2.23
5+ Residential Units/Apartments	1,723,483,931	7.46	390	0.90
Miscellaneous Residential	6,559,279	0.03	250	0.58
Vacant Residential	<u>313,724,234</u>	<u>1.36</u>	<u>1,031</u>	<u>2.38</u>
Subtotal Residential	\$18,380,534,523	79.57%	40,749	93.89%
<b>Total</b>	<b>\$23,098,488,448</b>	<b>100.00%</b>	<b>43,403</b>	<b>100.00%</b>

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

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**Assessed Valuation of Single-Family Residential Properties.** The following table shows the distribution of single family residential parcels by increments of assessed value in fiscal year 2024-25. For the fiscal year 2024-25, the average assessed value of single-family homes is \$471,191, and the median assessed value is \$412,393.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Per Parcel 2024-25 Assessed Valuation of Single Family Homes**

Single Family Residential	No. of Parcels	2024-25 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
	24,262	\$11,432,035,550	\$471,191	\$412,393

2024-25 Assessed Valuation	No. of Parcels <sup>(1)</sup>	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999	235	0.969%	0.969%	\$ 9,145,596	0.080%	0.080%
\$50,000 - \$99,999	954	3.932	4.901	69,924,346	0.612	0.692
\$100,000 - \$149,999	1,134	4.674	9.575	144,530,278	1.264	1.956
\$150,000 - \$199,999	1,677	6.912	16.487	294,410,924	2.575	4.531
\$200,000 - \$249,999	1,788	7.370	23.856	402,252,593	3.519	8.050
\$250,000 - \$299,999	2,080	8.573	32.429	572,798,093	5.010	13.060
\$300,000 - \$349,999	1,959	8.074	40.504	636,794,136	5.570	18.631
\$350,000 - \$399,999	1,870	7.708	48.211	701,822,987	6.139	24.770
\$400,000 - \$449,999	1,680	6.924	55.136	713,758,088	6.243	31.013
\$450,000 - \$499,999	1,655	6.821	61.957	785,162,163	6.868	37.881
\$500,000 - \$549,999	1,591	6.558	68.515	834,575,954	7.300	45.182
\$550,000 - \$599,999	1,374	5.663	74.178	788,489,267	6.897	52.079
\$600,000 - \$649,999	1,237	5.099	79.276	772,076,775	6.754	58.832
\$650,000 - \$699,999	979	4.035	83.311	659,608,799	5.770	64.602
\$700,000 - \$749,999	802	3.306	86.617	581,206,581	5.084	69.686
\$750,000 - \$799,999	695	2.865	89.481	537,841,086	4.705	74.391
\$800,000 - \$849,999	573	2.362	91.843	471,971,364	4.128	78.519
\$850,000 - \$899,999	467	1.925	93.768	407,906,746	3.568	82.088
\$900,000 - \$949,999	315	1.298	95.066	290,861,474	2.544	84.632
\$950,000 - \$999,999	254	1.047	96.113	247,256,198	2.163	86.795
\$1,000,000 and greater	943	3.887	100.000	1,509,642,102	13.205	100.000
Total	24,262	100.000%		\$11,432,035,550	100.000%	

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

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***Largest Taxpayers in District.*** The twenty taxpayers in the District with the greatest combined assessed valuation of taxable property on the fiscal year 2024-25 tax roll, and the assessed valuations thereof, are shown in the following table. In fiscal year 2024-25, no single taxpayer accounted for more than 2.32% of the total taxable property in the District. Each taxpayer listed is a unique entity. 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.

**OCEANSIDE UNIFIED SCHOOL DISTRICT  
Largest 2024-25 Local Secured Taxpayers**

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2024-25 Assessed Valuation</u>	<u>% of Total<sup>(1)</sup></u>
1.	Genentech Inc.	Industrial	\$536,004,713	2.32%
2.	Gilead Sciences Inc.	Industrial	218,074,607	0.94
3.	Oceanside Beach Resort Owner LLC	Hotel	197,020,374	0.85
4.	PK II El Camino North LP	Shopping Center	144,820,959	0.63
5.	Meadow Woods at Alpine LLC	Apartments	114,148,526	0.49
6.	Rexford Industrial Realty LP	Industrial	112,293,209	0.49
7.	PR II/Wood Oceanside LLC	Apartments	107,224,427	0.46
8.	29SC Sunterra Owner LLC	Apartments	100,033,602	0.43
9.	Guardian Piazza Doro LLC	Residential Properties	97,315,358	0.42
10.	Rancho Presidio Fee Owner LLC	Apartments	93,022,102	0.40
11.	550 Los Arbolitos Owner LLC	Apartments	76,877,236	0.33
12.	Essex Cal-WA LP	Apartments	67,448,131	0.29
13.	Prime Mesa LP	Apartments	65,378,242	0.28
14.	Wyndham Vacation Resorts Inc.	Resort/Timeshare	62,423,544	0.27
15.	GFP Oceanside Block 19 LLC	Hotel	52,415,401	0.23
16.	Old Mission San Luis Rey	Assisted Living Facility	50,957,612	0.22
17.	Wal Mart Stores East LP	Commercial	50,438,109	0.22
18.	ZU Property Investments LLC	Apartments	47,221,675	0.20
19.	Oside Arena Holdings LLC	Sporting Arena	46,890,488	0.20
20.	GFP Oceanside Block 21 LLC	Hotel	<u>44,655,113</u>	<u>0.19</u>
	Total		\$2,284,663,428	9.89%

<sup>(1)</sup> 2024-25 local secured assessed valuation: \$23,098,488,448.

Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control. See "*Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" above.

## **Tax Rates**

The State Constitution permits the levy of an *ad valorem* tax on taxable property not to exceed 1% of the full cash value of the property (determined in accordance with the State Constitution), and State law requires the full 1% tax to be levied. The levy of special *ad valorem* property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness.

The rate of tax necessary to pay fixed debt service on the Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property

caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional authorized bonds in the future might also cause the tax rate to increase.

The following table sets forth *ad valorem* property tax rates for fiscal years 2020-21 through 2024-25 in a typical Tax Rate Area of the District (TRA 7-000).

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Typical Total Tax Rates per \$100 of Assessed Valuation: TRA 7-000**  
**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<sup>(1)</sup></u>
1% General Fund	\$1.00000	\$1.00000	\$1.00000	\$1.00000	\$1.00000
Oceanside Unified School District	0.09600	0.12032	0.09344	0.09028	0.09966
Mira Costa Community College District	0.01373	0.01339	0.01357	0.01164	0.01148
Metropolitan Water District	<u>0.00350</u>	<u>0.00350</u>	<u>0.00350</u>	<u>0.00350</u>	<u>0.00700</u>
Total	\$1.11323	\$1.13721	\$1.11051	\$1.10542	\$1.11814

<sup>(1)</sup> 2024-25 assessed valuation of Tax Rate Area 7-000: \$6,612,100,689 which is 27.82% of the District's total assessed valuation.  
Source: California Municipal Statistics, Inc.

### **Tax Collections and Delinquencies**

A school district's share of the 1% countywide tax is based on the allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to statutory modifications enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The county treasurer-tax collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments. The first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches. If taxes remain unpaid by June 30, the tax is deemed to be in default. Penalties then begin to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the county treasurer.

Annual bills for property taxes on the unsecured roll are generally issued in July, are due in a single payment within 30 days, and become delinquent after August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the county treasurer may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the county, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The county treasurer may also bring a civil suit against the taxpayer for payment. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

Generally, once an installment of property tax becomes delinquent, penalties are assessed commencing on the applicable delinquency date until the delinquent installment(s) and all assessed penalties are paid. In the event of foreclosure and sale of property by a mortgage lender, all past due property taxes, penalties, and interest are required to be paid before such property is transferred to a purchaser or new owner.

Property tax delinquencies may be impacted by economic and other factors beyond the District's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by, among other factors, high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a pandemic or natural or

manmade disaster, such as earthquake, drought, flood, fire or toxic dumping. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. If delinquencies increase substantially as a result of the unprecedented events of a pandemic, such as the COVID-19 pandemic or other events outside the control of the District, the County does have the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies. Annual reserves can be used towards debt service where tax collections are insufficient to pay such debt service.

The District cannot predict the extent of delinquencies and delayed tax collections, or the resulting impact on the District's financial condition or operations. However, the County has adopted the Teeter Plan (defined herein), according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. See “– *Teeter Plan*” below.

The following table shows a recent history of secured property tax collections and delinquencies in the District for its general obligation bond debt service levy. The County uses the Teeter Plan for assessment levy and distribution. This method guarantees distribution of 100% of the assessments levied to the taxing entity, with the County retaining all penalties and interest, and the County does not provide a breakdown of the delinquencies with respect to property located in the District. See “– *Teeter Plan*” below.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**Secured Tax Charges<sup>(1)</sup>**  
**Fiscal Years 2014-15 to 2023-24**

Fiscal Year	Secured Tax Charge <sup>(2)</sup>
2014-15	\$44,500,351
2015-16	46,597,448
2016-17	49,993,812
2017-18	53,603,057
2018-19	57,110,892
2019-20	60,447,624
2020-21	63,797,833
2021-22	66,984,824
2022-23	71,945,678
2023-24	76,435,879

<sup>(1)</sup> 1% general fund apportionment.

<sup>(2)</sup> San Diego County utilizes the Teeter Plan for assessment levy and distribution. This method guarantees distribution of 100% of the assessments levied to the taxing entity, with the County retaining all penalties and interest.

Source: California Municipal Statistics, Inc.

***Teeter Plan.*** 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 Revenue and Taxation Code of the State. Under the Teeter Plan, the County distributes to each participating local tax-levying agency, including school districts, the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency in the absence of the Teeter Plan.

The County's policy is that any new taxing entity that includes its levy on the County's secured and supplemental tax rolls is qualified to be included in the Teeter Plan. The Teeter Plan is to remain in effect unless the County Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the procedures with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and

assessments levied on the secured rolls in that agency. The County of San Diego applies the Teeter Plan to taxes levied on the secured roll for repayment of school district bonds.

There can be no assurance that the County will always maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression.

***Direct and Overlapping Debt.*** The following table was prepared by California Municipal Statistics Inc., and is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which had outstanding debt as of June 1, 2025, and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

The table generally includes long-term obligations sold in the public credit markets by the public agencies listed. 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.

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Direct and Overlapping Bonded Debt**  
**(as of June 1, 2025)**

2024-25 Assessed Valuation: \$23,767,175,492

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/1/25</u>
Metropolitan Water District	0.582%	\$99,842
Mira Vista Community College District	15.793	55,172,056
<b>Oceanside Unified School District</b>	<b>100.000</b>	<b>315,763,782<sup>(1)</sup></b>
City of Oceanside Community Facilities Districts	18.968-100.000	20,972,360
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$392,008,040</b>

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
San Diego County General Fund Obligations	3.206%	\$11,255,144
San Diego County Pension Obligation Bonds	3.206	4,500,262
San Diego County Superintendent of Schools Obligations	3.206	164,308
Mira Costa Community College District	15.793	7,583,799
<b>Oceanside Unified School District Certificates of Participation</b>	<b>100.000</b>	<b>38,090,000</b>
City of Oceanside Certificates of Participation	70.526	29,657,927
City of Oceanside Pension Obligation Bonds	70.526	190,420
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$91,441,860</b>

OVERLAPPING TAX INCREMENT DEBT (Successor Agency): \$2,370,000

COMBINED TOTAL DEBT \$485,819,900 <sup>(2)</sup>

Ratios to 2024-25 Assessed Valuation:

**Direct Debt (\$315,763,782) ..... 1.33%**  
Direct and Overlapping Tax and Assessment Debt ..... 1.65%  
**Combined Direct Debt (\$353,853,782) ..... 1.49%**  
Combined Total Debt..... 2.04%

Ratio to Redevelopment Incremental Valuation (\$2,354,972,109):

Total Overlapping Tax Increment Debt ..... 0.10%

<sup>(1)</sup> Excludes Bonds to be sold, but includes the Refunded Bonds.

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

Source: California Municipal Statistics, Inc.

## TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State personal income taxes. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. Complete copies of the proposed forms of opinions of Bond Counsel are set forth in APPENDIX C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and exempt from State personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon trade or business disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the 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 Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements 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 covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from State personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, 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 or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

Payments on the Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## **OTHER LEGAL MATTERS**

### **Possible Limitations on Remedies; Bankruptcy**

**General.** Following is a discussion of certain considerations in the event that the District should become a debtor in a bankruptcy proceeding. It is not an exhaustive discussion of the potential application of bankruptcy law to the District.

State law contains a number of safeguards to protect the financial solvency of school districts. If the safeguards are not successful in preventing the District from becoming insolvent, the State Superintendent of Public Instruction (the "State Superintendent"), operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") on behalf of the District for the adjustment of its debts, assuming that the District meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. Under current State law, the District is not itself authorized to file a bankruptcy proceeding, and it is not subject to an involuntary bankruptcy proceeding.



Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the parties to the proceedings may be prohibited from taking any action to collect any amount from the District or the County (including *ad valorem* tax revenues) or to enforce any obligation of the District, without the bankruptcy court's permission. In such a proceeding, as part of its plan of adjustment in bankruptcy, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, including the obligation of the County and the District to raise taxes if necessary to pay the Bonds, if the bankruptcy court determines that the plan is fair and equitable and otherwise complies with the Bankruptcy Code. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

***Limitations on Plans of Adjustments.*** Chapter 9 of the Bankruptcy Code provides that it does not limit or impair the power of a state to control, by legislation or otherwise, a municipality of or in the state in the exercise of its political or governmental powers, including expenditures for such exercise. In addition, Chapter 9 provides that a bankruptcy court may not interfere with the political or governmental powers of the debtor, unless the debtor consents to that action or the plan so provides. State law provides that *ad valorem* taxes may be levied to pay the principal of and interest on the Bonds and other voted general obligation bonds of the District in an unlimited amount, and that proceeds of such a levy must be used for the payment of principal of and interest on the District's general obligation bonds, including the Bonds, and for no other purpose. Under State law, the District's share of the 1% limited tax imposed by the County is the only *ad valorem* tax revenue that may be raised and expended to pay liabilities and expenses of the District other than its voter-approved debt, such as its general obligation bonds. If the State law restriction on the levy and expenditure of *ad valorem* taxes is respected in a bankruptcy case, then *ad valorem* tax revenue in excess of the District's share of the 1% limited County tax could not be used by the District for any purpose under its plan other than to make payments on the Bonds and its other voted general obligation bonds. It is possible, however, that a bankruptcy court could conclude that the restriction should not be respected.

***Statutory Lien.*** Pursuant to state law, all general obligation bonds issued by local agencies, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* taxes. State law provides that the lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the bonds are executed and delivered. As a result, the lien on debt service taxes will continue to be valid with respect to post-petition receipts of debt service taxes, should the District become the subject of bankruptcy proceedings. However, the automatic stay provisions of the Bankruptcy Code would apply, preventing bondholders from enforcing their rights to payment from such taxes, so payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed.

***Special Revenues.*** If the *ad valorem* tax revenues that are pledged to the payment of the Bonds are determined to be "special revenues" within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* tax revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay. "Special revenues" are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* taxes for payment of the Bonds. The Bonds and the District's other general obligation bonds were approved at elections held on propositions that described the projects for which such bonds may be issued. As noted above, State law prohibits the use of the proceeds of the District's debt service tax for any purpose other than payment of its general obligation bonds, and the bond proceeds may only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* tax revenues collected for the payment of general obligation bonds in the State, so no assurance can be given that a bankruptcy court would not hold otherwise.

The Bankruptcy Code provides that there is no stay of application of pledged special revenues to payment of indebtedness secured by such revenues. The United States Court of Appeals for the First Circuit, in a case arising out of the insolvency proceedings of Puerto Rico, recently held that this provision permitted voluntary payments of debt

service by the issuer of bonds backed by special revenues, but did not permit the bondholders to compel the issuer to make payments of debt service from special revenues. If this decision is followed by other courts, the holders of the Bonds may be prohibited from taking any action to require the District or the County to make payments on the Bonds without the bankruptcy court's permission. This could result in substantial delays in payments on the Bonds.

In addition, even if the *ad valorem* tax revenues are determined to be "special revenues," the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could determine that the District is entitled to use the *ad valorem* tax revenues to pay necessary operating expenses of the District and its schools, before the remaining revenues are paid to the owners of the Bonds.

Bondholders may experience delays or reductions in payments on the Bonds, the Bonds may decline in value or Bondholders may experience other adverse effects should the District file for bankruptcy.

***Possession of Tax Revenues; Remedies.*** If the District goes into bankruptcy and the District or the County has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the District or the County, as applicable, does not voluntarily pay such tax revenues to the Owners of the Bonds, it is not entirely clear what procedures the Owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. A similar risk would exist if the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy).

***Risk of Investment Losses.*** Pending delivery of *ad valorem* tax revenues to the Paying Agent, the County Treasurer may invest the *ad valorem* tax revenues in the San Diego County Investment Pool or in other investments. Should any of these investments suffer any losses, there may be delays or reductions in payments on the Bonds.

***Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor's Rights.*** The proposed forms of opinions of Bond Counsel, attached hereto as Appendix C, are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights.

### **Amounts Held in County Treasury Pool**

The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the County's Treasury Pool, as described in APPENDIX E – "SAN DIEGO COUNTY INVESTMENT POOL." Should those investments suffer any losses, there may be delays or reductions in payments on the Bonds.

### **Legal Opinion**

The validity of the Bonds and certain other legal matters are subject to the approving opinions of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel. Complete copies of the proposed forms of opinions of Bond Counsel are contained in Appendix C hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement.

### **Legality for Investment in California**

Under provisions of the Financial Code of the State, including Section 1510(d), the Bonds are legal investments for commercial banks in the State to the extent that the Bonds, in the informed opinion of the bank, are prudent for the investment of funds of its depositors. Under provisions of the Government Code of the State, the Bonds are eligible securities for deposits of public moneys in the State.

### **Continuing Disclosure**

The District has covenanted for the benefit of the holders and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of the District's fiscal year (currently ending June 30), commencing with the report for fiscal

year 2024-25 (which is due no later than April 1, 2026), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of enumerated events will be filed by the District with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System (“EMMA”). The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is summarized in APPENDIX D – “PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

The District has previously entered into a number of undertakings to provide continuing disclosure (the “Previous Undertakings”). During the five-year period preceding the offering of the Bonds, the District has generally filed its continuing disclosure reports on a timely basis. During the last five years, the District has failed to file certain material event notices in a timely manner. Since 2014, the District has engaged a Dissemination Agent to assist it in complying with all of its continuing disclosure undertakings and to compile and disseminate its annual reports and other required notices and information required under its continuing disclosure undertakings.

## **Litigation**

No litigation is pending or threatened concerning the validity of the Bonds, or the District’s ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District’s ability to issue and retire the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District or County officials who will sign the Bonds and other certifications relating to the Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter at the time of the original delivery of the Bonds.

The District is occasionally 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.

Pursuant to Assembly Bill 218 (“**AB 218**”), which became effective on January 1, 2020, certain changes have been made to the claim prerequisites, available damages and the applicable statute of limitations periods for claims of childhood sexual assault, including claims against public entities like the District. With respect to claims that otherwise would have been barred as of January 1, 2020, AB 218 revived such claims for a period of three years, which period expired on December 31, 2022. There is currently one AB 218 lawsuit pending against the District. The District is currently trying to locate insurance for the claim. The District has set aside reserves for uninsured lawsuits, the potential liability for which is not anticipated to materially affect the finances of the District. The District does not expect that any expenses or liabilities incurred in defending the AB 218 claim, including those resulting from a final court decision or settlement agreement, will have a materially adverse effect on the District’s ability to repay the Bonds.

## **ESCROW VERIFICATION**

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter relating to the computation of the projected payments of principal and interest on the government obligations, and the projected payments of principal, redemption premium, if any, and interest to redeem and defease the Refunded Bonds will be verified by Causey Public Finance, LLC, as Verification Agent. Such computations will be based solely on assumptions and information supplied by the District and the Underwriter. The Verification Agent will restrict its procedures to verifying the arithmetical accuracy of certain computations and will not make any effort to evaluate the assumptions and information on which the computations are based, and will express no opinion on the data used, the reasonableness of the assumptions or the achievability of the projected outcome.

## **MISCELLANEOUS**

### **Risks Related to COVID-19**

The outbreak of the novel strain of coronavirus called COVID-19, which was previously designated a global pandemic by the World Health Organization, impacted local and global economies, as governments, businesses, and citizens reacted to, planned for, and tried to prevent or slow further transmission of the virus. Financial markets,

including both the bond and stock markets in the United States and globally, have experienced significant recent volatility that has been attributed to coronavirus concerns. The United States Centers for Disease Control and Prevention and the California Department of Public Health have been providing regular updates and guidelines to the public and to State and local governments. On March 4, 2020, as part of the State's response to address the outbreak, the Governor declared a state of emergency. On March 13, 2020, then President Donald Trump declared a national emergency, freeing up funding for federal assistance to state and local governments. Many school districts across the State temporarily closed some or all school campuses in response to local and state directives or guidance.

On March 27, 2020, the U.S. House of Representatives approved and then President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act appropriated \$30 billion to education, of which \$3 billion was allocated to state governors to be used at their discretion to address the emergency, \$13.5 billion was allocated for K-12 education, and \$14.25 billion was allocated for postsecondary institutions.

On December 27, 2020, the United States Congress approved and then President Trump signed into law the Consolidated Appropriations Act, 2021 ("HR 133"), which included a \$900 billion COVID-19 relief package. HR 133 provided \$81.9 billion to education, specifically \$4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which \$2.75 billion was reserved for private K-12 education, \$54.3 billion for K-12 education, \$22.7 billion for postsecondary institutions, and \$819 million for outlying areas and Bureau of Indian Affairs schools.

On March 12, 2021, the United States Congress approved and President Biden signed into law the American Rescue Plan Act of 2021 ("HR 1319"), a \$1.9 trillion COVID-19 relief package. HR 1319 provided direct payments to individuals, extended unemployment benefits, provided funding to distribute COVID-19 vaccines and provided funding for schools, higher education institutions, state, tribal governments and businesses.

On March 5, 2021, the Governor signed into law Assembly Bill 86 ("AB 86"), providing \$6.6 billion in State funding relating to COVID-19 relief, including \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic's impact on learning. The majority of such funding was to be apportioned through the Local Control Funding Formula (as defined herein). AB 86 provided, in part, in-person instruction grants to incentivize schools to offer in-person instruction. The \$2 billion in incentives were to be utilized by school districts to reopen schools for in-person instruction for its most high-needs students.

The District received approximately \$78.5 million in federal and State funding, including allocations from CARES Act funding from Elementary and Secondary School relief (ESSER) I, HR 133, ESSER II, HR 1319, ESSER III, and AB 86. The aforementioned federal and State funding is considered one-time, restricted, emergency relief funding to address the impact COVID-19 has had on elementary and secondary schools. The District has fully expended all funding received under federal and State sources.

California fully reopened the economy on June 15, 2021. The District cannot provide any assurance that under certain circumstances, additional State measures may be put back into place or updated California Department of Public Health Orders may be issued due to variants, a significant increase in the number of COVID-19 cases, updated guidance by the Centers for Disease Control and Prevention, or other factors.

Notwithstanding the impacts the coronavirus may have on the global and national economy, the economy in the State and the District, or on the District's revenues, the Bonds described herein 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. Although the Bonds are payable solely from *ad valorem* property taxes and not from the general fund of the District, the District cannot predict what future impacts the outbreak may have on its operations and budget.

The District has in the past, and may again in the future, receive guidance on the COVID-19 pandemic from County health officials and the County Superintendent of Schools, which may monitor the coronavirus situation in accordance with coronavirus guidelines for schools published by the Centers for Disease Control and Prevention.

## Cybersecurity

The District relies on a large and complex technology infrastructure to conduct its operations. The District and its departments routinely face cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. In August 2023, a teacher's email account was hacked. However, there was no data breach and the District did not incur any costs as a result of the hacking. Following the hacking incident, the District has implemented additional security measures, conducted thorough staff training sessions, and fortified the District's network infrastructure to prevent recurrence. The District has implemented the CIS Critical Security Controls, and integrated specialized programs and ongoing training sessions for District staff. The District maintains insurance to cover cybersecurity incidents. No assurances can be given that the security and operational control measures of the District will be successful in guarding against any and each cyber threat and attack. The results of any attack on the computer and information technology systems could have a material adverse impact on the operations of the District and damage the digital networks and systems. The District cannot predict the outcome of any such attack, nor the effect on the operations and finances of the District.

## Rating

The Bonds have received the rating of "Aa3" by Moody's Investors Service ("Moody's"). A rating agency generally bases its rating on its own investigations, studies and assumptions. The District has provided certain additional information and materials to the rating agency (some of which does not appear in this Official Statement). Such ratings reflect only the view of the rating agency, and any explanation of the significance of such ratings may be obtained from Moody's at [www.moody.com](http://www.moody.com). The information set forth on such website is not incorporated herein by reference. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if, in the judgment of such rating agency, 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 undertakes no responsibility to oppose any such downward revision, suspension or withdrawal.

## Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel to the District and as Disclosure Counsel, and will receive compensation from the District contingent upon the sale and delivery of the Bonds. KNN Public Finance, LLC is acting as Municipal Advisor with respect to the Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Bonds. Certain matters will be passed on for the Underwriter by their counsel, Norton Rose Fulbright US LLP, which will receive compensation contingent upon sale and delivery of the Bonds.

## Underwriting

**Series 2025 Bonds.** The Series 2025 Bonds are being purchased by Raymond James & Associates, Inc. (the "Underwriter"), pursuant to the terms of a bond purchase agreement between the District and the Underwriter, dated \_\_\_\_\_, 2025 (the "Series 2025 Purchase Contract"). The Underwriter has agreed to purchase the Series 2025 Bonds from the District at a purchase price of \$ \_\_\_\_\_. The Underwriter's discount is \$ \_\_\_\_\_. Under the terms of the Series 2025 Purchase Contract, the Underwriter will be obligated to purchase all of the Series 2025 Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions to be satisfied by the District.

**Refunding Bonds.** The Refunding Bonds are being purchased by the Underwriter, pursuant to the terms of a bond purchase agreement between the District and the Underwriter, dated \_\_\_\_\_, 2025 (the "Refunding Purchase Contract"). The Underwriter has agreed to purchase the Refunding Bonds from the District at a purchase price of \$ \_\_\_\_\_. The Underwriter's discount is \$ \_\_\_\_\_. Under the terms of the Refunding Purchase Contract, the Underwriter will be obligated to purchase all of the Refunding Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions to be satisfied by the District.

The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover pages. The offering prices may be changed from time to time by the Underwriter.

**Additional Information**

Quotations from and summaries and explanations of the Bonds, the District Resolutions and the Paying Agent Agreements providing for issuance and payment of the Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

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The District has duly authorized the delivery of this Official Statement.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**

By:

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Associate Superintendent of  
Business Services

## **APPENDIX A**

### **INFORMATION RELATING TO THE DISTRICT**

*Any information in the following appendix that indicates it has been obtained from a third-party has been obtained from sources which are believed to be reliable, but the District makes no guarantee as to the accuracy or completeness thereof, and is not to be construed as a representation by the District, the Underwriter or the Municipal Advisor.*

*Prospective purchasers of the Bonds should be aware that the tables below, which demonstrate historical income, employment, sales and other figures, may not be accurate predictors of future trends, nor do they provide an entirely current report of economic circumstances as of the date of printing of this Official Statement. The historical data displayed in this section is derived from a number of third-party sources from data accumulated over time, and thus cannot be presented on a real-time basis.*

The information in this Appendix A concerning the operations of the Oceanside Unified School District (the “District”), the District’s finances and State of California (the “State”) funding of education, 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 or from State revenues. The Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of San Diego (the “County”) on property within the District in an amount sufficient for the timely payment of principal and interest on the Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.”

### **THE DISTRICT**

#### **Introduction**

The Oceanside Unified School District was established in 1970 and provides educational (K-12) services to the residents of the City of Oceanside (the “City”) and some portions of unincorporated areas, including part of Marine Corps Base-Camp Pendleton, in the County of San Diego in the State of California. The District is located on the San Diego coastline and is coterminous with the City.

The District currently operates eleven elementary schools, three schools serving kindergarten through eighth grade, four middle schools, two comprehensive high schools, one alternative education high school and one adult transition program. The District closed E. G. Garrison Elementary School at the end of the 2019-20 school year, and expects to sell the facilities by the end of 2025. The Average Daily Attendance (“A.D.A.”) of the District’s students is estimated to be 14,475.0 students in fiscal year 2024-25 and is budgeted to be 13,878.5 students in fiscal year 2025-26.

Taxable property in the District has a fiscal year 2024-25 assessed value of approximately \$23.8 billion. For fiscal year 2025-26, the District has budgeted the employment of 867 full-time equivalent (“FTE”) certificated employees (teaching staff), 702 FTE classified employees and 104 FTE management, supervisory and confidential personnel. The District operates under the jurisdiction of the San Diego County Superintendent of Schools.

#### **Board of Education**

The District is governed by a Board of Education consisting of five members. Members are elected to four-year terms. Elections for positions to the Board of Education are held in staggered years, alternating between two and three available positions. The day-to-day operations are managed by a board-appointed superintendent of schools. Dr. Julie A. Vitale was appointed as the District’s Superintendent by the Board of Education on June 26, 2018 and began her service as District Superintendent on July 1, 2018.

## DISTRICT FINANCIAL MATTERS

### State Funding of Education; State Budget Process

**General.** As is true for most school districts in California, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (see "– Allocation of State Funding to School Districts; Local Control Funding Formula" below) and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the State Constitution (see "– Local Sources of Education Funding" below). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District expects to receive approximately 57.8% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), budgeted at approximately \$158.1 million in fiscal year 2025-26. Such amount includes both the State funding provided under the LCFF (as defined below) as well as other State revenues (see "– Allocation of State Funding to School Districts; Local Control Funding Formula – *Attendance and LCFF*" and "– Other District Revenues – *Other State Revenues*" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State's voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the State Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State revenues from personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands approximately half of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local educational agencies therein implemented a new funding formula for school finance system called the Local Control Funding Formula (the "Local Control Funding Formula" or "LCFF"). Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See "– Allocation of State Funding to School Districts; Local Control Funding Formula" below for more information.

**Constitutional Provisions Governing School Finance.** On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed 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 (collectively, "K-14 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, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

On June 5, 1990, California voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111: (1) liberalized the annual adjustments to the State spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 school districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 school districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5)



adjusted the Proposition 98 formula that guarantees K-14 school districts a certain amount of general fund revenues, as described below.

Under the law, K-14 school districts were guaranteed the greater of (a) 40.9% of general fund revenues (the “first test”) or (b) the amount appropriated to school districts 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”) or a third test, which replaces the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts receive the amount appropriated in the prior year adjusted for change in enrollment and per capita 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 becomes a “credit” to be paid in future years when general fund revenue growth exceeds personal income growth.

***Aggregate State Education Funding.*** The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State’s share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year’s budget, from the Governor’s initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as “settle-up.” If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as “maintenance factor.”

Although the State Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State’s response to fiscal difficulties in some years has had a significant impact on Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers’ unions, the State Superintendent of Public Schools (the “State Superintendent”) and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over \$4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts. The State has now paid all settle-up obligations.

In the past, the State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years’ Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds from one fiscal year to the next; by permanently deferring apportionments of Proposition 98 funds from one fiscal year to the next; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution’s definition of the guaranteed amount and settle-up requirement under certain circumstances.

***State Budget Process.*** According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the State Legislature for passage. However, on November 2, 2010, the State’s voters approved Proposition 25, which amended the State Constitution to lower the vote requirement

necessary for each house of the State Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two-thirds to a simple majority (50% plus one) of each house of the State Legislature. The lower vote requirement would also apply to trailer bills that appropriate funds and are identified by the State Legislature as “related to the budget in the budget bill.” The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two-thirds vote of the State Legislature is still required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2024-25 State budget on June 29, 2024.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district’s State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year’s budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov), under the heading “California Budget.” An impartial analysis of the State budget is posted by the Office of the Legislative Analyst at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov). The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

**State Rainy Day Fund; SB 858.** In connection with the 2014-15 State Budget, the Governor proposed certain constitutional amendments (“Proposition 2”) to the rainy day fund (the “State Rainy Day Fund”) for the November 2014 Statewide election. Senate Bill 858 (2014) (“SB 858”) amends the Education Code of the State to, among other things, limit the amount of reserves that may be maintained by a school district subject to certain State budget matters. Upon the approval of Proposition 2, SB 858 became operational. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2.” See also “– 2024-25 State Budget” discussing the State’s plan to draw on this reserve in fiscal year 2024-25.

**AB 1469.** As part of the 2014-15 State Budget, the Governor signed Assembly Bill 1469 (“AB 1469”) which implemented a new funding strategy for the California State Teachers’ Retirement System (“CalSTRS”), increasing the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. See “– Retirement Benefits – CalSTRS” below for more information about CalSTRS and AB 1469.

**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 – seeing 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 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 the State is on sound fiscal footing by setting the State on a fiscally responsible long-term path that protects vital programs.

In this regard, the 2024-25 State Budget includes provisions intended to address a budget deficit of approximately \$46.8 billion while also creating a positive fund balance in the 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 \$358.0 million in the State Department of Corrections and Rehabilitation budget in fiscal year 2024-25 and a total reduction of approximately \$750.0 million in fiscal years 2022-23 through 2024-25, (d) a \$500.0 million reduction to the State Student Housing Revolving Loan Program (e) a \$485.0 million reduction in unspent one-time Learning-Aligned Employment Program resources, (f) an ongoing reduction of \$110.0 million to the Middle Class Scholarship Program, beginning in fiscal year 2025-26, (g) a \$1.1 billion reduction in various affordable housing programs, and (h) a \$746.1 million reduction for various healthcare workforce 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 2023-24 through 2025-26, which is projected to increase revenues by \$5.95 billion in fiscal year 2024-25, \$5.5 billion in fiscal year 2025-26 and \$3.4 billion in fiscal year 2026-27. Additionally, the 2024-25 State Budget includes an increased managed care organization tax generating approximately \$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 over fiscal years 2024-25 and 2025-26 and approximately \$900.0 million from the State Safety Net Reserve in fiscal year 2024-25.

Additional budgeting maneuvers include \$6.0 billion in fund shifts, including (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) shifting approximately \$958.0 million 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) shifting approximately \$3.0 billion 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. The 2024-25 State Budget also includes approximately \$2.1 billion in payroll and University of California and California State University compact deferrals.

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 SFEU, and \$1.1 billion in the Public School System Stabilization Account (the “PSSSA” or the “Proposition 98 Rainy Day Fund”). In addition, the 2024-25 State Budget maintains approximately \$10.6 billion in the Reserve for Liquidation of Encumbrances. 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 the following:

- **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 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 obligated to the Proposition 98 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 fiscal year 2023-24 and a balance of \$1.1 billion at the end of fiscal year 2024-25, 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. See “– *School District Reserves*” and “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751.”
- Local Control Funding Formula. The 2024-25 State Budget includes an 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 \$983.0 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 \$246.0 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. 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 existing, 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 \$25.0 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 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 includes solution-oriented measures that directly impact funding for school districts, including 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 Proposition 98 general fund investment in zero-emission school buses.

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

- Arts and Music in Schools. The 2024-25 State Budget provides approximately \$907.1 million to support arts and music in schools.
- Nutrition. The 2024-25 State Budget provides 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. This is in addition to the \$1.6 billion base funding for such program.

The complete 2024-25 State Budget is available from the California Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov) or [www.ebudget.ca.gov](http://www.ebudget.ca.gov). The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

***LAO Analysis of the 2024-25 State Budget.*** The Legislative Analyst’s Office (the “LAO”), a nonpartisan State office which provides fiscal and policy information and advice to the State legislature, released its report on the 2024-25 State Budget entitled “The 2024-25 Budget: Overview of the Spending Plan” on September 6, 2024 (the

“2024-25 State Budget Analysis”). In the 2024-25 State Budget Analysis, the LAO assesses the budget problem that was addressed in the 2024-25 State Budget and analyzes the major proposals for K-12 education.

The LAO estimates that the State addressed a budget shortfall of \$55.0 billion, which is larger than the budget shortfall of \$47.0 billion cited in the 2024-25 State Budget. The main driver for the \$8.0 billion difference is the difference in treatment of assumptions about baseline spending for schools and community colleges.

The LAO notes that the 2024-25 State Budget uses various maneuvers to address the budget shortfall, including reserve withdrawals, spending reductions, revenue increases, and cost shifts. The LAO indicates that spending-related adjustments (including school spending) were the largest component of the budget package, accounting for \$39.0 billion and approximately 70% of the total solutions. The LAO also shows that reserve withdrawals were the second largest component, totaling \$6.0 billion from the State Rainy Day Fund and the Safety Net Reserve. The report further details that cost shifts and revenue-related solutions were smaller components, amounting to \$2.0 billion and \$8.0 billion, respectively. The LAO estimates \$16.0 billion in one time or temporary spending solutions (excluding school spending) and \$4.0 billion in ongoing reductions, which grow to approximately \$6 billion over time.

The LAO notes that the budget emergency proclamation by the Governor on June 26, 2024 allowed the 2024-25 State Budget to withdraw approximately \$5.0 billion from the State Rainy Day Fund. The 2024-25 State Budget also includes a withdrawal of the \$900.0 million balance from the Safety Net Reserve.

The LAO estimates that, pursuant to the 2024-25 State Budget, the State would end the 2024-25 fiscal year with \$21.1 billion in General Fund reserves, including \$17.6 billion in the State Rainy Day Fund and \$3.5 billion in the SFEU. The LAO also estimates that the State would have room under the State appropriations limit in fiscal years 2022-23 through 2024-25. The LAO projects that revenues from the major tax sources would grow from fiscal year 2023-24 to fiscal year 2024-25, but not enough to offset the revenue shortfalls in the prior and current fiscal years.

The LAO explains that the 2024-25 State Budget includes \$12.7 billion in reductions to Proposition 98 funding for schools and community colleges over fiscal years 2022-23 through 2024-25. This includes a reduction to the Proposition 98 funding by \$2.6 billion for fiscal year 2022-23. For fiscal year 2023-24, the 2024-25 State Budget invokes a provision allowing the State to suspend the minimum requirement and reduces the amount of Proposition 98 funding by \$8.3 billion. The LAO states that these reductions lower the Proposition 98 requirement on an ongoing basis but create an obligation to increase funding more rapidly in the future. Additionally, the 2024-25 State Budget introduces a new type of fiscal maneuver that accrues \$6.2 billion in previous school and community college payments to future fiscal years. Specifically, the State will not recognize these payments as a cost to the State general fund in the year it provided them i.e., fiscal year 2022-23. The maneuver does not delay or reduce any payments to schools or community colleges, nor does it reduce the Proposition 98 funding requirement in future fiscal years.

The LAO notes that the 2024-25 State Budget contains reserve withdrawals from the Proposition 98 Rainy Day Fund to mitigate the funding reductions to schools in fiscal year 2023-24. Additionally, the LAO estimates cost savings because the COVID-19 attendance policies preserving attendance numbers to pre-pandemic levels are being phased out. The LAO describes other minor savings for schools and community colleges from (1) deferring payments from fiscal year 2024-25 to fiscal year 2025-26, (2) reducing funding for the State Preschool program that is expected to go unused and (3) repurposing certain unspent appropriations from previous years. The payment deferral involved deferring \$487.0 million in payments from fiscal year 2024-25 to fiscal year 2025-26 by delaying a portion of payment to school districts from June 2025 to July 2025. The LAO notes that school districts may be exempt from this deferral if they can show the delay would cause fiscal insolvency. The purpose of the deferral is to reduce spending in fiscal year 2024-25 to the minimum level required by Proposition 98.

The LAO indicates that after accounting for these actions, the State has \$1.5 billion available to augment school and community college programs. The LAO highlights that the budget allocates \$1.0 billion of this amount to cover a 1.07 percent cost-of-living adjustment for existing programs. For schools, the 2024-25 State Budget also provides an increase of \$300.0 million to cover cost increases of universal school meals. For community colleges, the 2024-25 Budget also provides \$75.0 million to cover increased costs.

The 2024-25 State Budget Analysis is available on the LAO website at [www.lao.ca.gov](http://www.lao.ca.gov). 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.

***Proposed 2025-26 State Budget.*** The Governor released the fiscal year 2025-26 proposed State budget (the “Proposed 2025-26 State Budget”) on January 10, 2025, which reflects a stronger financial position than it has in recent years. The Proposed 2025-26 State Budget notes that although the budget framework from the 2024-25 State Budget represents significant progress on the budget shortfall from the past two years, the current fiscal outlook underscores the need for continued vigilance to strengthen budget resiliency and fiscal stability even further. Citing the State revenue volatility, which is in part due to its reliance on the top 1% of income earners and capital gains revenues, the Proposed 2025-26 State Budget is balanced and reflects a modest surplus of \$363.0 million. The Proposed 2025-26 State Budget proposes reforms to the State’s reserve funds requirements to double the size of the State’s reserve cap from 10% to 20% and to clarify that deposits in the State Rainy Day Fund are not counted as expenditures toward the State’s appropriations limit. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII B of the State Constitution.” This proposed reform will require a statewide ballot initiative. The Proposed 2025-26 State Budget reflects support for vital initiatives in education, health care, housing, and homelessness, while enhancing economic development and supporting public safety.

The Proposed 2025-26 State Budget indicates that a stronger-than-anticipated performance by the economy, stock market, and cash receipts, combined with an improved economic outlook, have contributed toward an upgraded revenue forecast in the Proposed 2025-26 State Budget. The Proposed 2025-26 State Budget projects that State general fund revenues before accounting for transfers and tax policy proposals are to increase by approximately \$16.5 billion from fiscal year 2023-24 through fiscal year 2025-26. Although the Proposed 2025-26 State Budget forecast does not reflect a recession, it does recognize volatility in personal income tax and capital gains realization and several other risk factors that could negatively affect the economy and State revenue, including stock market and asset price volatility affecting high-income earners as well as geopolitical instability. While the Proposed 2025-26 State Budget is balanced, it cautions against shortfalls in future years driven by expenditures exceeding revenues and recognizes that further action may be necessary to maintain a balanced budget. The Proposed 2025-26 State Budget notes that potential federal policy changes could also negatively impact State’s economy, specifically in the areas of international trade, immigration, and health care.

To provide for a balanced budget over two fiscal years, the 2024-25 State Budget assumed withdrawals from the State Rainy Day Fund of approximately \$5.1 billion in fiscal year 2024-25 and \$7.1 billion in fiscal year 2025-26, and the Proposed 2025-26 State Budget maintains such planned withdrawals. The Proposed 2024-25 State Budget maintains the planned withdrawal of approximately \$7.1 billion from the State Rainy Day Fund. The Proposed 2025-26 State Budget predicts a total reserve balance of \$17.0 billion at the end of fiscal year 2025-26. This includes \$10.9 billion in the State Rainy Day Fund, \$4.5 billion in the SFEU, and \$1.5 billion in the Proposition 98 Rainy Day Fund. To remove the cap on deposits to the State Rainy Day Fund and increase budget resiliency, the Proposed 2025-26 State Budget proposes statutory changes to allow the State to make larger deposits into reserve accounts during fiscal upturns, enhancing the State’s ability to protect vital programs and services during future downturns. Specifically, the Proposed 2025-26 Budget suggests increasing the mandatory deposit level in the State Rainy Day Fund from the current 10% to 20% of State general fund revenues and exempt deposits into the State Rainy Day Fund from the State’s appropriations limit. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII B of the California Constitution.”

The Proposed 2025-26 State Budget estimates total resources available in fiscal year 2024-25 of approximately \$258.4 billion, including revenues and transfers of approximately \$222.5 billion and a prior year balance of approximately \$35.9 billion, and total expenditures in fiscal year 2024-25 of approximately \$232.1 billion. The Proposed 2025-26 State Budget projects total resources available for fiscal year 2025-26 of approximately \$251.4 billion, inclusive of revenues and transfers of approximately \$225.1 billion and a prior year balance of approximately \$26.3 billion. The Proposed 2025-26 State Budget projects total expenditures in fiscal year 2025-26 of approximately \$228.9 billion, inclusive of non-Proposition 98 expenditures of approximately \$144.3 billion and Proposition 98 expenditures of approximately \$84.6 billion. The Proposed 2025-26 State Budget includes approximately \$34.9 billion in reserves in fiscal year 2025-26 and allocates reserves as follows: approximately \$10.9 billion in the State Rainy Day Fund for fiscal emergencies, approximately \$1.5 billion in the Proposition 98 Rainy Day Fund,

approximately \$18.0 billion in the Reserve for Liquidation and Encumbrances, and approximately \$4.5 billion in the SFEU.

The Proposed 2025-26 State Budget includes total funding of approximately \$137.1 billion for all TK-12 education programs, including approximately \$83.3 billion from the State's general fund and approximately \$53.8 billion from other funds. Per-pupil funding totals \$18,918 per pupil in Proposition 98 funding and \$24,764 per pupil when accounting for all funding sources.

Certain budgeted programs and adjustments for K-12 education set forth in the Proposed 2025-26 State Budget include the following:

- California for All Kids. As part of the California for All Kids Plan, the Proposed 2025-26 State Budget fully implements universal transitional kindergarten and universal before, after, and summer school for TK-6 grade students. The Proposed 2025-26 State Budget contemplates other key achievements in fiscal year 2025-26, including: State schools will serve nearly 1 billion meals through the universal school meals program; all kindergarten through second grade students will be screened for risk of reading difficulties, grants to local educational agencies for the California Community Schools Partnership Program will be fully disbursed; all educators will have access to the Literacy Roadmap; and beginning January 1, 2025, all local educational agencies may apply to participate in the Children and Youth Behavioral Health Initiative Fee Schedule Program. The Proposed 2025-26 State Budget also protects core programs by providing increased ongoing funding for the LCFF, special education, and nutrition programs.
- Proposition 98 Minimum Guarantee. The revised estimates of general fund revenues in the Proposed 2025-26 State Budget result in notable adjustments to the Proposition 98 minimum guarantee, resulting in funding estimates of approximately \$98.5 billion in fiscal year 2023-24, \$119.2 billion in fiscal year 2024-25, and \$118.9 billion in fiscal year 2025-26, representing a three-year increase in the minimum guarantee of approximately \$7.5 billion over the level funded in the 2024-25 State Budget. Recognizing the inherent risk in revenue projections, the Proposed 2025-26 State Budget appropriates the Proposition 98 minimum guarantee at \$117.6 billion, instead of the currently calculated level of \$119.2 billion in fiscal year 2024-25. This is intended to mitigate the risk of potentially appropriating more resources to the Proposition 98 minimum guarantee than are ultimately available in the final calculation for fiscal year 2024-25. Unlike fiscal year 2023-24, where Proposition 98 minimum guarantee was in a Test 2 year, it is anticipated that the minimum guarantee will be in Test 1 for fiscal years 2024-25 and 2025-26, a funding level equal to approximately 40% of the State's general fund revenues. With the Proposition 98 minimum guarantee being "rebench" to reflect the ongoing implementation of universal transitional kindergarten, Test 1 will increase the State general fund revenues due to the Proposition 98 minimum funding guarantee from 39.2% to 39.6%.
- Proposition 98 Rainy Day Fund. The 2024-25 State Budget projected a total balance of \$1.1 billion in the Proposition 98 Rainy Day Fund. The Proposed 2025-26 State Budget reflects revised fiscal year 2024-25 payment of approximately \$1.2 billion, a mandatory repayment that replaces the discretionary repayment, and an additional mandatory repayment of \$376.0 million in fiscal year 2025-26, into the Proposition 98 Rainy Day Fund, for a revised balance of approximately \$1.5 billion at the end of fiscal year 2025-26. The Proposed 2025-26 State Budget makes no change to the withdrawal of \$8.4 billion in fiscal year 2023-24. Under current law, there is a cap of 10% on school district reserves in fiscal years immediately succeeding those in which the balance in the Proposition 98 Rainy Day Fund is equal to or greater than 3% of the total TK-12 share of the Proposition 98 minimum guarantee. The balance of \$1.2 billion in the Proposition 98 Rainy Day Fund in fiscal year 2024-25 does not trigger school district reserve caps in fiscal year 2025-26. See "*School District Reserves*" and "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751."
- Local Control Funding Formula. The Proposed 2025-26 State Budget includes a LCFF cost-of-living adjustment of approximately 2.43%. When combined with population growth adjustments, this will result in an increase of approximately \$2.5 billion in discretionary funds for local educational agencies. Budgetary deferrals of \$246.6 million for TK-12 education are fully repaid in fiscal year 2025-26. To fully fund the LCFF and maintain the level of past year principal apportionments, the Proposed 2025-26 State Budget



proposes using available reappropriation and reversion funding totaling \$25.9 million to support ongoing LCFF costs in fiscal year 2023-24 and deferring LCFF funding totaling \$35.1 million from fiscal year 2023-24 to fiscal year 2024-25. This one-time deferral is fully repaid in fiscal year 2024-25.

- Universal Transitional Kindergarten. For fiscal year 2024-25, the Proposed 2025-26 State Budget provides a total of \$1.5 billion ongoing Proposition 98 general fund resources to support expanded eligibility for transitional kindergarten, shifting age eligibility from all children turning five years old between September 2 and April 2 to all children turning five between September 2 and June 2, and an additional \$516.7 million Proposition 98 general fund resources to support the third year of adding one additional certificated or classified staff person to every transitional kindergarten class. For fiscal year 2025-26, the Proposed 2025-26 State Budget provides a total of \$2.4 billion (inclusive of all prior years' investments), in ongoing Proposition 98 general fund resources to support the full implementation of universal transitional kindergarten. The Proposed 2025-26 State Budget also provides \$1.5 billion ongoing Proposition 98 general fund resources to support further lowering the average student-to-adult ratio from 12:1 to 10:1 in every transitional kindergarten classroom.
- Before School, After School, and Summer School. The Proposed 2025-26 State Budget fully implements the Expanded Learning Opportunities Program, which is a multi-year investment plan to implement before, after, and summer school instruction and enrichment for students in grades TK-6, with a focus on local educational agencies with the highest concentration of low-income students, English learners, and youth in foster care. The Proposed 2025-26 State Budget increases the number of local educational agencies that offer universal access to students, from those with an unduplicated pupil percentage of 75% to those with 55% unduplicated students. The Proposed 2025-26 State Budget also includes \$435.0 million in ongoing Proposition 98 general fund resources to cover implementation of this program, for a total program funding of \$4.4 billion.
- Master Plan for Career Education. As part of the plan to make it easier for Californians to receive college credit both in high school and in recognition of their real-world experience and create more pathways to in-demand careers in the State, the Proposed 2025-26 State Budget proposes including dual enrollment and pathways programs as allowable expenditures for funds allocated through the \$1.8 billion Student Support and Discretionary Block Grant and includes an increase of \$3.0 million in ongoing Proposition 98 general fund resources to the California College Guidance Initiative and the Cradle-to-Career Data System. The Proposed 2025-26 State Budget also proposes to direct the Department of Education to examine feasibility of streamlining applications for TK-12 career technical education programs into a single consolidated application.
- Literacy Instruction. To support the State's research-based English Language Arts/English Language Development ("ELA/ELD") Framework, the Proposed 2025-26 State Budget allocates \$500.0 million in one-time Proposition 98 general fund resources for TK-12 literacy and mathematics coaches; \$40.0 million in one-time Proposition 98 general fund resources to support necessary costs, including purchasing screening materials and training for educators to administer literacy screenings; and \$5.0 million in Proposition 98 general fund resources annually through fiscal year 2029-30 to launch a Literacy Network for state-developed literacy resources, elevate high performing districts and best practices, and provide support to select local educational agencies facing persistent performance challenges. The Proposed 2025-26 State Budget also directs the Instructional Quality Commission to initiate a follow-up adoption for ELA/ELD instruction materials, and provides \$300,000 one-time non-Proposition 98 general fund resources in fiscal year 2024-25 for the Instructional Quality Commission to develop a curriculum guide and resources in personal finance, and \$1.8 billion for the Student Support and Discretionary Block Grant which can fund professional development for teachers on the ELA/ELD Framework and the Literacy Roadmap.
- Teacher Preparation and Professional Development. The Proposed 2025-26 State Budget includes proposals intended to support teachers and improve access to the educator pipeline, including \$150.0 million in one-time Proposition 98 general fund resources to provide financial assistance for teacher candidates through the Teacher Recruitment Incentive Grant Program and an additional \$100.0 million in one-time Proposition 98

general fund resources to extend the timeline of the existing National Board Certification Incentive Program to support National Board Certified Teachers to teach and mentor other staff in high poverty schools.

- Student Support and Professional Development Discretionary Block Grant. The Proposed 2025-26 State Budget includes \$1.8 billion one-time in Proposition 98 general fund resources for a discretionary block grant to provide local educational agencies with additional fiscal support to address rising costs and fund statewide priorities, including: (1) professional development for teachers on the ELA/ELD Framework and the Literacy Roadmap, with a focus on strategies to support literacy for English learners, (2) professional development for teachers on the Mathematics Framework, (3) teacher recruitment and retention strategies, and (4) career pathways and dual enrollment expansion efforts consistent with the Master Plan for Career Education.
- School Facility Program. The Kindergarten through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024, approved by voters on November 5, 2024 (“Proposition 2 (2024)”), authorized a total of \$8.5 billion in State general obligation bonds for K-12 schools to be allocated through the School Facility Program. These funds are allocated across several key areas: \$4.0 billion for modernization projects, \$3.3 billion for new construction, \$600.0 million for charter schools, and \$600.0 million for career technical education projects. Proposition 2 (2024) also supports the replacement of school buildings that are at least 75 years old, funding for school districts with specific needs, such as small districts and those located in military installations, programmatic changes for energy-efficient components in new construction and modernization projects, and construction or retrofit of transitional kindergarten classrooms. Proposition 2 (2024) also includes programmatic changes that emphasize health and safety components of school facilities and allows the State Allocation Board to provide assistance for purposes of procuring interim housing for school districts and county offices of education impacted by a natural disaster for which the Governor has declared state of emergency.
- Learning Recovery Emergency Block Grant. The Proposed 2025-26 State Budget includes \$378.6 million in one-time Proposition 98 general fund resources to support the Learning Recovery Emergency Block Grant to support local educational agencies in establishing learning recovery initiatives through the 2027-28 school year.
- Cost-of-Living Adjustments. The Proposed 2025-26 State Budget includes \$204.0 million in ongoing Proposition 98 general fund resources to reflect a 2.43% cost-of-living adjustment for specified categorical programs and the LCFF Equity Multiplier. The specified categorical programs include Special Education, Child Nutrition, State Preschool, Youth in Foster Care, Mandates Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.
- Kitchen Infrastructure and Training. The Proposed 2025-26 State Budget includes \$150.0 million in one-time Proposition 98 general fund resources for specialized kitchen equipment, infrastructure, and training to support schools in providing more freshly prepared meals made with locally grown ingredients.
- Local Property Tax Adjustments. The Proposed 2025-26 State Budget includes an additional \$125.0 million in ongoing Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2024-25, and a decrease of \$1.5 billion in fiscal year 2025-26, as a result of increased offsetting property taxes.
- Nutrition. The Proposed 2025-26 State Budget includes \$106.3 million in additional ongoing Proposition 98 general fund resources to fully fund the universal school meals program in fiscal year 2025-26.
- County Offices of Education. The Proposed 2025-26 State Budget includes \$12.2 million in ongoing Proposition 98 general fund resources to reflect ADA changes applicable to the county office of education LCFF, and a 2.43 % cost-of-living adjustment.

- English Language Proficiency Screener for Transitional Kindergarten Students. The Proposed 2025-26 State Budget includes \$10.0 million in one-time Proposition 98 general fund resources for the statewide use of English language proficiency screeners to support multilingual learnings in transitional kindergarten.

The complete Proposed 2025-26 State Budget is available from the California Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov) or [www.ebudget.ca.gov](http://www.ebudget.ca.gov). The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

***LAO Overview of Proposed 2025-26 State Budget.*** The LAO released its report on the Proposed 2025-26 State Budget entitled “The 2025-26 Budget: Overview of the Governor’s Budget” on January 13, 2025 (the “LAO Analysis of the Proposed 2025-26 State Budget”). In the LAO Analysis of the Proposed 2025-26 State Budget, the LAO assesses the budget condition and analyzes the major proposals for K-12 education.

The LAO estimates that the underlying condition of the Proposed 2025-26 State Budget is roughly balanced. The LAO notes that one of the main reasons for the balanced budget is the State Legislature’s atypical action taken last year to address the deficit and withdraw more in reserves as well as proactive decisions to address the anticipated budget deficit for fiscal year 2025-26. The 2024-25 State Budget committed a total of \$28.0 billion in budgeting maneuvers for fiscal year 2025-26, which included, \$12.0 billion in spending-related reductions and approximately \$16.0 billion in all other reductions. The LAO notes that the Proposed 2025-26 State Budget does not propose any significant policy changes to the already-adopted 2024-25 State Budget, but some of the assumed savings are now lower, totaling \$24.0 billion for fiscal year 2025-26. Two key areas where these savings have eroded are in the managed care organization tax package and reductions to State operations. The LAO notes that their estimates are slightly different than the Proposed 2025-26 State Budget estimates, but the differences are small enough on net that they do not substantively change the assessment of the budget condition. Specifically, the Proposed 2025-26 State Budget estimates the revenues to be \$9.0 billion higher, but this is partially offset by the Proposed 2025-26 State Budget’s estimate of constitutionally required State general fund spending on K-14 education, which is \$4.7 billion higher than the LAO’s November 2024 estimates. The Proposed 2025-26 State Budget estimates of baseline spending (for example, for caseload growth, federal reimbursements, and statutory cost increases) are lower than LAO estimates by \$600.0 million. The LAO cautions that neither LAO’s November 2024 estimates nor the Proposed 2025-26 State Budget included any costs associated with the devastating wildfires in Southern California, as both were developed before those wildfires began. While the LAO anticipates some State costs as well as State policy responses to the disaster, sufficient information is not available about the extent of those costs. Both the Proposed 2025-26 State Budget and the LAO anticipate deficits in future years.

The LAO notes that the Proposed 2025-26 State Budget includes three categories of discretionary proposals that are not already committed to under current law or policy. First, some proposals provide short-term budget savings that create more budget capacity. These proposals generate a total of \$2.2 billion in State general fund savings within the budget window. The Proposed 2025-26 State Budget proposes providing \$1.6 billion less in total funding for schools and community colleges than the estimated Proposition 98 minimum guarantee for fiscal year 2024-25. This provides one-time State general fund savings in fiscal year 2024-25, but also creates a “settle-up” obligation, which will need to be paid in a future year if revenues for fiscal year 2024-25 were to remain unchanged. If revenues for fiscal year 2024-25 come in below current projections, this obligation would also decline, potentially to zero. Second, the Proposed 2025-26 State Budget includes new discretionary proposals that use budget capacity by increasing spending or reducing revenues, totaling approximately \$700.0 million. The major proposals in this category include increasing revenues by approximately \$300.0 million by changing rules for determination of taxable profits for financial institutions, shifting approximately \$300.0 million in State general fund spending on water recycling, wildfire prevention activities at State parks, and dam safety activities to funding from Proposition 4, the climate bond approved by voters on November 5, 2024, and approximately \$570.0 million in new discretionary State general fund spending in fiscal year 2025-26. Finally, the Proposed 2025-26 State Budget sets the balance of the SFEU to \$4.5 billion, which is higher than recent budgets that set the SFEU balance between \$3.5 billion and \$4.0 billion.

The LAO notes that compared to the estimates in the 2024-25 State Budget, the Proposed 2025-26 State Budget estimates the Proposition 98 minimum guarantee for school and community colleges is up by approximately \$7.1 billion (\$3.9 billion of which is attributable to the fiscal year 2024-25 and \$3.2 billion is attributable to the fiscal year 2025-26). The LAO notes that this increase is due almost entirely to higher State general fund revenue estimates.

In addition, approximately \$4.0 billion in one-time spending expires in fiscal year 2025-26, freeing-up the underlying funding for other school and community college purposes. The Proposed 2025-26 State Budget would make mandatory deposits into the Proposition 98 Rainy Day Fund of approximately \$1.2 billion in fiscal year 2024-25 and \$376.0 million in fiscal year 2025-26, which would bring the total balance in the Proposition 98 Rainy Day Fund to \$1.5 billion. The mandatory deposit in the fiscal year 2024-25 replaces the \$1.1 billion discretionary deposit included in the 2024-25 State Budget.

The LAO notes that the Proposed 2025-26 State Budget provides approximately \$2.5 billion to fund a 2.43% statutory cost-of-living adjustment for existing school and community college programs. Consistent with previous budgets, the Proposed 2025-26 State Budget sets aside \$1.1 billion to complete the expansion of transitional kindergarten in fiscal year 2025-26. The Proposed 2025-26 State Budget also provides \$746.0 million funding to reduce the student-to-adult ratios in transitional kindergarten classrooms from 12:1 to 10:1, and \$435.0 million for the Expand Learning Opportunities Program, primarily to increase the number of school districts that must offer enrichment programs (such as after school activities and summer school) to all students. The LAO notes that the largest one-time proposal is to provide \$1.8 billion for schools through a new discretionary block grant that could be used to fund new activities or cover costs of existing programs. The Proposed 2025-26 State Budget also includes \$500.0 million to fund literacy and mathematics coaches at high poverty schools, expanding upon a program the state funded in previous budgets. The LAO notes that the Proposed 2025-26 State Budget includes a series of initiatives intended to advance teacher training and recruitment efforts at schools.

The LAO finds the Proposed 2025-26 State Budget estimates of revenues and use of reserves reasonable, but expressed concern that recent gains are on shaky ground. The LAO notes that the tax collection gains are not tied to improvements in the State's broader economy, which has been lackluster, with elevated unemployment, a stagnant job market outside of government and healthcare, and sluggish consumer spending. Agreeing with the narrative in the Proposed 2025-26 State Budget, LAO notes that the revenue gains appear largely tied to the booming stock market, a situation which can change rapidly and without warning. This is further complicated by the recent wildfires in Southern California which may result in tax deadline delay and make it difficult to read tax collection trends over the next several months. The LAO also emphasizes that the State costs from these fires will depend on the continually evolving situation, as well as decisions by the State Legislature and federal government, including those related to cost sharing for response, clean up, recovery, and other possible assistance. The LAO notes that the \$7.0 billion withdrawal from the State Rainy Day Fund in fiscal year 2025-26 is reasonable. A cumulative total of \$82.0 billion in budget deficit has been addressed, but even including the fiscal year 2025-26 withdrawal, only half of the State Rainy Day Fund has been withdrawn. The LAO recommends that State Legislature maintain last year's momentum by developing a plan for addressing potential budget problems on the horizon, as the underlying budget dynamics are particularly challenging. The LAO recommends that the State Legislature analyze which programs are working well and have grown considerably in recent years and understand the efficacy of those expansions and which programs are in need of adjustments or are no longer achieving desired outcomes within the next couple of months so that difficult choices can be made in May 2025. The LAO supports the changes proposed by the Proposed 2025-26 State Budget to increase the cap on State Rainy Day Fund required deposits and to exclude the State's reserve deposits from the State appropriations limit but suggests additional changes to increase how much is saved each year.

The LAO Analysis of the Proposed 2025-26 State Budget is available on the LAO website at [www.lao.ca.gov](http://www.lao.ca.gov). 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.

***May Revision to Proposed 2025-26 State Budget.*** The Governor released the May Revision to the Proposed 2025-26 State Budget on May 14, 2025 (the "2025-26 May Revision"). The 2025-26 May Revision provides that the risks related to substantial changes in federal policy, specifically, broad-based tariffs, that were highlighted in the Proposed 2025-26 State Budget, have now become a reality driving a downgrade in both economic and revenue forecasts. Due to the increased expenditure growth above the Proposed 2025-26 State Budget projections, the State now faces an estimated \$12.0 billion budget shortfall. This will require the State to make difficult but necessary decisions to reduce ongoing expenditure growth to maintain budget resilience and stability for critical State programs. Regardless of the shortfall, the 2025-26 May Revision continues to support TK-12 education initiatives and reflects the full implementation of transitional kindergarten, full funding for school meals for all, and free access to expanded school day and school year enrichment and academic support for thousands of students. While the 2025-26 May

Revision does not forecast a traditional recession, it does reflect changing national conditions that economists consider to be a “growth recession,” marked by a substantial slowdown in Gross Domestic Product (“GDP”) growth combined with lower job growth and higher unemployment. Key economic factors driven by higher tariffs include: (a) downgrade of the United States real GDP growth by 0.7% in calendar year 2025 and by 0.3% in calendar year 2026, (b) downgrade to nationwide job growth by 0.3% in calendar year 2026, (c) increase in the unemployment rate by an average of 0.3%, to reach 4.4% and 4.9% in calendar years 2025 and 2026, respectively, (d) impact on State economy because of the substantial volume of commerce that flows through the State’s ports, and (e) downgrade of the wage and salary growth projections as tariffs make businesses less profitable.

The 2025-26 May Revision notes that because the financial markets play a pivotal role in State revenues, the onset of tariffs has already impacted the updated revenue forecasts from the Proposed 2025-26 State Budget and caused a downgrade in the Standard and Poor’s 500 market index forecast for the second quarter of calendar year 2025. The 2025-26 May Revision projects a decrease in stock-based compensation to employees of State based technology companies, contributing to a downgrade in projected personal income tax revenues in fiscal year 2025-26 that will reverse the positive trends in personal income tax withholding cash results through April 2025 and a downgrade of personal income tax revenues from capital gains. The 2025-26 May Revision notes that despite a surplus in cash receipts through April 2025, the State’s general fund revenues, excluding transfers and loans, have decreased by approximately \$5.2 billion through fiscal year 2025-26. Conversely, expenditures for the State’s health care program for low-income individuals, Medi-Cal, have increased significantly and continue to outpace revenues due to higher overall enrollment, pharmacy costs and managed care costs, and other factors like COVID-19 continuous coverage requirement and the implementation of major policy changes such as the full elimination of the asset test for older adults and the full-scope expansion to all income-eligible State residents, regardless of immigration status. In March 2025, the State borrowed \$3.4 billion and appropriated an additional \$2.8 billion from the State general fund to support Medi-Cal expenditures of \$37.6 billion. In the last 10 years, Medi-Cal general fund costs have increased from \$17.1 billion to \$37.6 billion and Medi-Cal caseload has increased from 12.7 million in fiscal year 2019-20 to 15.0 million in fiscal year 2024-25. These expenditure increases are expected to continue through fiscal year 2025-26.

The 2025-26 May Revision maintains the planned withdrawal of approximately \$7.1 billion from the State Rainy Day Fund in fiscal year 2025-26. Accounting for withdrawals, the 2025-26 May Revision reflects total reserve balances of approximately \$15.7 billion at the end of fiscal year 2025-26. This consists of \$11.2 billion in the State Rainy Day Fund and \$4.5 billion in the SFEU. To address the \$12.0 billion budget deficit, the 2025-26 May Revision proposes significant reductions to ongoing programs, totaling \$5.0 billion in fiscal year 2025-26, and expected to grow to \$14.8 billion by fiscal year 2028-29. These maneuvers include reductions in Medi-Cal and healthcare programs, \$5.3 billion of revenue and borrowing related maneuvers and \$1.7 billion in fund shifts.

The 2025-26 May Revision includes total funding of \$137.8 billion consisting of \$80.5 billion from the State general fund and \$57.3 billion from other funds for all TK-12 education programs. Significant proposals affecting TK-12 districts in this category include:

- Proposition 98 Minimum Guarantee. The revised estimates of State general fund revenues result in notable adjustments to the Proposition 98 minimum guarantee. The revised minimum guarantee for TK-14 schools is calculated to be \$98.5 billion in fiscal year 2023-24, \$118.9 billion in fiscal year 2024-25, and \$114.6 billion in fiscal year 2025-26. These levels represent an increase of approximately \$2.9 billion over the three-year period relative to the 2024-25 State Budget, and a remarkable decrease of approximately \$4.6 billion from the Proposed 2025-26 State Budget. Due to the inherent risk in revenue projections, the 2025-26 May Revision proposes to appropriate the Proposition 98 minimum guarantee for fiscal year 2024-25 at \$117.6 billion, instead of the currently calculated level of \$118.9 billion. The difference between the appropriated and the calculated levels is less than the Proposed 2025-26 State Budget, at \$1.3 billion instead of \$1.6 billion. This is intended to mitigate the risk of potentially appropriating more resources to the Proposition 98 minimum guarantee than are ultimately available in the final calculation for fiscal year 2024-25.
- Proposition 98 Rainy Day Fund. The 2025-26 May Revision maintains the withdrawal of the full \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24. The Proposed 2025-26 State Budget included a mandatory deposit of \$1.2 billion in fiscal year 2024-25 and a discretionary deposit of \$376.0 million in fiscal year 2025-26. Adjustments in capital gains revenues in the 2025-26 May Revision are

projected to reduce the mandatory deposit in fiscal year 2024-25 to \$540.0 million. Additionally, a decrease in the Proposition 98 minimum guarantee triggers a mandatory withdrawal of \$540.0 million in fiscal year 2025-26, exhausting the remaining Proposition 98 Rainy Day Fund balance.

- Proposition 98 Funding Split. The 2025-26 May Revision includes a shift in how transitional kindergarten expansion funds are distributed between TK-12 school districts and community college districts. In prior years, consistent with the statutory requirement, 10.9% of the amount of State general fund rebench into the Proposition 98 minimum guarantee as the cost of transitional kindergarten expansion was added to the community college districts' budget. Over the three-year budget window, this has resulted in \$492.4 million in increased resources for community college districts, and a like amount of funding that has not been available for TK-12 school districts to implement the expansion of transitional kindergarten. The 2025-26 May Revision shifts the full transitional kindergarten expansion funding to the TK-12 education side of the Proposition 98 budget. This reduces by a like amount the resources for community college districts. However, the purpose of rebenching Proposition 98 for the cost of transitional kindergarten expansion was to ensure that implementation of universal transitional kindergarten did not create a fiscal burden on existing TK-12 programs, therefore this shift will align resources generated by the rebench with this intent.
- Local Control Funding Formula. The 2025-26 May Revision includes a LCFF cost-of-living adjustment of 2.3%, a slight decrease from the 2.4% included in the Proposed 2025-26 State Budget. When combined with population growth adjustments, this will result in an increase of approximately \$2.1 billion in discretionary funds for local educational agencies ("LEAs") as compared to the 2024-25 State Budget. To fully fund the LCFF, the 2025-26 May Revision uses \$481.0 million from the Proposition 98 Rainy Day Fund to support LCFF costs in fiscal year 2025-26.
- Deferrals. Budgetary deferrals of \$246.6 million for TK-12 education from fiscal years 2023-24 and 2024-25 are fully repaid in the three-year budget window. However, to fully fund the LCFF and maintain the level of fiscal year 2025-26 principal apportionments, the 2025-26 May Revision proposes deferring \$1.8 billion in LCFF funding from June 2026 to July 2026.
- Universal Transitional Kindergarten. In the 2025-26 school year, the 2025-26 May Revision provides a total of \$2.1 billion ongoing Proposition 98 general fund (inclusive of all prior years' investments) to support the full implementation of universal transitional kindergarten, so that all children who turn four years old by September 1 of the school year can enroll in the 2025-26 school year. This represents a slight decrease from the Proposed 2025-26 State Budget's estimate of \$2.4 billion, driven largely by revised average daily attendance estimates and a lower LCFF cost-of-living adjustment. The 2025-26 May Revision also provides an additional \$1.2 billion of ongoing Proposition 98 general fund resources to support further lowering the average student-to-adult ratio from 12:1 to 10:1 in every transitional kindergarten classroom. This is also lower than the Proposed 2025-26 State Budget estimate of \$1.5 billion, again driven by revised average daily attendance estimates.
- Before School, After School and Summer School. The 2025-26 May Revision maintains the full implementation of the Expanded Learning Opportunities Program by increasing the number of LEAs with TK-6th grade that offer universal access to students, from those with an unduplicated pupil percentage of 75% to those with 55% unduplicated students. However, increasing unduplicated pupil average daily attendance estimates have increased the estimated cost of this investment, from \$435.0 million in ongoing Proposition 98 general fund resources at the Proposed 2025-26 State Budget to \$515.5 million at the 2025-26 May Revision. Additionally, the 2025-26 May Revision includes an additional \$10.0 million to increase the minimum grant amount from \$50,000 to \$100,000 per LEA. This increase will allow small LEAs to maintain expanded learning opportunities programming without redirecting funding from other local programs.
- Literacy Instruction. The 2025-26 May Revision builds upon the comprehensive package of \$545.3 million investment included in the Proposed 2025-26 State Budget, to include \$200.0 million in one-time Proposition 98 general fund resources to support evidenced-based professional learning for elementary school educators aligned with the ELA/ELD framework, \$10.0 million in one-time Proposition 98 general fund sources for a

county office of education to partner with the University of California, San Francisco Dyslexia Center to support the Multitudes screener, and expand capacity for educator support for schools using Multitudes and authority for the Department of Education to draw down funding awarded through the federal Comprehensive Literacy State Development grant.

- Teacher Preparation and Professional Development. The Proposed 2025-26 State Budget included multiple proposals intended to support teachers and improve access to the educator pipeline. The 2025-26 May Revision builds on these proposals by repurposing \$150.0 million in one-time Proposition 98 general fund resources for the Teacher Recruitment Incentive Grant Program to, among other things, provide \$100.0 million in one-time Proposition 98 general fund resources to fund stipends for student teachers and, among other things, extend deadlines for completion of induction programs and reading instruction competence assessments.
- Student Support and Professional Development Discretionary Block Grant. Given the reduction in Proposition 98 resources, the 2025-26 May Revision updates the amount of one-time Proposition 98 general fund resources available for the Student Support and Professional Development Discretionary Block Grant to \$1.7 billion (from \$1.8 billion at the Proposed 2025-26 State Budget). These funds will provide LEAs with additional fiscal support to address rising costs, as well as fund Statewide priorities.

The 2025-26 May Revision includes certain adjustments that add or amend the State general fund resources affecting TK-12 districts. Significantly, these include:

- Local Property Tax Adjustments. Allocation of \$309.0 million in additional Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2024-25, and a decrease of \$1.1 billion in ongoing Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2025-26, resulting from increased offsetting property taxes.
- Cost-of-Living Adjustments. Allocation of \$174.0 million in ongoing Proposition 98 general fund resources to reflect a 2.3% cost-of-living adjustment for specified categorical programs and the LCFF equity multiplier. The specified categorical programs include Special Education, Child Nutrition, Youth in Foster Care, Mandates Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.
- Nutrition. Allocation of \$90.7 million in additional ongoing Proposition 98 general fund resources to fully fund the Universal School Meals Program in fiscal year 2025-26.

To address the projected budget shortfall, the 2025-26 May Revision includes certain reductions affecting TK-12 districts, as described below:

- Reversion of Unallocated School Facilities Funds. A reduction of \$177.5 million in remaining, unused State general fund resources from a \$2.0 billion one-time allocation provided to the Office of Public School Construction in the budget for fiscal year 2023-24 for TK-12 school facilities. These funds were made available on an as-needed basis for fire-impacted LEAs through August 2025. However, impacted schools indicated that they would not be able to use the funds by that date. Proposition 2 facilities funds will be available for fire-impacted LEAs to access moving forward, as needed.
- Suspension of the State Preschool Cost-of-Living Adjustment. A reduction of \$19.3 million in ongoing Proposition 98 general fund resources and \$10.2 million in ongoing State general fund resources to reflect the suspension of the statutory cost-of-living adjustment for the California State Preschool Program in fiscal year 2025-26.

The complete 2025-26 May Revision is available from the California Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov) or [www.ebudget.ca.gov](http://www.ebudget.ca.gov). The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

***LAO Analysis of the 2025-26 May Revision.*** The LAO released its analyses of the education proposals included in the 2025-26 May Revision entitled, “The 2025-26 Budget: Analysis of the May Revision K-14 Education Plan” and “The 2025-26 Budget: Analysis of the School and Community College Funding Split,” on May 20, 2025 (collectively, the “May Revision Analysis”). In the May Revision Analysis, the LAO assesses changes to the Proposition 98 minimum guarantee and budget maneuvers affecting school districts. The May Revision Analysis proposes an alternate plan with ongoing actions affecting school districts and offers specific recommendations for building the final 2025-26 State budget.

The LAO estimates that the Proposition 98 minimum guarantee has decreased by \$4.6 billion across the budget period, including a \$3.9 billion decrease in the Proposition 98 general fund resources and an approximate \$753.0 million decrease in the local property tax portion of the Proposition 98 minimum guarantee. The LAO notes that the 2025-26 May Revision proposes to “rebench” the Proposition 98 minimum guarantee upward to offset the property tax reductions attributable to the fires in Los Angeles in January 2025. This adjustment is expected to increase the Proposition 98 general fund by \$172.0 million across fiscal years 2024-25 and 2025-26. The LAO assesses that the fiscal year 2025-26 Proposition 98 minimum guarantee is moderately sensitive. Holding other factors constant, it would change approximately 40 cents for each \$1 of higher or lower revenue. However, the fiscal year 2024-25 Proposition 98 minimum guarantee is highly sensitive and holding other factors constant, it would change nearly dollar for dollar with changes in revenue. This high sensitivity exists because the State is paying a maintenance factor. The 2025-26 May Revision’s estimates of property tax revenue are lower than the LAO’s estimates by \$382.0 million in fiscal year 2024-25 and by \$422.0 million in fiscal year 2025-26, totaling \$804.0 million over the two years. The main difference involves property tax revenue from former redevelopment agencies. The State Department of Finance assumes this revenue will stagnate in fiscal year 2024-25 and grow moderately in fiscal year 2025-26, whereas LAO’s outlook anticipates faster growth in line with historical trends.

The LAO notes that most of the proposals for schools included in the Proposed 2025-26 State Budget remain in place and the 2025-26 May Revision reduces spending primarily through deferrals, reserves, and other one-time solutions. For school districts, the State would defer more than \$1.8 billion from June 2026 to July 2026, approximately 2.2% of the LCFF, and for community college districts, \$532.0 million from May and June 2026 to July 2026, approximately 5.3% of the Student Centered Funding Formula. The LAO further notes that the Proposed 2025-26 State Budget deposited \$1.5 billion into the Proposition 98 Rainy Day Fund, comprising a \$1.2 billion required deposit and a \$376.0 million discretionary deposit. Lower revenue estimates in the 2025-26 May Revision reverse the required deposit through automatic adjustments in fiscal years 2024-25 and 2025-26, and the 2025-26 May Revision rescinds the discretionary deposit proposal. These actions reduce the balance in the Proposition 98 Rainy Day Fund to zero. The 2025-26 May Revision withdraws several proposals for community college districts leading to a total reduction of \$394.0 million, modifies a settle-up payment of \$1.6 billion included in the Proposed 2025-26 State Budget to \$1.3 billion, increasing the funding available for programs in fiscal year 2024-25 by \$250.0 million, and reduces the statutory cost-of-living adjustment (“COLA”) rate for fiscal year 2025-26 to 2.3% (decreased from the 2.43% COLA under the Proposed 2025-26 State Budget).

The LAO observes that several proposals included in the 2025-26 May Revision affect school spending. The 2025-26 May Revision (a) maintains the proposal to expand the Expanded Learning Opportunities Program but increases the augmentation to \$526.0 million (an increase of \$91.0 million from the Proposed 2025-26 State Budget), reflecting updated costs of implementing the changes proposed in January 2025, (b) maintains the requirement for a 10:1 staffing ratio in fiscal year 2025-26, but reduces the associated funding to \$517.0 million (a decrease of \$229.0 million from the Proposed 2025-26 State Budget), reflecting lower attendance estimates and a lower funding rate per student, (c) provides a new one-time allocation of \$200.0 million to support literacy training for elementary school teachers, and (d) replaces the Proposed 2025-26 State Budget proposal to provide \$150.0 million for a teacher loan repayment program with a proposal to provide \$100.0 million in stipends for student teachers.

The LAO raises concerns that the 2025-26 May Revision expands certain programs despite weaker revenues and an uncertain economy, which would task school districts with hiring staff and expanding local programs based on funding levels that the State might be unable to sustain. The 2025-26 May Revision’s use of \$1.6 billion in one-time funds to cover ongoing spending creates a structural deficit—the one-time funds expire in fiscal year 2026-27 but the ongoing program costs continue. The State would have to address this deficit before funding COLA or other priorities in fiscal year 2026-27. The 2025-26 May Revision anticipates growth of \$3.5 billion (3.1%) in the Proposition 98 minimum guarantee for fiscal year 2026-27. This relatively slow growth rate would likely be insufficient to cover the



shortfall and fund the COLA for fiscal year 2026-27. The LAO cautions that payment deferrals create debts that reduce funding available in the future and weaken cash flow for school districts. Given these downsides, the State has tended to limit deferrals to severe downturns when few alternatives exist. The 2025-26 May Revision uses deferrals to free up funding for new proposals and augmentations to existing programs. This approach reduces the State's capacity to address a sharper downturn that could emerge before the deferrals are repaid.

The LAO observes that the State has historically allocated approximately 89% of the Proposition 98 minimum guarantee to schools and 11% to community colleges. These percentages are known colloquially as "the split" and reflect the actual allocation in fiscal year 1989-90. The split calculation is uncoded and includes a growing list of exceptions. Specifically, some Proposition 98 programs are excluded from the calculation as an indirect way to allocate more or less funding to schools or community colleges. The 2025-26 May Revision modifies the split calculation across the budget window to shift \$492.0 million in Proposition 98 funding resources from community colleges to schools. Of this shift, \$233.0 million is ongoing. The LAO warns that allocating Proposition 98 funding resources based on spending decisions in fiscal year 1989-90 is a poor budgeting practice. It produces outcomes that are disconnected from (a) trends in school and community college enrollment, (b) the evolving responsibilities and cost pressures facing each segment, and (c) the State Legislature's priorities. The LAO recommends discontinuing the use of the split as a budgeting tool and building a Proposition 98 budget that funds COLA, enrollment changes, and the most compelling school and community college proposals instead of making allocations based on historical percentages.

The LAO proposes an alternate "less risky" plan that recommends eliminating the budget deficit by aligning ongoing spending with the Proposition 98 minimum guarantee; avoiding payment deferrals and apportionment shortfalls; maintaining funding for COLA and enrollment-related increases; and providing more one-time discretionary funding for schools. The alternate plan proposes delaying or rejecting a few ongoing spending increases and reducing a few ongoing programs, adding up to \$1.6 billion, rejecting most of the Proposed 2025-26 State Budget one-time spending proposals for a total of \$1.2 billion; and providing \$458.0 million more in resources for community college districts (and correspondingly less for school districts). Some of the ongoing actions proposed under the alternate plan include rejecting increased funding for the Expanded Learning Opportunities Program, delaying the 10:1 staffing requirement for TK classrooms, reducing funding for the State preschool program, delaying implementation of the school attendance recovery program, reducing funding for community college part-time faculty health insurance, increased funding for community college apportionments, rejecting several budget proposals, increasing funding for a discretionary block grant, and rejecting remaining funds for community college career education and technology projects.

The May Revise Analysis is available on the LAO website at [www.lao.ca.gov](http://www.lao.ca.gov). 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.

***Changes in State Budget.*** The final fiscal year 2025-26 State budget, which requires approval by a majority vote of each house of the State Legislature, may differ substantially from the 2025-26 May Revision. The final fiscal year 2025-26 State budget may be affected by national and State economic conditions and other factors which the District cannot predict. Accordingly, the District cannot provide any assurances that there will not be any changes in the final fiscal year 2025-26 State budget from the 2025-26 May Revision. The District cannot predict the impact that the final fiscal year 2025-26 State budget, or subsequent budgets, will have on its finances and operations.

***Future Budgets and Budgetary Actions.*** The District cannot predict what future actions will be taken by the State legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by tariffs, national and State economic conditions, and other factors beyond the District's ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State's ability to fund schools during the current fiscal year and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Bonds are payable from *ad valorem* property taxes, the Proposed 2025-26 State Budget, the 2025-26 May Revision, and the final fiscal year 2025-26 State budget are not expected to have a material impact on the payment of the Bonds.

***School District Reserves.*** The State’s economic and revenue outlook has changed. Although the 2024-25 State Budget provides for a discretionary payment of approximately \$1.1 billion to the Proposition 98 Rainy Day Fund in fiscal year 2024-25, the 2024-25 State Budget also provides for a withdrawal of the entire \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24, leaving a projected balance of \$1.1 billion at the end of fiscal year 2024-25. See “– 2024-25 State Budget.” School districts may need to access their local reserves in light of operational needs that may exceed expected funding under LCFF in a given fiscal year. The District, which has an A.D.A. of less than 30,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. At the time of preparation of its fiscal year 2025-26 budget, the District projects it will meet the 3% statutory reserve requirement in fiscal years 2025-26 through 2027-28.

Payments allocated to the Proposition 98 Rainy Day Fund under the fiscal year 2021-22 State budget and the fiscal year 2022-23 State budget triggered a reserve cap for school districts in fiscal years 2022-23 and 2023-24, respectively. Such reserve cap is triggered when the amount of money in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total State general fund revenues appropriated for school districts Statewide. Given 2024-25 State Budget provisions relating to the Proposition 98 Rainy Day Fund, 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. See “– 2024-25 State Budget.” In accordance with Section 42127.01(a) of the California Education Code, when the reserve cap is triggered, a school district’s assigned and unassigned ending fund balance cannot exceed 10% of such school district’s general fund balance. Pursuant to Section 42127.01(c) of the California Education Code, community funded districts and small school districts with fewer than 2,501 units of A.D.A. are exempt from the reserve cap. Regardless of whether the reserve cap is triggered, at the time of preparation of its fiscal year 2025-26 budget, the District projects that it would not exceed the limits imposed by the reserve cap in fiscal year 2025-26. For more information on the reserve cap legislation, see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751.”

***Prohibitions on Diverting Local Revenues for State Purposes.*** Beginning in fiscal year 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund (“ERAF”) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State’s voters approved as “Proposition 1A” at the November 2004 election. That measure was generally superseded by the passage of a new initiative constitutional amendment at the November 2010 election, known as “Proposition 22.”

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. One effect of this amendment will be to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert \$1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of \$1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see “– *Dissolution of Redevelopment Agencies*” below). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State’s authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years – such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

***Dissolution of Redevelopment Agencies.*** The adopted State budget for fiscal year 2011-12, as signed by the Governor on June 30, 2011, included as trailer bills Assembly Bill No. 26 (First Extraordinary Session) (“AB1X 26”) and Assembly Bill No. 27 (First Extraordinary Session) (“AB1X 27”), which the Governor signed on June 29, 2011. AB1X 26 suspended most redevelopment agency activities and prohibited redevelopment agencies from incurring indebtedness, making loans or grants, or entering into contracts after June 29, 2011. AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. Certain provisions of AB1X 26 are described further below.

In July of 2011, various parties filed an action before the Supreme Court of the State of California (the “Court”) challenging the validity of AB1X 26 and AB1X 27 on various grounds (*California Redevelopment Association v. Matosantos*). On December 29, 2011, the Court rendered its decision in *Matosantos* upholding virtually all of AB1X 26 and invalidating AB1X 27. In its decision, the Court also modified various deadlines for the implementation of AB1X 26. The deadlines for implementation of AB1X 26 described below take into account the modifications made by the Court in *Matosantos*.

On February 1, 2012, and pursuant to *Matosantos*, AB1X 26 dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency, will be transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

AB1X 26 requires redevelopment agencies to continue to make scheduled payments on and perform obligations required under its “enforceable obligations.” For this purpose, AB1X 26 defines “enforceable obligations” to include “bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of outstanding bonds of the former redevelopment agency” and “any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.” AB1X 26 specifies that only payments included on an “enforceable obligation payment schedule” adopted by a redevelopment agency shall be made by a redevelopment agency until its dissolution. However, until a successor agency adopts a “recognized obligation payment schedule” the only payments permitted to be made are payments on enforceable obligations included on an enforceable obligation payment schedule. A successor agency may amend the enforceable obligation payment schedule at any public meeting, subject to the approval of its oversight board.

Under AB1X 26, commencing February 1, 2012, property taxes that would have been allocated to each redevelopment agency if the agencies had not been dissolved will instead be deposited in a “redevelopment property tax trust fund” created for each former redevelopment agency by the related county auditor-controller and held and administered by the related county auditor-controller as provided in AB1X 26. AB1X 26 generally requires each county auditor-controller, on May 16, 2012 and June 1, 2012 and each January 16 and June 1 (now each January 2 and June 1 pursuant to AB 1484, as described below) thereafter, to apply amounts in a related redevelopment property tax trust fund, after deduction of the county auditor-controller’s administrative costs, in the following order of priority:

- To pay pass-through payments to affected taxing entities in the amounts that would have been owed had the former redevelopment agency not been dissolved; provided, however, that if a successor agency determines that insufficient funds will be available to make payments on the recognized obligation payment schedule and the county auditor-controller and State Controller verify such determination, pass-through payments that had previously been subordinated to debt service may be reduced;
- To the former redevelopment agency’s successor agency for payments listed on the successor agency’s recognized obligation payment schedule for the ensuing six-month period;
- To the former redevelopment agency’s successor agency for payment of administrative costs; and

- Any remaining balance to school entities and local taxing agencies.

The District received approximately \$4.4 million in pass-through payments in fiscal year 2024-25 and estimates receipt of \$3.9 million in pass-through payments in fiscal year 2025-26.

It is possible that there will be additional legislation proposed and/or enacted to “clean up” various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a “tax claw back” provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This “tax claw back” provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

### **Allocation of State Funding to School Districts; Local Control Funding Formula**

Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under Section 42238 et seq. of the Education Code of the State, each school district was determined to have a target funding level: a “base revenue limit” per student multiplied by the district’s student enrollment measured in units of average daily attendance (“A.D.A.”). The base revenue limit was calculated from the district’s prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district’s base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State “equalization aid.” To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State’s contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the “basic aid” of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. Such districts were known as “basic aid districts” which are now referred to as “community funded districts.” School districts that received some equalization aid were commonly referred to as “revenue limit districts,” which are now referred to as “LCFF districts.” The District is an LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base revenue funding limit grant (“Base Grant”) per unit of A.D.A. with additional supplemental funding allocated to local educational agencies (“LEAs”) based on their proportion of English language learners, students from low-income families and foster youth. The LCFF originally had an eight year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below. In fiscal year 2018-19, the LCFF was fully funded ahead of the eight year implementation schedule. The LCFF includes the following components:

- A Base Grant for each local educational agency. The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2024-25, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to \$11,068 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to \$10,177 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to \$10,478 per A.D.A. for grades 7 and 8; and (d) a Target Base Grant for each LEA equivalent to \$12,460 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. The Base Grant amount for fiscal year 2024-25 includes a cost-of-living adjustment of 1.07%.

- A 20% supplemental grant for the unduplicated number of English language 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% of a LEA's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.
- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every local educational agency receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF. Upon full implementation, local educational agencies would receive the greater of the Base Grant or the ERT.

Prior to fiscal year 2022-23, school districts received their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. This apportionment method helped to temporarily mitigate the impact of LCFF funding losses on school districts that result from declining enrollment. To further mitigate the impact of LCFF funding losses in light of the COVID-19 pandemic, the fiscal year 2020-21 State budget included a temporary hold harmless provision for the purpose of calculating apportionments in fiscal year 2020-21 in which A.D.A. for fiscal year 2020-21 was based on fiscal year 2019-20 (specifically, the period July 1, 2019, through February 29, 2020). The fiscal year 2021-22 State budget did not extend the A.D.A. hold harmless provision to fiscal year 2021-22. Nonetheless, in fiscal year 2021-22, school districts still retained the ability to receive their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. in accordance with the LCFF.

The fiscal year 2022-23 State budget, as amended (the "2022-23 State Budget") amended the LCFF calculation to consider the greater of a school district's current fiscal year, prior fiscal year, or the average of three prior fiscal years' A.D.A. to allow school districts more time to adjust to enrollment-related LCFF funding declines. For purposes of fiscal year 2021-22, a school district that can demonstrate it provided independent study offerings to students in fiscal year 2021-22 may consider the greater of such school district's fiscal year 2021-22 A.D.A. or such school district's fiscal year 2021-22 enrollment adjusted for pre-COVID-19 absence rates. Such adjustment is applicable to fiscal year 2021-22 for purposes of calculating a school district's fiscal year 2021-22 annual apportionment and calculating a school district's prior year A.D.A. or the average of three prior years' A.D.A. in fiscal year 2022-23 and future fiscal years in accordance with the amendments made in connection with the 2022-23 State Budget.

Under LCFF, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts continue to receive the same level of State aid as allocated under the prior revenue limit funding system in fiscal year 2012-13.

***Local Control Accountability Plan.*** A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year local control and accountability plan ("LCAP"). Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction,

while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the “Collaborative”), a newly established body of educational specialists, was created to advise and assist local educational agencies in achieving the goals identified in their LCAPs. For local educational agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local educational agency’s LCAP.

***Attendance and LCFF.*** The following table sets forth the District’s actual and budgeted A.D.A. enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, “EL/LI Students”)) and targeted Base Grant per unit of A.D.A. for fiscal years 2015-16 through 2024-25. The A.D.A. and enrollment numbers include special education in the following table.

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Average Daily Attendance, Enrollment and Targeted Base Grant**  
**Fiscal Years 2015-16 through 2024-25**

Fiscal Year		A.D.A./Base Grant				Enrollment <sup>(14)</sup>		
		K-3	4-6	7-8	9-12	Total A.D.A. <sup>(2)</sup>	Total Enrollment	Unduplicated Percent of EL/LI Students
2015-16	A.D.A. <sup>(2)</sup>	6,126	4,239	2,611	4,980	17,956	19,000	63.11%
	Targeted Base Grant <sup>(3)(4)</sup>	\$7,083	\$7,189	\$7,403	\$8,578	-	-	-
2016-17	A.D.A. <sup>(2)</sup>	5,829	4,178	2,599	4,824	17,430	18,438	63.39%
	Targeted Base Grant <sup>(3)(5)</sup>	\$7,083	\$7,189	\$7,403	\$8,578	-	-	-
2017-18	A.D.A. <sup>(2)</sup>	5,676	3,962	2,555	4,858	17,051	18,055	64.33%
	Targeted Base Grant <sup>(3)(6)</sup>	\$7,193	\$7,301	\$7,518	\$8,712	-	-	-
2018-19	A.D.A. <sup>(2)</sup>	5,457	3,809	2,516	4,918	16,700	17,648	63.53%
	Targeted Base Grant <sup>(3)(7)</sup>	\$7,459	\$7,571	\$7,796	\$9,034	-	-	-
2019-20	A.D.A.	5,135	3,798	2,455	4,901	16,290	17,223	64.21%
	Targeted Base Grant <sup>(3)(8)</sup>	\$7,702	\$7,818	\$8,050	\$9,329	-	-	-
2020-21	A.D.A.	5,135	3,798	2,455	4,901	16,290	16,374	63.47%
	Targeted Base Grant <sup>(3)(9)</sup>	\$7,702	\$7,818	\$8,050	\$9,329	-	-	-
2021-22	A.D.A.	4,675	3,411	2,242	5,051	16,264 <sup>(2)</sup>	16,267	72.21%
	Targeted Base Grant <sup>(3)(10)</sup>	\$8,935	\$8,215	\$8,458	\$10,057	-	-	-
2022-23	A.D.A.	4,478	3,128	2,154	4,504	15,961 <sup>(2)</sup>	15,866	72.44%
	Targeted Base Grant <sup>(3)(11)</sup>	\$10,119	\$9,304	\$9,280	\$11,391	-	-	-
2023-24	A.D.A. <sup>(2)</sup>	4,725	3,081	2,278	4,798	15,201 <sup>(2)</sup>	15,297	72.62%
	Targeted Base Grant <sup>(3)(12)</sup>	\$13,796	\$12,685	\$13,060	\$15,529	-	-	-
2024-25 <sup>(1)</sup>	A.D.A. <sup>(2)</sup>	4,537	3,166	2,168	4,604	14,475	14,890	72.59%
	Targeted Base Grant <sup>(3)(13)</sup>	\$13,940	\$12,818	\$13,197	\$15,694	-	-	-

<sup>(1)</sup> Figures are projections.

<sup>(2)</sup> A.D.A. for the second period of attendance, typically in mid-April of each school year. Funded A.D.A. in fiscal years 2021-22 through 2023-24 differs from actual A.D.A. totals in such years due to adjustments in the LCFF funding formula in such years. See “Allocation of State Funding to School Districts; Local Control Funding Formula” above.

<sup>(3)</sup> Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and do not include any supplemental and concentration grants under the LCFF. Such amounts were not fully funded until fiscal year 2018-19.

<sup>(4)</sup> Targeted fiscal year 2015-16 Base Grant amounts reflect a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.

<sup>(5)</sup> Targeted fiscal year 2016-17 Base Grant amounts reflect a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.

<sup>(6)</sup> Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.

<sup>(7)</sup> Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts.

<sup>(8)</sup> Targeted fiscal year 2019-20 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.

<sup>(9)</sup> Targeted fiscal year 2020-21 Base Grant amount reflects a 0.0% cost-of-living adjustment from targeted fiscal year 2019-20 Base Grant amounts.

<sup>(10)</sup> Targeted fiscal year 2021-22 Base Grant amount reflects a 5.07% cost-of-living adjustment from targeted fiscal year 2020-21 Base Grant amounts.

<sup>(11)</sup> Targeted fiscal year 2022-23 Base Grant amount reflects a 13.26% adjustment from targeted fiscal year 2021-22 Base Grant amounts, which includes a 6.56% cost-of-living adjustment and a 6.70% discretionary increase in Base Grant funding.

<sup>(12)</sup> Targeted fiscal year 2023-24 Base Grant amount reflects an 8.22% cost-of-living adjustment from targeted fiscal year 2022-23 Base Grant amounts.

<sup>(13)</sup> Targeted fiscal year 2024-25 Base Grant amount reflects a 1.07% cost-of-living adjustment from targeted fiscal year 2023-24 Base Grant amounts.

<sup>(14)</sup> Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System (“CALPADS”) in each school year. For purposes of calculating Supplemental and Concentration Grants, a school district’s fiscal year 2014-15 percentage of unduplicated EL/LI Students enrollment was based on the two-year average of EL/LI Students enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, the percentage of unduplicated EL/LI Students was and will be based on a rolling average of such school district’s EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: The District.

The District estimates it received approximately \$210.7 million in aggregate revenues reported under LCFF sources in fiscal year 2024-25, and has projected to receive approximately \$207.5 million in aggregate revenues under the LCFF in fiscal year 2025-26 (or approximately 75.9% of its general fund revenues in fiscal year 2025-26). Such amount includes supplemental and concentration grants estimated to be approximately \$42.1 million in fiscal year 2024-25, and projected to be approximately \$40.0 million in fiscal year 2025-26.

### **Local Sources of Education Funding**

**General.** The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 et seq. and Sections 95 et seq. of the Revenue and Taxation Code of the State. Section 42238(h) of the Education Code of the State itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of \$120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. Such districts were known as "basic aid districts." School districts that received some State aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as an LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "– Allocation of State Funding to School Districts; Local Control Funding Formula" above for more information.

Local property tax revenues are projected to account for approximately 38.5% of the District's aggregate revenues reported under LCFF sources and are projected to be approximately \$79.8 million, or 29.2% of total general fund revenues in fiscal year 2025-26.

For information about the property taxation system in California and the District's property tax base, see "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Property Taxation System," "– Assessed Valuation of Property Within the District," and "– Tax Collections and Delinquencies."

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

**Effect of Changes in Enrollment.** Changes in local property tax income and student enrollment (or A.D.A.) affect LCFF districts and community funded districts differently. In a LCFF district, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth – and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it an LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the \$120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, and public charter schools, inter-district transfers in or out, and other causes. Losses in enrollment will cause a school



district to lose operating revenues, without necessarily permitting the District to make adjustments in fixed operating costs.

The District cannot make any predictions regarding how the current economic environment or changes thereto will affect the State's ability to meet the revenue and spending assumptions in the State's adopted budget, and the effect of these changes on school finance. The District's adopted budget and projected A.D.A. are used for planning purposes only, and do not represent a prediction as to the actual financial performance, attendance, or the District's actual funding level for the current fiscal year or beyond. Certain adjustments will have to be made throughout the year based on actual State funding and actual attendance.

## **Other District Revenues**

**Federal Revenues.** The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately 6.2% (or approximately \$17.0 million) of the District's general fund projected revenues for fiscal year 2025-26.

However, no representation can be made that the District will continue to receive or be eligible for federal funding of education programs, including as a result of current efforts and proposals to reduce the size of the federal workforce, eliminate government programs and/or eliminate or merge governmental agencies. In particular, such funding may be impacted by the executive order signed by President Trump on March 20, 2025, to begin dismantling the U.S. Department of Education.

In addition, on January 27, 2025, the U.S. Office of Management and Budget ("OMB") issued a memorandum directing federal agencies to temporarily pause all activities related to the obligation or disbursement of federal financial assistance, and other relevant activities, that may be implicated by recent executive orders issued under the Trump Administration. On January 29, 2025, OMB rescinded the memorandum. Following the rescission, the White House press secretary noted that the rescission of the memorandum was "[not] a rescission of the federal funding freeze." The U.S. Department of Education released a letter, dated February 14, 2025, notifying schools and colleges to eliminate diversity, equity, and inclusion programs and initiatives by the end of the month or risk losing federal funding.

The District cannot predict the extent of the impact of these changes nor whether such impact may materially affect the District's finances or operations.

**Impact Aid Funds.** Many local school districts, including the District, include within their boundaries parcels of land that are owned by the federal government or that have been removed from the local tax rolls by the federal government. These school districts face special challenges – they must provide a quality education to the children living on Native American and other federal lands, while sometimes operating with less local revenue than is available to other school districts, because the federal property is exempt from local property taxes. Since 1950, Congress has provided financial assistance to these local school districts through the Impact Aid Program. Impact Aid was designed to assist local school districts that have lost property tax revenue due to the presence of tax-exempt federal property, or that have experienced increased expenditures due to the enrollment of federally connected children, including children living on Native American lands, military bases, low-rent housing properties, and other federal properties, or have parents in the uniformed services or employed on eligible federal properties. Most Impact Aid funds, except for the additional payments for children with disabilities and construction payments, are considered general aid to the recipient school districts; these districts may use the funds in whatever manner they choose in accordance with their local and State requirements.

The District projects receipt of approximately \$6,981,654 in Impact Aid funds for fiscal year 2025-26. As of June 1, 2025, the District had received approximately \$7,398,975 in Impact Aid funds allocated for fiscal year 2024-25. This includes payments for (i) Section 7002 in the amount of approximately \$1,592,605, (ii) Section 7003(b) in the amount of approximately \$3,391,595, and (iii) Section 7003(d) in the amount of approximately \$304,256. The District received approximately \$11,660,443 in Impact Aid funds allocated for fiscal year 2023-24. This includes payments for (i) Section 7002 in the amount of approximately \$3,225,760, (ii) Section 7003(b) in the amount of approximately \$351,893, and (iii) Section 7003(d) in the amount of approximately \$351,893. The District received approximately \$7,675,261 in Impact Aid funds allocated for fiscal year 2022-23. This includes payments for (i)

Section 7002 in the amount of approximately \$3,050,826, (ii) Section 7003(b) in the amount of approximately \$4,245,913, and (iii) Section 7003(d) in the amount of approximately \$378,522. The District received approximately \$7,091,490 in Impact Aid funds allocated for fiscal year 2021-22. This includes payments for (i) Section 7002 in the amount of approximately \$2,872,182, (ii) Section 7003(b) in the amount of approximately \$3,840,960, and (iii) Section 7003(d) in the amount of approximately \$378,348. The District received approximately \$6,678,660 in Impact Aid funds allocated for fiscal year 2020-21. This includes payments for (i) Section 7002 in the amount of approximately \$2,761,817, (ii) Section 7003(b) in the amount of approximately \$3,545,388, and (iii) Section 7003(d) in the amount of approximately \$371,455.

**Other State Revenues.** In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues which comprise approximately 11.1% (or approximately \$30.4 million) of the District's general fund projected revenues for fiscal year 2025-26. A significant portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District's State lottery revenue is projected at approximately \$4.0 million for fiscal year 2025-26.

**Other Local Revenues.** In addition to *ad valorem* property taxes, the District receives additional local revenues from other local sources, such as interest earnings, which is projected to comprise approximately 6.8% (or approximately \$18.5 million) of the District's general fund projected revenues for fiscal year 2025-26.

See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues" and "– Article XIIC and Article XIID of the State Constitution."

### **Significant Accounting Policies and Audited Financial Reports**

The accounting policies of the District conform to generally accepted accounting principles in accordance with the definitions, instructions and procedures of the California School Accounting Manual, as required by the Education Code of the State. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

Nigro & Nigro, PC, Murrieta, California, serves as independent auditor to the District and excerpts of its report for fiscal year ended June 30, 2024 are attached hereto as Appendix B. The District considers its audited financial statements to be public information, and accordingly no consent has been sought or obtained from the auditor in connection with the inclusion of such statements in this Official Statement. The auditor has made no representation in connection with inclusion of excerpts from the audit herein that there has been no material change in the financial condition of the District since the audit was concluded. The District is required by law to file its audit report for each fiscal year with the County Superintendent and State officials by December 15 and to review the report and any recommended changes following a public meeting to be conducted no later than January 31.

The following table sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for the fiscal years 2019-20 through 2023-24.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**General Fund Revenues, Expenditures and Fund Balances**  
**2019-20 through 2023-24<sup>(1)</sup>**

	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Actual
<b>REVENUE/RECEIPTS</b>					
LCFF Sources	\$173,293,585	\$168,287,513	\$182,843,985	\$207,753,414	\$218,160,289
Federal Sources	18,006,263	30,881,790	30,057,803	36,113,395	34,799,477
Other State Sources	19,531,908	24,041,400	35,117,755	68,623,929	39,955,035
Other Local Sources	13,254,442	13,892,646	13,998,923	18,539,042	26,340,754
<b>TOTAL</b>	<b>\$224,086,198</b>	<b>\$237,103,349</b>	<b>\$262,018,466</b>	<b>\$331,029,780</b>	<b>\$319,255,555</b>
<b>EXPENDITURES/ DISBURSEMENTS</b>					
Certificated Salaries	\$91,870,311	\$92,801,781	\$101,266,581	\$105,653,996	\$106,837,501
Classified Salaries	31,776,984	31,431,691	35,751,194	38,295,220	39,378,169
Employee Benefits	68,893,455	67,871,539	74,351,604	83,790,960	74,431,034
Books and Supplies	8,094,266	14,395,312 <sup>(2)</sup>	8,608,897	16,107,740	10,383,443
Services/Other Operating Expenditures	20,651,165	23,358,474	30,367,423	33,336,322	50,761,249
Capital Outlay	896,967	1,496,660	1,254,116	3,464,924	11,748,518 <sup>(4)</sup>
Other Outgo	1,490,855	1,215,925	1,323,202	1,535,111	1,685,611
Transfers of Indirect Costs	-	(252,208)	(274,462)	(200,683)	(211,600)
Debt Service - Interest	(314,052)	-	-	-	-
<b>TOTAL</b>	<b>\$223,359,951</b>	<b>\$232,319,174</b>	<b>\$252,648,555</b>	<b>\$281,983,590</b>	<b>\$295,013,925</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$726,247	\$4,784,175	\$9,369,911	\$49,046,190	\$24,241,630
<b>OTHER FINANCING SOURCES/(USES)</b>					
Transfers In/Other Sources	-	-	-	\$2,003,413	\$3,914,289
Transfers Out/Other Uses	-	\$(3,541)	\$(2,082)	-	-
<b>TOTAL</b>	<b>-</b>	<b>\$(3,541)</b>	<b>\$(2,082)</b>	<b>\$2,003,413</b>	<b>\$3,914,289</b>
<b>EXCESS OF REVENUE, OTHER SOURCES OVER/ (UNDER) EXPENDITURES, OTHER USES</b>	<b>\$726,247</b>	<b>\$4,780,634</b>	<b>\$9,367,829</b>	<b>\$51,049,603</b>	<b>\$28,155,919</b>
Fund Balance, beginning of year	\$36,379,027	\$37,105,274	\$41,885,908 <sup>(3)</sup>	\$51,253,737	\$102,303,340
Fund Balance, end of year	\$37,105,274	\$41,885,908 <sup>(3)</sup>	\$51,253,737	\$102,303,340	\$130,459,259

<sup>(1)</sup> Totals may not add up due to rounding.

<sup>(2)</sup> The increase in Books and Supplies expenditures in fiscal year 2020-21 reflects the purchase of personal protective equipment (PPE), electronic devices, and instructional materials purchased during the COVID-19 pandemic. Unallocated COVID-19-related expenditures were also budgeted in Books and Supplies for fiscal year 2020-21.

<sup>(3)</sup> The ending fund balance for fiscal year 2020-21 and beginning fund balance for fiscal year 2021-22 reflects an audit restatement resulting in a decrease of \$22.48 from the fund balance provided in the audited actuals for fiscal year 2020-21.

<sup>(4)</sup> The difference in the Capital Outlay expenditure from fiscal year 2022-23 to fiscal year 2023-24 is due to the District's expenditure on purchase of electric and diesel buses, repair or replacement of large HVAC units, and replacement of a roof at an elementary school in fiscal year 2023-24.

Source: Audited financial statements for fiscal years 2019-20 through 2023-24.

***School District Reserves.*** The District is required by State law and regulation to maintain various reserves. The District is generally required to maintain unrestricted general fund reserves in the amount of 3% of its total general fund expenditures, the level of which is based on total student attendance below 30,000. For fiscal year 2025-26, the District projects an unrestricted general fund reserve of 3.0%, or approximately \$9.0 million, compared to the fiscal year 2024-25 unrestricted general fund reserve of \$9.8 million. Substantially all funds of the District are required by law to be deposited with and invested by the County Treasurer on behalf of the District, pursuant to law and the investment policy of the County. See APPENDIX E – “SAN DIEGO COUNTY INVESTMENT POOL.”

The following table sets forth the budgeted revenues, expenditures and changes in fund balances for the District’s general fund for fiscal years 2024-25 and 2025-26, and the estimated actual revenues, expenditures and changes in fund balances for the District’s general fund for fiscal year 2024-25. Certain adjustments may be made throughout the year based on actual State funding and actual District revenues and tax collections. The District cannot make any predictions regarding the disposition of additional pending budget legislation or its effect on the District. The District’s budget is a planning tool, and does not represent a prediction as to the actual achievement of any budgeted revenues or fund balances.

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Budgeted General Fund Summary for Fiscal Years 2024-25 and 2025-26 and**  
**Estimated Actuals General Fund Summary for Fiscal Year 2024-25 <sup>(1)</sup>**

	2024-25 Adopted Budget <sup>(2)</sup>	2024-25 Estimated Actuals <sup>(3)</sup>	2025-26 Adopted Budget <sup>(3)</sup>
<b>REVENUES</b>			
LCFF Sources	\$212,603,067	\$210,698,931	\$207,544,944
Federal Revenue	16,442,263	24,085,240	17,020,973
Other State Revenue	27,007,284	37,319,616	30,375,985
Other Local Revenue	18,102,753	25,422,489	18,492,697
<b>TOTAL</b>	<b>\$274,155,367</b>	<b>\$297,526,276</b>	<b>\$273,434,599</b>
<b>EXPENDITURES</b>			
Certificated Salaries	\$102,783,170	\$102,849,602	\$108,502,328
Classified Salaries	39,409,692	40,300,618	43,120,786
Employee Benefits	80,911,320	78,616,765	80,117,659
Books and Supplies	20,016,982	18,665,024	11,352,186
Services/Other Operating Expenditures	49,574,603	78,301,372	54,697,544
Other Outgo – Excluding Transfers of Indirect Costs	2,308,000	1,775,638	1,687,000
Other Outgo – Transfers of Indirect Costs	(234,280)	(523,947)	(65,618)
Capital Outlay	6,174,670	6,678,080	1,450,957
<b>TOTAL</b>	<b>\$300,944,157</b>	<b>\$326,663,154</b>	<b>\$300,862,842</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$(26,788,790)</b>	<b>\$(29,136,878)</b>	<b>\$(27,428,243)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	-	-	-
Other Sources/Uses	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$(26,788,790)</b>	<b>\$(29,136,878)</b>	<b>\$(27,428,243)</b>
<b>Fund Balance – Beginning</b>	<b>\$92,239,531</b>	<b>\$133,709,159</b>	<b>\$100,385,967</b>
<b>Audit Adjustments</b>	<b>-</b>	<b>\$(3,249,900)</b>	<b>-</b>
<b>Audit Restatements</b>	<b>-</b>	<b>\$(936,415)</b>	<b>-</b>
<b>Fund Balance – Ending</b>	<b>\$65,450,741</b>	<b>\$100,385,967</b>	<b>\$72,957,724</b>

<sup>(1)</sup> Totals may not add due to rounding.

<sup>(2)</sup> Adopted budget for fiscal year 2024-25, as of June 25, 2024.

<sup>(3)</sup> Adopted budget for fiscal year 2025-26, as of June 10, 2025.

Source: The District.

### District Budget Process and County Review

State law requires school districts to adopt 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 County of San Diego Superintendent of Schools (the “County Superintendent”).

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 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. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the Superintendent of Public Instruction and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the Superintendent of Public Instruction and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the Superintendent of Public Instruction and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. 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 (known as "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 and the Education Code (Section 42100 et. seq.), each school district is required to file two 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 fiscal year. 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, based on then current projections, 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, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives 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 and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. The District received qualified certifications in connection with its interim reports for fiscal years 2019-20 through 2021-22. The District received positive certifications in connection with its interim reports for fiscal years 2022-23 through 2024-25.

For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the Superintendent of Public Instruction and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State General Fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State General Fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State General Fund that must be repaid in 20 years. Each year, the Superintendent of Public Instruction will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State General Fund will be based upon the availability of funds within the State General Fund.

### **District Debt Structure**

**General Obligation Bonds.** The District has bonds outstanding under three voter authorizations. On March 7, 2000, the District's voters approved a measure, known as Proposition G, authorizing the District to issue up to \$125 million in general obligation bonds. There is no remaining authorization under Proposition G.

On June 3, 2008, the District's voters approved a measure, known as Proposition H, authorizing the District to issue up to \$195 million in general obligation bonds. The District has issued seven series of bonds, in 2009, 2010, 2012, 2016, 2019 2020, and 2022. There is no remaining authorization under Proposition H.

On November 3, 2020, the District's voters approved a measure, known as Measure W, authorizing the District to issue up to \$160 million in general obligation bonds. The District has issued two series of bonds, in 2021 and 2023, and \$60 million of authorization remains under Measure W, prior to the issuance of the Series 2025 Bonds.

In addition, the District has outstanding eight series of refunding bonds used to pay prior outstanding bonds of the District. A summary of the District's general obligation bonds issued prior to the issuance of the Bonds is presented in the following table.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Summary of Outstanding General Obligation Bonds**

Series	Issue Date	Original Principal Amount	Principal Amount Outstanding as of June 1, 2025 <sup>(1)</sup>
<b>Proposition H (2008)</b>			
Series A	3/4/2009	\$49,995,053.70	\$11,451,234.00
Series B	5/19/2010	29,999,990.75	14,354,110.35
Series C	5/3/2012	14,999,281.90	3,943,940.55
Series D <sup>(2)</sup>	4/7/2016	35,000,000.00	30,635,000.00
Series E	7/2/2019	25,000,000.00	20,350,000.00
Series F	9/2/2020	25,000,000.00	13,445,000.00
Series G	7/26/2022	15,005,000.00	15,005,000.00
<b>Measure W (2020)</b>			
Series A	8/17/2021	50,000,000.00	34,545,000.00
Series B	10/05/2023	50,000,000.00	46,075,000.00
<b>Refunding Bonds</b>			
2015 <sup>(2)</sup>	11/19/2015	42,790,000.00	40,980,000.00
2020 (CIBs)	9/2/2020	8,075,000.00	5,515,000.00
2020 (CABs)	9/2/2020	17,899,497.25	17,899,497.25
2021	8/17/2021	11,520,000.00	9,000,000.00
2022	7/26/2022	6,445,000.00	6,445,000.00
2023	10/05/2023	7,600,000.00	7,600,000.00
2024 (Series A)	5/22/2024	19,975,000.00	19,695,000.00
2024 (Series B)	5/22/2024	19,030,000.00	18,825,000.00

<sup>(1)</sup> Excludes accreted value on capital appreciation bonds.

<sup>(2)</sup> Expected to be refunded in whole or in part by the Refunding Bonds.

Source: The District.

**Capital Lease.** The District has a lease for buses under agreement with an option to purchase. The annual requirements on the capital lease outstanding as of June 30, 2024, are as follows:

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Annual Lease Payments**  
**Capital Leases**

Fiscal Year	Total
2024-25	\$257,263
2025-26	200,263
2026-27	200,263
	<u>\$657,789</u>

Source: The District.

**Lease Obligation.** On December 20, 2023, the District entered into a lease obligation with an aggregate principal amount of \$38,090,000 (the "Lease Obligation") with interest of 5.17% on each maturity of such Lease Obligation. The Lease Obligation was entered into to finance construction of the District's operations complex. Interest with respect to the Lease Obligation is payable semi-annually on each May 1 and November 1, through the final maturity of the Lease Obligation on November 1, 2043. Principal with respect to the Lease Obligation is payable



annually on each May 1, and annual principal payments range from \$1,315,610.13 to \$3,168,937.57. As of June 1, 2025, the principal balance outstanding was \$38,090,000.

**SBITAs.** The District has entered into various subscriptions that qualify as subscriptions-based information technology arrangements (“SBITAs”). The future minimum subscription payments expected to be received under the SBITAs are provided in the following table.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**SBITA Payments**

Fiscal Year	Total
2024-25	\$1,550,464
2025-26	1,336,133
Total	\$2,886,597

*Source:* The District.

**Tax and Revenue Anticipation Notes (TRANS).** The District’s notes are a general obligation of the District, payable from the District’s general fund and any other lawfully available moneys. The District evaluates each year whether or not temporary borrowing will be necessary or economically beneficial. The District did not issue TRANS in fiscal year 2024-25 and does not currently plan to issue TRANS in fiscal year 2025-26.

**Accrued Vacation.** The long-term portion of accumulated and unpaid employee vacation for the District as of June 30, 2024, was \$933,806. See APPENDIX B – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024.”

**Labor Relations**

For fiscal year 2025-26, the District budgeted a total of 1,673 FTE employees, including 867 FTE certificated (non-management) staff, 702 FTE classified (non-management) staff, and 104 FTE management, supervisor and confidential FTE personnel. For fiscal year 2025-26, the total certificated and classified payrolls are budgeted at \$108.5 million and \$43.1 million, respectively.

The District’s certificated and classified employees are represented by formal bargaining organizations as shown in the following table.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**Labor Organizations**

Labor Organization	FTEs Represented	Contract Expiration <sup>(1)</sup>
Oceanside Teachers Association (OTA)	886.9	June 30, 2027
California Schools Employees Association (CSEA)	706.7	June 30, 2027
	1,593.6	

*Source:* The District.

<sup>(1)</sup> Contract negotiations were settled in May 2025. The new agreements will be effective on July 1, 2025, and expire on June 30, 2027.

**Early Retirement Incentive.** The District provided a supplementary early retirement plan for eligible employees, effective July 2018. The incentive was financed over five years and was paid in full as of June 30, 2023.

## Retirement Benefits

The District participates in retirement plans with CalSTRS which covers all full-time certificated District employees, and the State Public Employees' Retirement System ("CalPERS"), which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

**CalSTRS.** The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Assembly Bill 1469, signed into law by former Governor Brown as part of the fiscal year 2014-15 State budget, increased employee, employer and State contributions to CalSTRS as part of a plan to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014.

Pursuant to AB 1469, since fiscal year 2021-22, the State Teachers' Retirement Board is authorized to modify the percentages paid by employers and employees to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations and subject to certain limitations. The State Teachers' Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers' Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. The District cannot predict the impact of State, national, and international events on investment earnings and contribution rates or the amount the District will be required to pay for pension related costs in future fiscal years.

The employer contribution rate for fiscal year 2021-22 was 16.92%, which reflects a 2.18% reduction from the statutorily prescribed rate as a result of the State redirecting certain State supplemental pension payments to reduce employer contribution rates in fiscal years 2020-21 and 2021-22. For fiscal years 2022-23 through 2024-25, the employer contribution rate was approximately 19.10% of covered payroll. The employer contribution rate is inclusive of the employer base contribution of 8.25% of payroll provided by the California Education Code. The State's total contribution was increased from approximately 6.828% of payroll in fiscal year 2017-18 to 10.828% of payroll in fiscal year 2021-22. The State's contribution rate was 10.828% of payroll for fiscal years 2022-23 through fiscal year 2024-25. The State's contribution includes an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program. The employee contribution rate for CalSTRS members first hired on or before December 31, 2012 to perform CalSTRS creditable activities (i.e. CalSTRS 2% at 60 members) was 10.250% for fiscal years 2016-17 through 2024-25. The employee contribution rate for CalSTRS members first hired on or after January 1, 2013 to perform CalSTRS creditable activities (i.e., CalSTRS 2% at 62 members) was 9.205% for fiscal years 2016-17 and 2017-18, 10.205% for fiscal years 2018-19 through 2024-25.

The following table sets forth the District's employer contributions from the general fund of the District to CalSTRS as well as the State's non-employer contributions to CalSTRS on behalf of the District for fiscal years 2016-17 through 2023-24, the estimated contribution for fiscal year 2024-25, and the budgeted contribution for fiscal year 2025-26.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Contributions to CalSTRS for Fiscal Years 2016-17 through 2025-26**

Fiscal Year	Contribution
2016-17	\$11,715,177
2017-18	13,431,816
2018-19	14,442,236
2019-20	15,567,188
2020-21	14,844,381
2021-22	16,646,395
2022-23	19,346,645
2023-24	20,309,042
2024-25 <sup>(1)</sup>	29,278,797
2025-26 <sup>(2)</sup>	30,003,615

<sup>(1)</sup> Estimated. Includes on-behalf payments.

<sup>(2)</sup> Projected. Includes on-behalf payments.

Source: The District.

The District's total employer contributions to CalSTRS for fiscal years 2016-17 through 2024-25 were equal to 100% of the required contributions for each year.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2023 (the "2023 CalSTRS Actuarial Valuation") showed an estimated unfunded actuarial liability of \$86.59 billion, a decrease of approximately \$1.97 billion from the June 30, 2022, valuation. Such estimated unfunded actuarial liability was projected to decrease in the June 30, 2022, valuation, which projected an unfunded actuarial liability of \$88.10 billion as of June 30, 2023. The actual unfunded actuarial liability as of June 30, 2023, represents a net actuarial gain of approximately \$1.52 billion. Such net actuarial gain is due primarily to change in actuarial value assumptions based on the most recent experience analysis, member salary increases being more than assumed, market value returns (estimated at 6.50%) being less than assumed (7.00%) and returns on actuarial value of assets (estimated at 7.20%) being greater than assumed as the recognition of actuarial investment gains which were previously deferred had a greater impact on recognition of the less-than-assumed market return for the most recent year. The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2023, and June 30, 2022, based on the actuarial assumptions, were approximately 75.90% and 74.40%, respectively. According to the 2023 CalSTRS Actuarial Valuation, the funded ratio increased by 1.50% during the past year. As described in the 2023 CalSTRS Actuarial Valuation, the increase in the funded ratio is primarily due to the new assumptions and contributions made to pay down the unfunded actuarial obligation in fiscal year 2022-23. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not increase in the future, subject to the limitations of AB 1469.

The following are certain of the actuarial assumptions set forth in the 2023 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, 3.25% payroll growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2023 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See "— California Public Employees Pension Reform" below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

**CalPERS.** All qualifying classified employees of K-14 districts in the State are members in CalPERS. All K-14 districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. K-14 districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. K-14 districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in K-14 district contributions. The District cannot make any predictions as to the effect of State, national or international events on investment earnings and K-14 district contributions. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2021-22, which increased to 8.00% for fiscal years 2022-23 through 2024-25. K-14 districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.06% of eligible salary expenditures for fiscal year 2018-19 and originally 20.73% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.72% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the fiscal year 2020-21 State budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions was 25.37% for fiscal year 2022-23, 26.68% for fiscal year 2023-24, 27.05% for fiscal year 2024-25 and is 27.60% for fiscal year 2025-26.

The following table sets forth the District's total employer contributions from all applicable funds of the District to CalPERS for fiscal years 2016-17 through 2023-24, the estimated contribution for fiscal year 2024-25, and the budgeted contribution for fiscal year 2025-26.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**(San Diego County, California)**  
**Contributions to CalPERS for Fiscal Years 2016-17 through 2025-26**

Fiscal Year	Contribution
2016-17	\$ 4,647,290
2017-18	5,195,018
2018-19	5,654,103
2019-20	6,414,539
2020-21	6,689,590
2021-22	7,957,686
2022-23	9,223,995
2023-24	10,675,004
2024-25 <sup>(1)</sup>	10,480,002
2025-26 <sup>(2)</sup>	12,104,646

<sup>(1)</sup> Estimated.

<sup>(2)</sup> Projected.

Source: The District.

The District's total employer contributions to CalPERS for fiscal years 2016-17 through 2024-25 were equal to 100% of the required contributions for each year.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2023 (the “2023 CalPERS Schools Pool Actuarial Valuation”), was released in August 2024, and such valuation reported an actuarial accrued liability of approximately \$124.92 billion with the market value of assets at approximately \$84.29 billion, and a funded status of approximately 67.50%. From June 30, 2022, to June 30, 2023, the funded status of the CalPERS Schools Pool decreased by approximately 0.40%, and the unfunded accrued liability increased by approximately \$3.04 billion, largely due to the difference between the expected and actual rate of return on investments.

CalPERS reported a negative 6.10% net return on investments for fiscal year 2021-22, which is CalPERS’ first negative return on investments since fiscal year 2008-09. The negative 6.10% net return on investments was less than the assumed annual rate of return on investments of 6.80%. Such negative return generated an actuarial investment loss of approximately \$12.40 billion, which will be amortized over 20 years with a five-year phase in, increasing the component of the expected employer contribution rate related to the unfunded liability contribution in fiscal year 2024-25 by 0.07% of payroll. The 2023 CalPERS Schools Pool Actuarial Valuation reports that the employer contribution rates for fiscal years 2024-25, 2025-26, 2026-27, 2027-28, 2028-29 and 2029-30 are projected to be 27.05%, 27.60%, 28.00%, 29.20%, 29.00% and 28.80%, respectively. Such projections assume that all actuarial assumptions will be realized, including net investment returns in such fiscal years of 6.80%, and that no further changes to assumptions, contributions, benefits or funding will occur during such fiscal years. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2023 CalPERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District’s required contributions to CalPERS will not significantly increase in the future.

The 2023 CalPERS Schools Pool Actuarial Valuation as summarized assumes, among other things, 2.30% price inflation, 2.80% wage inflation and payroll growth of 2.80% compounded annually. The 2023 CalPERS Schools Pool Actuarial Valuation as summarized reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2023. The CalPERS Board of Administration adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. Such assumption changes result in increases in both the normal cost and unfunded liabilities contributions to be paid in the future. The actuarial funding method used in the 2023 CalPERS Schools Pool Actuarial Valuation is the “Entry Age Normal Cost Method.”

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

***California Public Employees’ Pension Reform Act of 2013.*** The Governor signed the California Public Employee’s Pension Reform Act of 2013 (the “Reform Act” or “PEPRA”) into law on September 12, 2012. The Reform Act affects both CalSTRS and CalPERS, most substantially as they relate to new employees hired after January 1, 2013 (the “Implementation Date”). As it pertains to CalSTRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2.0% “age factor” (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety CalPERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2.0% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to CalPERS and CalSTRS including the following: (a) all new participants enrolled in CalPERS and CalSTRS after the Implementation Date are required to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (b) CalSTRS and CalPERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for CalSTRS members who retire with 25 years of service), and (c) “pensionable compensation” is capped for new participants enrolled after the

Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for CalSTRS and CalPERS members not participating in social security.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make (except as already announced). CalSTRS and CalPERS liabilities are more fully described in Note 9 to the District's financial statements in APPENDIX B – "AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024." The District is not permitted to pay down its portion of retirement liability for CalSTRS or CalPERS.

***GASB 67 and 68.*** In June 2012, the Governmental Accounting Standards Board approved a pair of related statements, GASB Statement No. 67, Financial Reporting for Pension Plans ("GASB 67"), which addresses financial reporting for pension plans, and GASB Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB 68"), which establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these statements changed how governments calculate and report the costs and obligations associated with pensions. GASB 67 replaced the requirements of GASB Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, for most public employee pension plans, and GASB 68 replaced the requirements of GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, for most government employers. The new statements also replaced the requirements of GASB Statement No. 50, Pension Disclosures, for those governments and pension plans. Certain of the major changes included: (i) the inclusion of unfunded pension liabilities on the government's balance sheet (such unfunded liabilities are currently typically included as notes to the government's financial statements); (ii) full pension costs would be shown as expenses regardless of actual contribution levels; (iii) lower actuarial discount rates would be required to be used for most plans for certain purposes of the financial statements, resulting in increased liabilities and pension expenses; and (iv) shorter amortization periods for unfunded liabilities would be required to be used for certain purposes of the financial statements, which generally would increase pension expenses. GASB 67 took effect in fiscal years beginning after June 15, 2013, and GASB 68 took effect in fiscal years beginning after June 15, 2014. The District's audited financial statements following the effective date of GASB 68 reflect the reporting requirements pursuant to GASB 68.

The District implemented the provisions of GASB 68 which required the District to recognize its proportionate share of its unfunded pension liabilities with CalPERS and CalSTRS. These amounts were presented as long-term liabilities and are funded as a component of the annual required contribution that District makes to CalPERS and CalSTRS on behalf of its employees.

***Other Post-Employment Benefits (OPEB).*** In June 2015, GASB approved new accounting and financial reporting standards for state and local government OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans ("GASB 74"), applies to OPEB plans. Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("GASB 75"), applies to state and local employers that sponsor OPEB. Generally, the new OPEB standards parallel those applied to defined-benefit pension plans and participating employers by GASB 67 and 68, respectively. The new standards introduce new procedures for measuring OPEB liabilities and costs, require employers to report a net OPEB liability on their financial statements, and require more extensive disclosure in plan and employer financial statements. GASB 74 was effective for plans with fiscal years beginning after June 15, 2016. GASB 75 is effective for employers for fiscal years beginning after June 15, 2017.

The District has implemented GASB 74 and GASB 75, the latter as a replacement to GASB 45. Under GASB 75, net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service ("total OPEB liability"), less the amount of the OPEB plan's fiduciary net position.

In addition to the retirement plan benefits with CalSTRS and CalPERS (see "– Retirement Benefits" above), the District provides medical, dental and vision benefits to retirees and their covered eligible dependents. The Postemployment Benefits Plan (the "Plan") is a single-employer defined benefit healthcare plan administered by the District. As of June 30, 2024, membership of the Plan consisted of 100 retirees and beneficiaries receiving benefits and 1,452 active plan members. For a description of the District's Plan, see Note 8 to the District's financial statements attached hereto as APPENDIX B – "AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE

FISCAL YEAR ENDED JUNE 30, 2024.” The contribution requirements of Plan members and the District are established and may be amended by the District and the District’s bargaining units. The required contribution is based on projected pay-as-you-go financing requirements. As of June 30, 2024, the District has a total OPEB liability related to the Plan of \$18,041,650 and an OPEB expense of \$895,135.

The District also provides a Medicare Premium Payment Program (“MPP Program”), a cost-sharing multiple-employer other postemployment benefit plan, administered by CalPERS. For a description of the MPP Program, see Note 8 to the District’s financial statements attached hereto as APPENDIX B – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024.” As of June 30, 2024, the District reported a liability related to the MPP Program of \$750,351 for its proportionate share of the net OPEB liability and an OPEB expense of \$(94,451).

### **Participation in Joint Powers Authority**

The District participates in one joint venture under joint powers authorities (“JPAs”), including the Protected Insurance Program for schools (“PIPS”) and the San Diego County Schools Risk Management JPA (“RM”). PIPS arranges for and provides various types of insurances such as workers’ compensation, cybersecurity, crime, equipment, health and property and liability insurance as requested by its member school districts. RM arranges for and provides stormwater insurance, as well as assists with maintenance and operations and transportation permitting for the District. For more information, see APPENDIX B – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024,” Notes 10 and 12.

### **Charter Schools**

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the Education Code of the State (the “Charter School Law”). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based system of accountability, and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. However, independent charter schools that receive their funding directly from the State are generally not included in a school district’s financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would generally be included in the school district’s financial reports and audited financial statements.

There are currently three independent charter schools operating in the District: Coastal Academy, serving transitional kindergarten through grade twelve, Pacific View Charter, serving kindergarten through grade twelve, and Scholarship Prep – Oceanside, serving kindergarten through grade eight, with a combined total estimated enrollment of 3,156.0 in fiscal year 2024-25 and attendance of 3,134.8 in fiscal year 2024-25. The District can make no representation as to whether enrollment at such charter school may increase at the expense of District enrollment in future years, whether additional charter schools will be established within the territory of the District, or as to the impact these or other charter school developments may have on the District’s A.D.A. or finances in future years.

**Legislative Developments.** Assembly Bill 1505 was enacted as part of the 2019-20 State legislative session (the “AB 1505”), and aims to slow the growth of charter schools. AB 1505 will give school districts increased leverage to deny applications for new charter schools by providing school districts additional discretion when authorizing charter schools to consider the number and enrollment in proposed charter schools, academic outcomes and offerings and a statement of need for the school. The District cannot predict the impact such legislation will have on its operations and finances.

## CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

### Limitations on Revenues

On June 6, 1978, State 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) 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) 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 fall within the exceptions described in (ii) and (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.

***County of Orange v. Orange County Assessment Appeals Board No. 3.*** Section 51 of the Revenue and Taxation Code of the State permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new “base year value” for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIII A. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

***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 2% annual adjustment 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.

Beginning in the 1981-82 fiscal year, assessors in the State no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as \$4 per \$100 assessed value. All taxable property is now shown at full market value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

***Proposition 19.*** Proposition 19, which was approved by the voters of the State on November 3, 2020, among other things, allows an owner of a primary residence who is over 55 years of age, severely disabled, or a victim of a wildfire or natural disaster to transfer the taxable value (i.e., the base year value plus inflation adjustments) of their primary residence to a replacement primary residence located anywhere in the State, regardless of the location or value



of the replacement primary residence, that is purchased or newly constructed as that person's principal residence within two years of the sale of the original primary residence. Proposition 19 limits a person who is over 55 years of age or severely disabled to three transfers under these provisions. Proposition 19 also excludes from the terms "purchase" and "change in ownership" for purposes of determining the "full cash value" of property the purchase or transfer of a family home or family farm of the transferor in the case of a transfer between parents and their children, or between grandparents and their grandchildren if all the parents of those grandchildren are deceased. In the case of a transfer of a family home, Proposition 19 requires that the property continue as the family home of the transferee. The District is unable to predict the effect such measure may have on tax assessments within the District.

#### **Article XIII B of the State Constitution**

An initiative to amend the State Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979, thereby adding Article XIII B to the State Constitution ("Article XIII B"). Under Article XIII B state and local governmental entities have an annual "appropriations limit" and are not permitted to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the "appropriations limit." Article XIII B does not affect the appropriation of moneys which are excluded from the definition of "appropriations subject to limitation," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the "appropriations limit" is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

Any proceeds of taxes received by the District in excess of its allowable appropriations limit are absorbed into the State's allowable limit.

#### **Article XIII C and Article XIII D of the State 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 State Constitution Articles XIII C and XIII D ("Article XIII C" and "Article XIII D," respectively), 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 State Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIII C 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 XIII C 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 State Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the State Constitution. 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.

## **Statutory Limitations**

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

## **Proposition 39**

On November 7, 2000, California voters approved Proposition 39, called the "Smaller Classes, Safer Schools and Financial Accountability Act" (the "Smaller Classes Act") which amends Section 1 of Article XIII A, Section 18 of Article XVI of the State Constitution and Section 47614 of the State Education Code and allows an alternative means of seeking voter approval for bonded indebtedness of a school district or community college district by 55% of the vote, rather than the two-thirds majority required under Section 18 of Article XVI of the State Constitution. The 55% voter requirement applies only if the bond measure submitted to the voters includes, among other items: (1) a restriction that the proceeds of the bonds may be used for "the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities," (2) a list of projects to be funded and a certification that the school district board has evaluated "safety, class size reduction, and information technology needs in developing that list" and (3) that annual, independent performance and financial audits will be conducted regarding the expenditure and use of the bond proceeds.

Section 1(b)(3) of Article XIII A has been added to exempt from the 1% ad valorem property tax limitation under Section 1(a) of Article XIII A of the State Constitution levies to pay bonds approved by the 55% of the voters, subject to the restrictions explained above. The ad valorem property tax for payment on the Bonds falls within the exception described in the preceding sentence.

The State Legislature enacted AB 1908, Chapter 44, which became effective upon passage of Proposition 39 and amends various sections of the State Education Code. Under amendments to Section 15268 and 15270 of the State Education Code, the following limits on ad valorem property taxes apply in any single election: (1) for a school district, indebtedness shall not exceed \$30 per \$100,000 of taxable property, (2) for a unified school district, indebtedness shall not exceed \$60 per \$100,000 of taxable property, and (3) for a community college district, indebtedness shall not exceed \$25 per \$100,000 of taxable property. Finally, AB 1908 requires that a citizens' oversight committee must be appointed to review the use of the bond funds and inform the public about their proper usage. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the State Legislature and approval by the Governor.

## **Proposition 98 and Proposition 111**

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed 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-14 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, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State's ability to fund such other programs by raising taxes.

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 districts. Such transfer would be excluded from the Appropriations Limit for K-14 districts and the K-14 school Appropriations Limits 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 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, California voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the State Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the "first test") or (b) 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, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a "credit" to be paid in future years when general fund revenue growth exceeds personal income growth.

### **Proposition 30 and Proposition 55**

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years from January 1, 2012 through the end of 2018, and (b) increased the sales and use tax by one-quarter percent for a period of four years from January 1, 2013 through the end of 2016. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see "– Proposition 98 and Proposition 111" above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the "Education Protection Account"), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative (“Proposition 55”), approved by voters on November 8, 2016, extends by twelve years the temporary personal income tax increases on incomes over \$250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

## **Applications of Constitutional and Statutory Provisions**

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding, see “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process.”

### **Proposition 2**

**General.** Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

**State Rainy Day Fund.** The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year’s deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year’s deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create the Proposition 98 Rainy Day Fund to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Proposition 98 Rainy Day Fund unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

**SB 858.** SB 858 became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Proposition 98 Rainy Day Fund, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000 students, is not more than two times the amount of the reserve for economic uncertainties mandated by the Education Code of the State, or (b) for school districts with an A.D.A. that is more than 400,000 students, is not more than three times the amount of the reserve for economic uncertainties mandated by the Education Code of the State. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

The District, which has an A.D.A. of less than 400,000 students, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

**SB 751.** Senate Bill 751 (“SB 751”), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the State Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Bonds as and when due.

### **Proposition 2 (2024)**

At the November 5, 2024 Election, voters in the State approved the Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024 (“Proposition 2 (2024)”). Proposition 2 (2024) authorizes the sale and issuance of \$10.0 billion in general obligation bonds for new construction and modernization of K-14 facilities. The District makes no representation or guarantee that it will either pursue or qualify for Proposition 2 (2024) State facilities funding.

To receive funding under Proposition 2 (2024), a district must develop a five-year master plan, including (i) an inventory of existing facilities, sites and property; (ii) existing classroom capacity and projected enrollment; (iii) a capital planning budget, and (iv) a deferred maintenance plan. Specific guidelines are being developed by the Department of General Services and the Department of Education. The District shall take the requirements of Proposition 2 (2024) into consideration in the development of its facilities master plan.

**TK-12 School Facilities.** Proposition 2 (2024) includes \$3.3 billion for new construction of TK-12 facilities and an additional \$4.0 billion for modernization of existing TK-12 facilities. TK-12 school districts will be required to pay for 50% of new construction costs and 40% of modernization costs with local revenues. If a school district lacks sufficient local funding it may apply for additional state grant funding, up to 100% of the project costs. In addition, a total of \$1.2 billion will be available for the modernization and new construction of charter school facilities (\$600 million) and technical education facilities (\$600 million). Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, schools that cannot cover their local share for these two project types may apply for State loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, State grants are capped at \$3 million for a new facility and \$1.5 million for a modernized facility. Charter schools must be deemed financially sound prior to project approval.

**Community College Facilities.** Proposition 2 (2024) includes \$1.5 billion for community college district facility projects, including land acquisition, new building construction, modernization of existing buildings, and equipment purchases. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then determines which projects to submit to the State Legislature and Governor based on a scoring system that considers in the amount of local funds contributed to the project. The Governor and State Legislature select among eligible projects as part of the annual state budget process.

The District may pursue funding under Proposition 2 (2024), however the District cannot predict whether such funding will be approved, or if approved, what projects will be funded or the amount of funding which will be received.

### **Future Initiatives**

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 2, 30, 55, 62, 98, 111 and 218 were each adopted as measures that qualified for the ballot pursuant to 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.

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**APPENDIX B**

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
**SAN DIEGO COUNTY**  
**AUDIT REPORT**  
**For the Fiscal Year Ended**  
**June 30, 2024**

**NIGRO & NIGRO<sup>PC</sup>**



# OCEANSIDE UNIFIED SCHOOL DISTRICT

For the Fiscal Year Ended June 30, 2024

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# OCEANSIDE UNIFIED SCHOOL DISTRICT

*For the Fiscal Year Ended June 30, 2024*

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## *Financial Section*

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## INDEPENDENT AUDITORS' REPORT

Governing Board  
Oceanside Unified School District  
Oceanside, 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 Oceanside Unified School District, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Oceanside Unified School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal 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 (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. 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 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 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.

### ***Auditors' 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 auditors' 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 GAAS 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 based on the financial statements.

In performing an audit in accordance with GAAS 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 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 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 management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of changes in the District's total OPEB liability and related ratios, schedule of the District's proportionate share of the net OPEB liability-MPP Program, and the notes to the required supplementary information 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 an 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 District's basic financial statements. The Schedule of Expenditures of Federal Awards as required by 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), and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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, except for the Schedule of Charter Schools, 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 Schedule of Expenditures of Federal Awards and other supplementary information listed in the table of contents, except for the Schedule of Charter Schools, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Schedule of Charter Schools has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the LEA 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 December 13, 2024 on our consideration of the 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 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 the District's internal control over financial reporting and compliance.



Murrieta, California  
December 13, 2024

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# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Management's Discussion and Analysis (Unaudited)

### For the Fiscal Year Ended June 30, 2024

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This discussion and analysis of Oceanside Unified School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follow this section.

## FINANCIAL HIGHLIGHTS

- The District's financial status increased overall as a result of this year's operations. Net position of governmental activities increased by \$69.4 million.
- Governmental expenses were about \$313.8 million. Revenues were about \$383.2 million.
- The District acquired almost \$41.9 million in new capital assets during the year.
- Governmental funds increased by \$115.8 million, or 43.1%.
- Unassigned Reserves for the General Fund increased by \$0.3 million or 3.2%. Revenues and other financing sources were \$323.2 million, and expenditures were \$295.0 million.

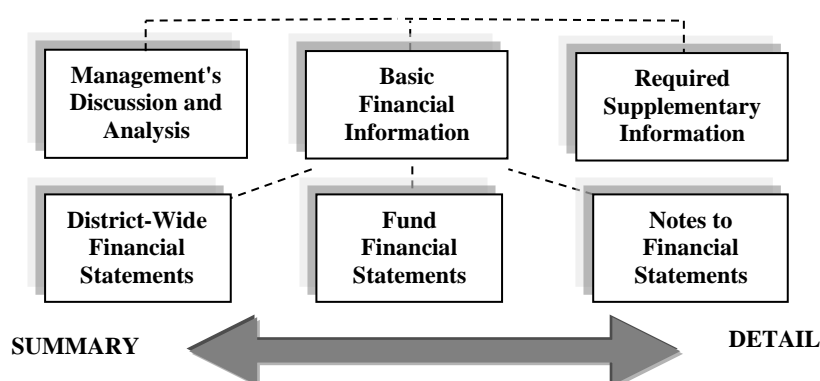
## OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial* statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are *fund financial* statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
  - The *governmental funds* statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.
  - Short and long-term financial information about the activities of the District that operate like businesses (self-insurance funds) are provided in the *proprietary funds* statements.
  - Short and long-term financial information about the activities of the District that operate like businesses (self-insurance funds) are provided in the *proprietary funds* statements.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1. Organization of Oceanside Unified School District's Annual Financial Report**



**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2024*

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**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**District-Wide Statements**

The District-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 District'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 District-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's demographics and the condition of school buildings and other facilities.
- In the District-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid finance most of these activities.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debt) or to show that is properly using certain revenues.

The District has two kinds of funds:

- 1) ***Governmental funds*** – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements 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. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information on a separate reconciliation page that explains the relationship (or differences) between them.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2024*

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**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

**Fund Financial Statements (continued)**

- 2) **Proprietary funds** – When the District charges other District funds for the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and Statement of Activities. In fact, the District's internal service fund is included within the governmental activities reported in the District-wide statements but provide more detail and additional information, such as cash flows. The District uses the internal service fund to report activities that relate to the District's self-insured programs for medical and dental claims.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Net Position.** The District's combined net position was higher on June 30, 2024, than it was the year before – increasing to \$105.9 million (See Table A-1).

**Table A-1: Statement of Net Position**

	Governmental Activities		
	2024	2023*	Net Change
<b>Assets</b>			
Current assets	\$ 416,400,539	\$ 312,000,575	\$ 104,399,964
Capital assets	344,951,705	312,242,793	32,708,912
<b>Total assets</b>	<u>761,352,244</u>	<u>624,243,368</u>	<u>137,108,876</u>
<b>Total deferred outflows of resources</b>	<u>83,341,076</u>	<u>77,978,573</u>	<u>5,362,503</u>
<b>Liabilities</b>			
Current liabilities	30,104,774	41,327,407	(11,222,633)
Long-term liabilities	669,357,680	575,727,348	93,630,332
<b>Total liabilities</b>	<u>699,462,454</u>	<u>617,054,755</u>	<u>82,407,699</u>
<b>Total deferred inflows of resources</b>	<u>39,306,994</u>	<u>48,637,453</u>	<u>(9,330,459)</u>
<b>Net position</b>			
Net investment in capital assets	76,599,410	98,664,068	(22,064,658)
Restricted	193,632,182	134,353,129	59,279,053
Unrestricted	(164,307,720)	(196,487,464)	32,179,744
<b>Total net position</b>	<u>\$ 105,923,872</u>	<u>\$ 36,529,733</u>	<u>\$ 69,394,139</u>

*\*As restated*

**Changes in net position, governmental activities.** The District's total revenues decreased 0.4% to \$383.2 million (See Table A-2). The decrease is due primarily to one time grants and contributions in the prior year.

The total cost of all programs and services increased 7.5% to \$313.8 million. The District's expenses are predominantly related to educating and caring for students, 75.6%. The purely administrative activities of the District accounted for just 3.2% of total costs. Significant contributors to the increase in costs were instruction related costs and pension expense.

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2024*

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)**

**Table A-2: Statement of Activities**

	Governmental Activities		
	2024	2023	Net Change
<b>Revenues</b>			
Program Revenues:			
Charges for services	\$ 4,429,470	\$ 7,022,170	\$ (2,592,700)
Operating grants and contributions	93,695,110	116,248,050	(22,552,940)
General Revenues:			
Property taxes	116,513,605	111,922,057	4,591,548
Federal and state aid not restricted	144,369,522	132,995,098	11,374,424
Other general revenues	24,155,679	13,575,873	10,579,806
<b>Total Revenues</b>	<b>383,163,386</b>	<b>381,763,248</b>	<b>1,400,138</b>
<b>Expenses</b>			
Instruction-related	200,709,138	177,206,877	23,502,261
Pupil services	36,549,678	32,636,579	3,913,099
Administration	10,095,540	17,769,013	(7,673,473)
Plant services	32,743,257	27,616,616	5,126,641
All other activities	33,671,634	36,778,791	(3,107,157)
<b>Total Expenses</b>	<b>313,769,247</b>	<b>292,007,876</b>	<b>21,761,371</b>
Increase (decrease) in net position	\$ 69,394,139	\$ 89,755,372	\$ (20,361,233)
<b>Total Net Position</b>	<b>\$ 105,923,872</b>	<b>\$ 36,529,733</b>	

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 \$384.2 million, which is above last year's ending fund balance of \$268.5 million. The primary cause of the increased fund balance is from proceeds in the Building Fund and the Special Reserve Fund for Capital Outlay.

**Table A-3: The District's Fund Balances**

Fund	Fund Balances				
	July 1, 2023	Revenues	Expenditures	Other Sources and (Uses)	June 30, 2024
General Fund	\$ 102,303,340	\$ 319,255,555	\$ 295,013,925	\$ 3,914,289	\$ 130,459,259
Student Activity Fund	1,145,712	1,250,894	1,117,985	-	1,278,621
Child Development Fund	231,982	1,034,494	832,080	-	434,396
Cafeteria Fund	13,010,463	12,716,085	11,280,296	(13,224)	14,433,028
Building Fund	93,485,364	5,657,719	26,328,659	50,000,000	122,814,424
Capital Facilities Fund	21,658,302	4,008,697	2,372,751	-	23,294,248
Special Reserve Fund (Capital Outlay)	13,197,921	1,786,102	807,072	52,873,624	67,050,575
Bond Interest and Redemption Fund	23,438,369	23,909,482	24,785,506	1,895,887	24,458,232
	<b>\$ 268,471,453</b>	<b>\$ 369,619,028</b>	<b>\$ 362,538,274</b>	<b>\$ 108,670,576</b>	<b>\$ 384,222,783</b>

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2024*

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**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. The major budget amendments fall into these categories:

- Revenues – increased by \$48.1 million primarily to reflect changes in federal, state, and local categorical funding.
- Salaries and Benefits – increased approximately \$9.3 million due to revised cost estimates.
- Other Expenditures – increased approximately \$59.3 million to re-budget carryover funds and revise operational cost estimates.

While the District's final budget for the General Fund anticipated that revenues would fall short of expenditures by about \$16.1 million, the actual results for the year show that revenues exceeded expenditures by roughly \$24.2 million. Actual revenues were \$6.5 million less than anticipated, and expenditures were \$46.8 million less than budgeted.

That amount consists primarily of restricted program dollars that were not spent as of June 30, 2024, that will be carried over into the 2024-25 budget.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of 2023-24 the District had invested \$41.9 million in new capital assets, related to building improvements and equipment. (More detailed information about capital assets can be found in Note 6 to the financial statements). Total depreciation expense for the year was approximately \$11.2 million and amortization was \$1.5 million.

**Table A-4: Capital Assets at Year End, Net of Depreciation**

	Governmental Activities		
	2024	2023*	Net Change
Land	\$ 16,546,847	\$ 16,662,847	\$ (116,000)
Improvement of sites	11,256,640	7,795,695	3,460,945
Buildings	275,512,823	268,813,447	6,699,376
Equipment	5,947,135	5,270,482	676,653
Construction in progress	32,879,123	13,277,618	19,601,505
Subscription assets	2,809,137	422,704	2,386,433
Total	<u>\$ 344,951,705</u>	<u>\$ 312,242,793</u>	<u>\$ 32,708,912</u>

\*As restated

**Long-Term Debt**

At year-end the District had \$669.4 million in long term debt – an increase of 16.3% from last year – as shown in Table A-5. (More detailed information about the District's long-term liabilities is presented in Notes 7-9 to the financial statements).

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2024*

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**CAPITAL ASSET AND DEBT ADMINISTRATION (continued)**

**Table A-5: Outstanding Long-Term Debt at Year-End**

	Governmental Activities		
	2024	2023*	Net Change
General obligation bonds	\$ 405,400,603	\$ 364,983,962	\$ 40,416,641
Compensated Absences	933,806	831,237	102,569
Financed Purchase	528,863	683,617	(154,754)
Certificates of participation	38,090,000	-	38,090,000
Subscription based IT arrangements	2,850,494	422,704	2,427,790
Net pension liability	202,761,913	195,956,851	6,805,062
Other Postemployment Benefits	18,792,001	12,848,977	5,943,024
Total	<u>\$ 669,357,680</u>	<u>\$ 575,727,348</u>	<u>\$ 93,630,332</u>

*\*As restated*

**FACTORS BEARING ON THE DISTRICT'S FUTURE**

***State Budget***

The Legislature passed an initial budget on June 15, 2024. The main structural difference between the legislative package and the May Revision was that the legislative package started the proposed limitation on NOLs and tax credits one year earlier—resulting in roughly \$5 billion in additional revenue. The Legislature’s budget used that additional budget capacity to reject some of the Governor’s spending solutions and/or provide other augmentations. The legislative package also included a large number of other smaller changes across a variety of programs. The legislative package used slightly more (nearly \$1 billion) in general purpose reserves than the May Revision.

**K-14 Education**

***Funds Modest COLA and a Few Smaller Augmentations***

For 2024-25, the budget provides \$1 billion to cover a 1.07 percent COLA for existing school and community college programs. For schools, the budget also provides an increase of \$300 million (\$179 million ongoing and \$121 million one time) to cover cost increases related to universal school meals. A small portion of the budget’s remaining funds are allocated to cover enrollment- and caseload-driven increases in a few specific areas.

***Implements Small Payment Deferral***

The budget reduces spending in 2024-25 by deferring \$487 million in payments to 2025-26. Of this deferral, half applies to schools and half applies to community colleges. The state will implement the deferral by delaying a portion of the payment districts ordinarily would receive in June 2025 to July 2025. The law allows school districts to be exempt from this deferral (meaning they would receive all of their funding on time) if they can show the delay would cause fiscal insolvency. The purpose of the deferral is to reduce spending in 2024-25 to the minimum level required by Proposition 98.

***Suspends Proposition 98 Requirement and Reduces Spending***

For 2023-24, the budget invokes a provision allowing the state to suspend the minimum Proposition 98 requirement and reduce spending on schools and community colleges by \$8.3 billion relative to the level otherwise required that year. Separate from this action, the budget makes a \$2.6 billion reduction attributable to 2022-23. Both of these reductions lower the Proposition 98 requirement on an ongoing basis. The combined effect of these reductions is to reduce General Fund spending by \$12.7 billion over the 2022-23 through 2024-25 period. As required by the State Constitution, the budget also withdraws the entire balance from the Proposition 98 Reserve (\$8.4 billion) in 2023-24 to supplement the funding provided to schools and community colleges. In 2024-25, the budget begins to build back the Proposition 98 Reserve by making a discretionary deposit of nearly \$1.1 billion.



**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended June 30, 2024*

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**FACTORS BEARING ON THE DISTRICT'S FUTURE (continued)**

***Bond Funds***

The state is seeking approval of two bond measures on the November 2024 ballot: Proposition 2 and Proposition 4. Proposition 2 would allow the state to borrow \$10 billion to build new facilities and renovate existing facilities at school districts and community colleges. The cost to repay this bond would be about \$500 million each year for 35 years. Proposition 4 would allow the state to borrow \$10 billion to pay for various natural resources and climate activities. The cost to repay this bond would be about \$400 million each year for 40 years. The cost to repay both bonds would total about \$900 million each year.

***Scores Savings Related to Attendance and a Few Other Adjustments***

In response to significant declines in attendance over the past several years, the state adopted a series of policies temporarily funding school districts based on the attendance they reported prior to the COVID-19 pandemic. For 2024-25, the budget assumes savings of \$1.8 billion as these higher pre-pandemic attendance levels phase out of district funding calculations. In addition, the budget obtains \$1.2 billion in savings by (1) deferring some payments from 2024-25 to 2025-26, (2) reducing funding for State Preschool that is expected to go unused, and (3) repurposing certain unspent appropriations from previous years. Under the Constitution, the state must dedicate all of these savings to other school and community college purposes.

All of these factors were considered in preparing the Oceanside Unified School District budget for the 2024-25 fiscal year.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District Business Office at 2111 Mission Avenue, Oceanside, California 92054-2326.

**OCEANSIDE UNIFIED SCHOOL DISTRICT***Statement of Net Position**June 30, 2024*

	Governmental Activities
<b>ASSETS</b>	
Deposits and investments	\$ 393,937,529
Accounts receivable	21,731,871
Inventories	654,630
Prepaid expenses	76,509
Capital assets:	
Non-depreciable capital assets	49,425,970
Depreciable capital assets	487,436,515
Less accumulated depreciation	(194,719,917)
Subscription assets	4,526,348
Less accumulated amortization	(1,717,211)
Total assets	<u>761,352,244</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts on refunding	7,337,086
Deferred outflows related to pensions	69,064,921
Deferred outflows related to OPEB	6,939,069
Total deferred outflows of resources	<u>83,341,076</u>
<b>LIABILITIES</b>	
Accounts payable	20,767,910
Accrued interest payable	4,822,333
Unearned revenue	4,514,531
Noncurrent liabilities:	
Due or payable within one year	18,269,156
Due in more than one year:	
Other than OPEB and pensions	429,534,610
Total OPEB liability	18,792,001
Net pension liability	202,761,913
Total liabilities	<u>699,462,454</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred amounts on refunding	2,314,848
Deferred inflows related to pensions	29,155,298
Deferred inflows related to OPEB	7,836,848
Total deferred inflows of resources	<u>39,306,994</u>
<b>NET POSITION</b>	
Net investment in capital assets	76,599,410
Restricted for:	
Capital projects	90,344,823
Debt service	24,458,232
Categorical programs	70,655,191
Student body activity	1,278,621
Self-insurance programs	6,895,315
Unrestricted	<u>(164,307,720)</u>
Total net position	<u>\$ 105,923,872</u>

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Statement of Activities

For the Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
Instruction	\$ 167,480,518	\$ 183,063	\$ 46,038,017	\$ (121,259,438)
Instruction-Related Services:				
Supervision of instruction	11,745,347	42,960	6,363,019	(5,339,368)
Instructional library, media and technology	4,249,589	1,099	40,155	(4,208,335)
School site administration	17,233,684	3,397	1,295,418	(15,934,869)
Pupil Support Services:				
Home-to-school transportation	6,277,915	-	17,762	(6,260,153)
Food services	10,970,165	317,847	12,269,061	1,616,743
All other pupil services	19,301,598	36,423	5,098,311	(14,166,864)
General Administration Services:				
Data processing services	3,126,478	-	-	(3,126,478)
Other general administration	6,969,062	11,262	858,685	(6,099,115)
Plant services	32,743,257	2,664,676	20,499,190	(9,579,391)
Ancillary services	2,210,741	1,102,154	181,425	(927,162)
Community services	164,463	-	180,109	15,646
Enterprise activities	(743,342)	-	-	743,342
Interest on long-term debt	16,668,539	-	-	(16,668,539)
Other outgo	2,650,814	66,589	853,958	(1,730,267)
Depreciation (unallocated)	11,205,787	-	-	(11,205,787)
Amortization(unallocated)	1,514,632	-	-	(1,514,632)
Total Governmental Activities	\$ 313,769,247	\$ 4,429,470	\$ 93,695,110	(215,644,667)
<b>General Revenues:</b>				
Property taxes				116,513,605
Federal and state aid not restricted to specific purpose				144,369,522
Interest and investment earnings				7,006,099
Interagency revenues				25,872
Miscellaneous				17,123,708
Subtotal general revenues				285,038,806
Change in net position				69,394,139
Net position - July 1, 2023				36,529,733
Net position - June 30, 2024				\$ 105,923,872

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Balance Sheet – Governmental Funds

June 30, 2024

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Deposits and investments	\$ 136,537,143	\$ 120,809,371	\$ 66,884,155	\$ 63,085,182	\$ 387,315,851
Accounts receivable	17,059,787	1,525,967	168,920	2,703,560	21,458,234
Due from other funds	149,036	2,418,248	-	-	2,567,284
Stores inventories	418,448	-	-	236,182	654,630
Prepaid expenditures	76,509	-	-	-	76,509
Total Assets	<u>\$ 154,240,923</u>	<u>\$ 124,753,586</u>	<u>\$ 67,053,075</u>	<u>\$ 66,024,924</u>	<u>\$ 412,072,508</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 17,774,906	\$ 1,932,953	\$ 2,500	\$ 1,057,551	\$ 20,767,910
Due to other funds	2,418,248	6,209	-	142,827	2,567,284
Unearned revenue	3,588,510	-	-	926,021	4,514,531
Total Liabilities	<u>23,781,664</u>	<u>1,939,162</u>	<u>2,500</u>	<u>2,126,399</u>	<u>27,849,725</u>
<b>Fund Balances</b>					
Nonspendable	784,957	-	-	246,182	1,031,139
Restricted	55,787,767	122,814,424	67,050,575	63,652,343	309,305,109
Committed	48,394,565	-	-	-	48,394,565
Assigned	16,785,777	-	-	-	16,785,777
Unassigned	8,706,193	-	-	-	8,706,193
Total Fund Balances	<u>130,459,259</u>	<u>122,814,424</u>	<u>67,050,575</u>	<u>63,898,525</u>	<u>384,222,783</u>
Total Liabilities and Fund Balances	<u>\$ 154,240,923</u>	<u>\$ 124,753,586</u>	<u>\$ 67,053,075</u>	<u>\$ 66,024,924</u>	<u>\$ 412,072,508</u>

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2024

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Total fund balances - governmental funds \$ 384,222,783

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

Capital assets at historical cost:	536,862,485	
Accumulated depreciation:	(194,719,917)	
Leased assets	4,526,348	
Accumulated amortization	<u>(1,717,211)</u>	
Net		344,951,705

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 unmatured interest owing at the end of the period was: (4,822,333)

Deferred amounts on refunding represent amounts paid to an escrow agent in excess of the outstanding debt at the time of the payment for refunded bonds which have been defeased. In the government-wide statements it is recognized as a deferred outflow or inflow. The remaining net deferred amounts on refunding at the end of the period were:

Deferred outflows of resources	7,337,086	
Deferred inflows of resources	<u>(2,314,848)</u>	
Total		5,022,238

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:

General obligation bonds payable	405,400,603	
Compensated absences payable	933,806	
Financed purchase	528,863	
Net pension liability	202,761,913	
Subscription based IT arrangements	2,850,494	
Certificates of participation	38,090,000	
Other postemployment benefits	<u>18,792,001</u>	
Total		(669,357,680)

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 and liabilities of internal service funds are reported with governmental activities in the statement of net position. Net position for internal service funds is: 6,895,315

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 and inflows relating to pensions for the period were:

Deferred outflows of resources	69,064,921	
Deferred inflows of resources	<u>(29,155,298)</u>	
Total		39,909,623

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 and inflows relating to OPEB for the period were:

Deferred outflows of resources	6,939,069	
Deferred inflows of resources	<u>(7,836,848)</u>	
Total		(897,779)

Total net position - governmental activities \$ 105,923,872

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds For the Fiscal Year Ended June 30, 2024

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Formerly Major Fund Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
LCFF sources	\$ 218,160,289	\$ -	\$ -		\$ -	\$ 218,160,289
Federal sources	34,799,477	-	-		7,385,310	42,184,787
Other state sources	39,955,035	-	-		5,481,904	45,436,939
Other local sources	26,340,754	5,657,719	1,786,102		30,052,438	63,837,013
Total Revenues	319,255,555	5,657,719	1,786,102		42,919,652	369,619,028
<b>EXPENDITURES</b>						
Current:						
Instruction	176,729,433	-	-		640,838	177,370,271
Instruction-Related Services:						
Supervision of instruction	12,040,983	-	-		169,103	12,210,086
Instructional library, media and technology	4,068,209	-	-		-	4,068,209
School site administration	17,540,950	-	-		-	17,540,950
Pupil Support Services:						
Home-to-school transportation	4,640,385	-	-		-	4,640,385
Food services	386,442	-	-		11,068,696	11,455,138
All other pupil services	19,714,305	-	-		6,779	19,721,084
Ancillary services	1,104,771	-	-		1,117,985	2,222,756
Community services	164,448	-	-		-	164,448
Enterprise activities	188	-	-		-	188
General Administration Services:						
Data processing services	3,123,681	-	-		-	3,123,681
Other general administration	6,910,028	-	-		-	6,910,028
Transfers of indirect costs	(211,600)	-	-		211,600	-
Plant services	32,161,413	-	-		15,360	32,176,773
Capital outlay	13,249,459	25,978,659	2,500		2,372,751	41,603,369
Intergovernmental transfers	1,685,612	-	-		-	1,685,612
Debt service:						
Issuance costs	-	350,000	87,983		527,220	965,203
Principal	1,628,029	-	-		11,523,744	13,151,773
Interest	77,189	-	716,589		12,734,542	13,528,320
Total Expenditures	295,013,925	26,328,659	807,072		40,388,618	362,538,274
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,241,630	(20,670,940)	979,030		2,531,034	7,080,754
<b>OTHER FINANCING SOURCES (USES)</b>						
Interfund transfers in	13,224	-	-		-	13,224
Interfund transfers out	-	-	-		(13,224)	(13,224)
Issuance of debt - certificates of participation	-	-	38,090,000		-	38,090,000
Issuance of debt - proceeds from GO bonds	-	50,000,000	-		-	50,000,000
Issuance of debt- proceeds from refunding bonds	-	-	-		46,605,000	46,605,000
Premiums on debt issuance	-	-	-		7,039,732	7,039,732
Deposit with escrow agent from refunding bonds	-	-	-		(51,748,845)	(51,748,845)
Proceeds from SBITAs	3,901,065	-	-		-	3,901,065
Proceeds from property sale	-	-	14,783,624		-	14,783,624
Total Other Financing Sources and Uses	3,914,289	50,000,000	52,873,624		1,882,663	108,670,576
Net Change in Fund Balances	28,155,919	29,329,060	53,852,654		4,413,697	115,751,330
Fund Balances, July 1, 2023, as reported	102,303,340	93,485,364	-	23,438,369	49,244,380	268,471,453
Change to financial reporting entity (major to non-major fund)	-	-	-	(23,438,369)	23,438,369	-
Change to financial reporting entity (non-major to major fund)	-	-	13,197,921		(13,197,921)	-
Fund Balances, July 1, 2023, as restated	102,303,340	93,485,364	13,197,921		59,484,828	268,471,453
Fund Balances, June 30, 2024	\$ 130,459,259	\$ 122,814,424	\$ 67,050,575		\$ 63,898,525	\$ 384,222,783

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## *Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities For the Fiscal Year Ended June 30, 2024*

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Total net change in fund balances - governmental funds \$ 115,751,330

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. The difference between capital outlay expenditures and depreciation and amortization expense for the period was:

Expenditures for capital outlay	45,777,762	
Depreciation expense	(11,205,787)	
Amortization expense	<u>(1,514,632)</u>	33,057,343

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 a reduction of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

60,522,789

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:

(348,431)

In governmental funds, issuances of debt are recognized as other financing sources. In the government-wide statements, issuances from debt are reported as increases to liabilities. Amounts recognized in governmental funds, net of issue premium were:

(145,635,797)

Deferred amounts on refunding represent amounts paid to an escrow agent in excess of the outstanding debt at the time of the payment for refunded bonds which have been defeased. In governmental funds these charges are recognized as an expenditure. However, in the statement of activities these amounts are amortized over the shorter of the life of the refunded bonds or the refunding bonds. The difference between current year amounts and the current year amortization was:

(2,383,111)

In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current resources. In the government-wide statement of activities, however, this is recorded as interest expense for the period. Accreted interest additions less accreted interest paid during the year was:

256,225

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 premiums or discount for the period was:

4,077,106

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 that 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:

(872,263)

In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

(102,569)

In government funds, OPEB costs are recognized when employer contributions are made in the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between accrual-basis OPEB costs and actual employer contributions was:

(186,338)

The internal service fund is used by management to charge the cost of self-insurance activities. The net revenue (expense) of the internal service fund is reported with governmental activities.

743,530

In government funds, pension costs are recognized when employer contributions are made in the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:

4,514,325

Change in net position of governmental activities \$ 69,394,139

**OCEANSIDE UNIFIED SCHOOL DISTRICT***Statement of Net Position – Proprietary Fund**June 30, 2024*

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		Governmental
		Activities
		Internal Service
		Funds
<b>CURRENT ASSETS</b>		
Deposits and investments	\$	6,621,678
Accounts receivable		273,637
Total Assets		6,895,315
<b>NET POSITION</b>		
Restricted for insurance claims	\$	6,895,315



**OCEANSIDE UNIFIED SCHOOL DISTRICT***Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund  
For the Fiscal Year Ended June 30, 2024*

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	Governmental Activities Internal Service Funds
<b>OPERATING REVENUES</b>	
Charges to other funds	<u>\$ 1,943,971</u>
<b>OPERATING EXPENSES</b>	
Services and other operating expenses	<u>1,521,940</u>
Total operating expenses	<u>1,521,940</u>
Operating Income (Loss)	422,031
<b>NON-OPERATING REVENUES</b>	
Interest income	<u>321,499</u>
Change in net position	743,530
Net position, July 1, 2023	<u>6,151,785</u>
Net position, June 30, 2024	<u><u>\$ 6,895,315</u></u>

**OCEANSIDE UNIFIED SCHOOL DISTRICT***Statement of Cash Flows – Proprietary Fund**For the Fiscal Year Ended June 30, 2024*

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	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from assessments made to other funds	\$ 1,939,540
Cash payments for payroll, insurance and operating costs	<u>(1,521,940)</u>
Net cash provided (used) by operating activities	417,600
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>277,419</u>
Net increase (decrease) in cash and cash equivalents	695,019
Cash, July 1, 2023	<u>5,926,659</u>
Cash, June 30, 2024	<u><u>\$ 6,621,678</u></u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ 422,031
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	<u>(4,431)</u>
Net cash provided (used) by operating activities	<u><u>\$ 417,600</u></u>

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Oceanside Unified School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The following is a summary of the more significant policies:

#### A. Reporting Entity

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 of the District.

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 identified no organizations that are required to be reported as component units.

#### B. Basis of Presentation, Basis of Accounting

##### 1. Basis of Presentation

##### District-Wide Financial 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, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues 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. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### 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 nonmajor funds. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### B. Basis of Presentation, Basis of Accounting (continued)

##### 1. Basis of Presentation (continued)

###### Major Governmental Funds

The District maintains the following major governmental funds:

**General Fund:** This is the chief operating fund for the District. It is used to account for the ordinary operations of the District. All transactions except those accounted for in another fund are accounted for in this fund.

**Building Fund:** This fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued.

**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). This fund may also be used to account for any other revenues specifically for capital projects that are not restricted to fund 21, 25, 30, 35, or 49.

###### Non-Major Governmental Funds

The District maintains the following non-major governmental funds:

**Special Revenue Funds:** Special revenue funds are established to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities, that compose a substantial portion of the inflows of the fund, and that are reasonably expected to continue. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

**Student Activity Fund:** The District maintains a separate fund for each school that operates an Associated Student Body (ASB), whether it is organized or not.

**Child Development Fund:** This fund is used to account separately for federal, state, and local revenues to operate child development programs.

**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 and 38093).

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

**Capital Facilities Fund:** This fund is used to primarily account separately for moneys received from fees levied on development projects as a condition of approval (*Education Code* sections 17620-17626 and *Government Code* Section 65995 et seq.). This fund had no activity in fiscal year 2020-21 and has no balance as of June 30, 2024.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### B. Basis of Presentation, Basis of Accounting (continued)

##### 1. Basis of Presentation (continued)

###### Non-Major Governmental Funds (continued)

**Debt Service Fund:** Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt.

**Bond Interest and Redemption Fund:** This fund is used for the repayment of bonds issued for the District (*Education Code* Sections 15125-15262).

###### Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service. The District has the following proprietary funds:

**Internal Service Funds:** These funds are used to account for services rendered on a cost-reimbursement basis within the District. The District operates workers' compensation and property and liability insurance programs that are accounted for in the Internal Service Fund. In addition, the District's health and welfare benefit programs are accounted for in the Internal Service Fund.

**Self-Insurance Fund:** Self-insurance funds are used to separate moneys received for self-insurance activities from other operating funds in 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).

##### 2. Measurement Focus, Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resource or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

As a general rule the effect of interfund activity has been eliminated from the District-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### B. Basis of Presentation, Basis of Accounting (continued)

##### 3. Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on 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 that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days. However, to achieve comparability of reporting among California 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 districts as collectible within one year. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

#### C. 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 budget purposes, on behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

#### D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

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

##### 1. Cash and Cash Equivalents

The District considers cash and cash equivalents to be cash on hand and demand deposits. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

##### 2. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

##### 3. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Buildings and Improvements	25-50 years
Furniture and Equipment	5-20 years
Vehicles	8 years

##### 4. 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 combined 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.

##### 5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position 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 Statement of Net Position 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 will not be recognized as an inflow of resources (revenue) until that time.

##### 6. Compensated Absences

The liability for compensated absences reported in the District-wide statements consists of unpaid, accumulated vacation leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

##### 7. Leases

###### Lessee:

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

If material, lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

###### Lessor:

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.



# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

##### 8. Subscription-Based Information Technology Arrangements

A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which the District has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend or to terminate.

The District implemented GASB 96 in fiscal year 2023-24.

##### 9. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Plan and CalSTRS Medicare Premium Payment (MPP) Program 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, the Plans recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

##### 10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California State Teachers Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) plans and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. 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.

##### 11. Fund Balances

The fund balance for Governmental Funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

**Nonspendable:** Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

**Restricted:** Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

**Committed:** The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

##### 11. Fund Balances (continued)

**Assigned:** Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

**Unassigned:** Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

##### 12. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

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.

#### F. Minimum Fund Balance Policy

The District has adopted a policy to maintain a minimum economic uncertainty reserve of at least 4% of total general fund expenditures and other financing uses. The reserve may be increased from time to time in order to address specific anticipated revenue or cash flow shortfalls. In the event that the balance drops below the established minimum level, the governing board will develop a plan and time line to replenish the fund balance to established minimum level. 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. Because amounts in the nonspendable, restricted, committed, and assigned categories are subject to varying constraints in use, the Reserve for Economic Uncertainties consists of balances that are otherwise unassigned.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### G. Property Tax Calendar

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. The Board of Supervisors levies property taxes as of September 1 on property values assessed on July 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and is delinquent with penalties on December 10, and the second is generally due on February 1 and is delinquent with penalties on April 10. Secured property taxes become a lien on the property on January 1.

#### H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

#### I. Change in Accounting Principle

For the fiscal year ended June 30, 2024, the District implemented GASB Statement No. 100, *Accounting Changes and Error Corrections-an Amendment of GASB Statement No. 62*. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net positions, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

### NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Governmental funds	\$ 387,315,851
Proprietary funds	6,621,678
Governmental activities	<u>\$ 393,937,529</u>

Deposits and investments as of June 30, 2024 consist of the following:

Cash on hand and in banks	\$ 1,365,464
Cash in revolving fund	300,000
Cash collections awaiting deposit	3,277,727
Investments	388,994,338
Total deposits and investments	<u>\$ 393,937,529</u>

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

#### Pooled Funds

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest-bearing San Diego County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the San Diego 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 San Diego County Treasurer, which is recorded on the amortized basis.

#### Custodial Credit Risk – Deposits

Custodial credit risk 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. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, 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 (unless so waived by the governmental unit).

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, \$4,279,554 of the District's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agency, but not in the name of the District.

#### Investments - Interest Rate Risk

The District's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District's investment policy limits investment purchases to investments with a term not to exceed three years. Investments purchased with maturity terms greater than three years require approval by the Governing Board. Investments purchased with maturities greater than one year require written approval by the Superintendent prior to commitment. Maturities of investments held at June 30, 2024, consist of the following:

	Rating	Fair Value Amount	Maturity		Fair Value Measurement
			Less Than One Year	One Year Through Five Years	
Investment maturities:					
US Bank Money Market	N/A	\$ 53,536,243	\$ 53,536,243	\$ -	Uncategorized
County Pool	N/A	335,458,095	335,458,095	-	Uncategorized
Total investments		<u>\$ 388,994,338</u>	<u>\$ 388,994,338</u>	<u>\$ -</u>	

#### Investments - Credit Risk

The District's investment policy limits investment choices to obligations of local, state and federal agencies, commercial paper, certificates of deposit, repurchase agreements, corporate notes, banker acceptances, and other securities allowed by *State Government Code* Section 53600. At June 30, 2024, all investments represented governmental securities which were issued, registered and held by the District's agent in the District's name.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

#### Investments - Concentration of Credit Risk

The District does not place limits on the amount it may invest in any one issuer. At June 30, 2024, the District had the following investments that represents more than five percent of the District's net investments, outside the county treasury.

U.S. Bank Money Market

100%

#### Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, 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 in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

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, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

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 date if reasonably 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.

All assets have been valued using a market approach, with quoted market prices.

### NOTE 3 – ACCOUNTS RECEIVABLE

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

	Governmental Activities					
	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds	Proprietary Fund
Federal Government:						
Categorical aid programs	\$ 7,000,222	\$ -	\$ -	\$ -	\$ 7,000,222	\$ -
Special education	3,715,669	-	-	-	3,715,669	-
Child nutrition	-	-	-	1,595,227	1,595,227	-
State Government:						
Lottery	989,058	-	-	-	989,058	-
Categorical aid programs	3,345,999	-	-	-	3,345,999	-
Child nutrition	-	-	-	656,015	656,015	-
Local:						
Interest	1,615,400	1,525,967	168,920	435,804	3,746,091	80,105
Other local	393,439	-	-	16,514	409,953	193,532
Total	<u>\$ 17,059,787</u>	<u>\$ 1,525,967</u>	<u>\$ 168,920</u>	<u>\$ 2,703,560</u>	<u>\$ 21,458,234</u>	<u>\$ 273,637</u>

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 4 – INTERFUND TRANSACTIONS

##### Balances Due To/From Other Funds

Balances due to/from other funds at June 30, 2024, consisted of the following:

	Due From Other Funds		Total
	General Fund	Building Fund	Governmental Funds
General Fund	\$ -	\$ 2,418,248	\$ 2,418,248
Building Fund	6,209	-	6,209
Non-Major Governmental Funds	142,827	-	142,827
Total	<u>\$ 149,036</u>	<u>\$ 2,418,248</u>	<u>\$ 2,567,284</u>
General Fund due to Building Fund for ESSER expenditures			2,418,248
Child Development Fund due to General Fund to reclass workers compensation and salaries, indirect costs, and GASB 75			5,210
Cafeteria Fund due to General Fund to reclass workers compensation, indirect costs, and GASB 75			137,617
Building Fund due to General Fund to reclass workers compensation and salaries, indirect costs, and GASB 75			<u>6,209</u>
Total Due to/Due from Balances			<u>\$ 2,567,284</u>

##### Interfund Transfers In/Out

Cafeteria Fund transfer to General Fund to correct nutrition donation	<u>\$ 13,224</u>
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# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 5 – FUND BALANCES

At June 30, 2024, fund balances of the District's governmental funds were classified as follows:

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total
Nonspendable:					
Revolving cash	\$ 290,000	\$ -	\$ -	\$ 10,000	\$ 300,000
Stores inventories	418,448	-	-	236,182	654,630
Prepaid expenditures	76,509	-	-	-	76,509
Total Nonspendable	784,957	-	-	246,182	1,031,139
Restricted:					
Categorical programs	55,787,767	-	-	434,396	56,222,163
Student activity	-	-	-	1,265,169	1,265,169
Food service program	-	-	-	14,200,298	14,200,298
Capital projects	-	122,814,424	67,050,575	23,294,248	213,159,247
Debt service	-	-	-	24,458,232	24,458,232
Total Restricted	55,787,767	122,814,424	67,050,575	63,652,343	309,305,109
Committed:					
Other commitments	48,394,565	-	-	-	48,394,565
Total Committed	48,394,565	-	-	-	48,394,565
Assigned:					
Other assigned	16,785,777	-	-	-	16,785,777
Total Assigned	16,785,777	-	-	-	16,785,777
Unassigned:					
Reserve for economic uncertainties	8,706,193	-	-	-	8,706,193
Total Unassigned	8,706,193	-	-	-	8,706,193
Total	\$ 130,459,259	\$ 122,814,424	\$ 67,050,575	\$ 63,898,525	\$ 384,222,783

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

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

	Balance, July 1, 2023*	Additions	Deletions	Balance, June 30, 2024
Capital assets not being depreciated:				
Land	\$ 16,662,847	\$ -	\$ 116,000	\$ 16,546,847
Construction in progress	13,277,618	23,859,740	4,258,235	32,879,123
Total capital assets not being depreciated	29,940,465	23,859,740	4,374,235	49,425,970
Capital assets being depreciated:				
Site improvements	14,787,743	3,791,999	122,880	18,456,862
Buildings	426,727,507	17,147,451	859,633	443,015,325
Furniture and equipment	24,716,046	1,335,742	87,460	25,964,328
Total capital assets being depreciated	466,231,296	22,275,192	1,069,973	487,436,515
Less accumulated depreciation:				
Site improvements	(6,992,048)	(325,071)	(116,897)	(7,200,222)
Buildings	(157,914,060)	(10,221,627)	(633,185)	(167,502,502)
Furniture and equipment	(19,445,564)	(659,089)	(87,460)	(20,017,193)
Total accumulated depreciation	(184,351,672)	(11,205,787)	(837,542)	(194,719,917)
Total capital assets being depreciated, net	281,879,624	11,069,405	232,431	292,716,598
Suspension assets:				
IT subscriptions	625,283	3,901,065	-	4,526,348
Accumulated amortization for:				
IT subscriptions	(202,579)	(1,514,632)	-	(1,717,211)
Total subscription assets, net	422,704	2,386,433	-	2,809,137
Governmental Activities Capital Assets, net	\$ 312,242,793	\$ 37,315,578	\$ 4,606,666	\$ 344,951,705

\* As restated to include subscription assets

### NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS

Changes in long-term debt for the year ended June 30, 2024, were as follows:

	Balance, July 1, 2023*	Additions	Deductions	Balance, June 30, 2024	Amount Due Within One Year
General Obligation Bonds:					
Principal repayments	\$ 290,311,212	\$ 96,605,000	\$ 58,894,760	\$ 328,021,452	\$ 12,257,668
Accreted interest component	50,937,228	6,258,961	6,515,186	50,681,003	2,387,332
Issuance premium	23,735,522	7,039,732	4,077,106	26,698,148	1,944,738
Total - Bonds	364,983,962	109,903,693	69,487,052	405,400,603	16,589,738
Certificates of participation	-	38,090,000	-	38,090,000	-
Compensated absences	831,237	102,569	-	933,806	-
Subscription IT arrangements	422,704	3,901,065	1,473,275	2,850,494	1,514,361
Financed purchase	683,617	-	154,754	528,863	165,057
Totals	\$ 366,921,520	\$ 151,997,327	\$ 71,115,081	\$ 447,803,766	\$ 18,269,156

\* As restated to show subscription IT arrangements

Payments on the General Obligation Bonds are made by the Bond Interest and Redemption Fund. Compensated absences will be paid by the fund for which the employee worked. The financed purchase and subscription liability are paid from the General Fund.



# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

#### A. General Obligation Bonds

##### Election of 2008 (Proposition H)

On June 3, 2008, the voters of the District passed by 71% Proposition H, a \$195 million general obligation bond authorization. The bonds are general obligations of the District, and the County is obligated to annually levy ad valorem taxes for the payment of, the interest on, and the principal of the bonds. Bond proceeds were used to finance the construction and improvements of certain real property for the District.

##### Election of 2020 (Measure W)

On October 5, 2023, the District issued \$50,000,000 Election of 2020, Series B General Obligation Bonds. The bonds were issued for the purpose of funding construction, acquisition and modernization projects of the District and to pay for the cost of issuance of the bonds. The bonds bear interest between 4.00% and 5.00% annually between August 1, 2024 and August 1, 2051.

##### 2023-24 General Obligation Refunding Bonds

On October 5, 2023, the District issued \$7,600,000 in General Obligation Refunding Bonds as current interest bonds. The bonds bear an interest rate of between 5.0% and 5.45% with annual maturities between August 1, 2025, and August 1, 2041.

Proceeds deposited in escrow of \$7,969,945 were used to refund a portion of the outstanding 2008 Series C General Obligation Bonds and \$313,394 was deposited to the interest and sinking fund. The premium was \$848,246 and issue, underwriter, and insurance costs were \$164,907. The refunding decreased total debt service payments by \$5,836,538. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of \$2,576,999.

On May 7, 2024, the District issued \$39,005,000 in 2024 Series A and B General Obligation Refunding Bonds as current interest bonds. The bonds bear an interest rate of between 3.125% and 5.00% with annual maturities between August 1, 2024, and August 1, 2033.

Proceeds deposited in escrow of \$43,778,900 were used to refund portions of the 2014 and 2018 General Obligation Refunding Bonds. The premium was \$5,136,213 and issue, underwriter, and insurance costs were \$362,313. The refunding decreased total debt service payments by \$3,328,258. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of \$2,714,369.

##### Prior Refunding Bonds

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements.

At June 30, 2024, all of the bonds outstanding are considered defeased. The difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow or a deferred inflow of resources and recognized as a component (or offset) of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. At June 30, 2024 deferred outflows from refundings were \$7,337,086 while deferred inflows from refunding is \$2,314,848.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

#### A. General Obligation Bonds (continued)

##### Prior Refunding Bonds (continued)

A summary of outstanding general obligation bonds issued is presented below:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance, July 1, 2023	Issued	Redeemed	Advance Refunded	Balance, June 30, 2024
<b>Refunding Bonds</b>									
2014	7/15/2014	8/1/2034	3.00%-5.00%	\$ 32,385,000	\$ 25,070,000	\$ -	\$ 1,805,000	\$ 21,360,000	\$ 1,905,000
2015	11/19/2015	8/1/2051	2.00%-5.00%	42,790,000	40,980,000	-	-	-	40,980,000
2018	8/14/2018	8/1/2033	3.125%-4.000%	30,370,000	23,000,000	-	480,000	22,025,000	495,000
2020	9/2/2020	8/1/2028	4.00%	8,075,000	5,945,000	-	-	-	5,945,000
2020	9/2/2020	8/1/2045	2.72%-2.77%	17,899,497	17,899,497	-	135,000	-	17,764,497
2021	8/17/2021	8/1/2032	0.290%-2.00%	11,520,000	11,270,000	-	1,095,000	-	10,175,000
2022	7/26/2022	8/1/2041	4.00%-5.00%	6,445,000	6,445,000	-	-	-	6,445,000
2023	10/5/2023	8/1/2041	5.00-5.45%	7,600,000	-	7,600,000	-	-	7,600,000
2024 A	5/7/2024	8/1/2033	3.625%-5.00%	19,975,000	-	19,975,000	-	-	19,975,000
2024 B	5/7/2024	8/1/2033	3.125%-4.00%	19,030,000	-	19,030,000	-	-	19,030,000
Subtotal Refunding Bonds					130,609,497	46,605,000	3,515,000	43,385,000	130,314,497
<b>2008 Election</b>									
A	3/4/2009	8/1/2031	3.83%-8.00%	49,995,054	15,097,648	-	2,003,745	-	13,093,903
B	5/19/2010	8/1/2049	6.51%-10.45%	29,999,991	14,354,111	-	-	-	14,354,111
C	5/3/2012	8/1/2051	5.82%-6.98%	14,999,282	7,929,956	-	-	3,986,015	3,943,941
D	4/7/2016	8/1/2045	2.0%-5.0%	35,000,000	31,610,000	-	-	-	31,610,000
E	7/2/2019	8/1/2048	2.37%-4.000%	25,000,000	20,350,000	-	-	-	20,350,000
F	9/2/2020	8/1/2033	.250%-4.000%	25,000,000	17,050,000	-	2,245,000	-	14,805,000
G	7/26/2022	8/1/2045	5.00%	15,005,000	15,005,000	-	-	-	15,005,000
Subtotal 2008 Election Bonds					121,396,715	-	4,248,745	3,986,015	113,161,955
<b>2020 Election</b>									
A	8/17/2021	8/1/2051	4%	50,000,000	38,305,000	-	3,760,000	-	34,545,000
B	10/5/2023	8/1/2051	4.00-5.00%	50,000,000	-	50,000,000	-	-	50,000,000
					38,305,000	50,000,000	3,760,000	-	84,545,000
Total					\$ 290,311,212	\$ 96,605,000	\$ 11,523,745	\$ 47,371,015	\$ 328,021,452
Accreted Interest					July 1, 2023	Additions	Deductions	Defeased	June 30, 2024
2008	Series A			\$ 22,418,944	\$ 2,430,483	\$ 2,531,255	\$ -	\$ -	\$ 22,318,172
2008	Series B			20,023,564	2,481,257	-	-	-	22,504,821
2008	Series C			7,277,538	818,997	-	3,983,931	-	4,112,604
2020	Refunding			1,217,182	528,224	-	-	-	1,745,406
Total Accreted Interest					\$ 50,937,228	\$ 6,258,961	\$ 2,531,255	\$ 3,983,931	\$ 50,681,003

The annual requirements to amortize all general obligation bonds payable outstanding as of June 30, 2024, were as follows:

Fiscal Year	Principal	Interest	Total
2024-2025	\$ 12,257,668	\$ 13,545,841	\$ 25,803,509
2025-2026	12,493,931	14,126,799	26,620,730
2026-2027	13,379,440	14,004,230	27,383,670
2027-2028	10,686,662	14,388,634	25,075,296
2028-2029	12,152,608	14,359,647	26,512,255
2029-2034	67,593,594	61,681,347	129,274,941
2034-2039	43,620,580	78,354,908	121,975,488
2039-2044	55,746,812	76,896,579	132,643,391
2044-2049	67,552,020	35,334,814	102,886,834
2049-2052	32,538,137	6,017,538	38,555,675
Totals	\$ 328,021,452	\$ 328,710,337	\$ 656,731,789

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

##### B. Certificates of Participation

On December 1, 2023, the District entered into a lease/purchase agreement with Public Property Financing Corporation of California, a nonprofit public benefit corporation in the amount of \$38,090,000 to finance the construction and rehabilitation of the District's maintenance, vehicles and operations building. The interest rate for the agreement is 5.17% with principal payments due on November 1, beginning in 2026 and ending on November 1, 2043.

The annual requirement to amortize the COPS as of June 30, 2024 were as follows:

Fiscal Year	Principal	Interest	Total
2024-2025	\$ -	\$ 1,969,253	\$ 1,969,253.00
2025-2026	-	1,969,253	1,969,253
2026-2027	1,315,610	1,935,244	3,250,854
2027-2028	1,385,432	1,865,423	3,250,855
2028-2029	1,458,960	1,791,895	3,250,855
2029-2034	8,541,773	7,712,500	16,254,273
2034-2039	11,062,115	5,192,158	16,254,273
2039-2044	14,326,110	1,928,163	16,254,273
	<u>\$ 38,090,000</u>	<u>\$ 24,363,889</u>	<u>\$ 62,453,889</u>

##### C. Financed Purchase

On April 18, 2023, the District entered into separate lease-purchase agreements for four new school buses and one electric bus through Wells Fargo Bank for a total of \$883,880 in principal. The District made a payment at the time the agreements were executed in the amount of \$200,263 and will pay that amount annually to April of 2027. Upon completion of the rental payments, the District expects to exercise the final purchase option and is therefore recognizing the transaction as a financed purchase. The interest rate for the two agreements are 6.66% and the payments will be as follows:

Fiscal Year	Principal	Interest	Total
2024-2025	\$ 165,057	\$ 92,207	\$ 257,264
2025-2026	176,043	24,219	200,262
2026-2027	187,763	12,500	200,263
	<u>\$ 528,863</u>	<u>\$ 128,926</u>	<u>\$ 657,789</u>

##### D. Subscription-Based Information Technology Arrangements

A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which the District has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend or to terminate. There are no variable payments not included in the measurement of the lease liability, no residual value guarantees provided and no commitments before the commencement of the lease term.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB OR PENSIONS (continued)

#### D. Subscription-Based Information Technology Arrangements (continued)

The District recognizes a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The District recognizes the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the District which may be implicit, or the District's incremental borrowing rate if the interest rate is not readily determinable. The District recognizes amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods. Key assumptions and policies can be found in Note 1.E.8. The related assets are disclosed in note 6.

Fiscal Year	Principal	Interest	Total
2024-2025	\$ 1,514,361	\$ 36,103	\$ 1,550,464
2025-2026	1,336,133	-	1,336,133
	<u>\$ 2,850,494</u>	<u>\$ 36,103</u>	<u>\$ 2,886,597</u>

### NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

For the fiscal year ended June 30, 2024, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	\$ 18,041,650	\$ 6,939,069	\$ 7,836,848	\$ 895,135
MPP Program	750,351	-	-	(94,451)
Total	<u>\$ 18,792,001</u>	<u>\$ 6,939,069</u>	<u>\$ 7,836,848</u>	<u>\$ 800,684</u>

The details of each plan are as follows:

#### District Plan

##### *Plan Description*

The District's single-employer defined benefit OPEB plan provides OPEB for eligible certificated, classified, and management employees of the District. The authority to establish and amend the benefit terms and financing requirements are governed by collective bargaining agreements with plan members. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

##### District Plan (continued)

###### **Benefits Provided**

The eligibility requirements and benefits provided by the Plan are described below:

	<b>Certificated*</b>	<b>Classified*</b>	<b>Management*</b>
Benefit types provided	Medical only	Medical only	Medical only
Duration of benefits	To age 65	To age 65	To age 65
Required service	20 years**	20 years**	20 years**
Minimum age	55	55	55
Dependent coverage	No	No	No
District contribution %	100%	100%	100%
District cap	\$6,000 per year	\$6,000 per year	\$6,000 per year

\* Certain retirees are covered under other, grandfathered retiree health benefit plans.

\*\*10 years at age 60.

###### **Employees Covered by Benefit Terms**

At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	100
Active employees	1,452
Total	<u>1,552</u>

###### **Total OPEB Liability**

The District's total OPEB liability of \$18,041,650 for the Plan was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024.

###### **Actuarial Assumptions and Other Inputs**

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2024
Inflation	2.50 percent
Salary increases	2.75 percent
Healthcare cost trend rates	4.00 percent

###### **Discount Rate**

The discount rate of 3.93% 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 eighteen years.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

##### District Plan (continued)

##### *Mortality Rates*

Mortality rates are based on:

Certificated	2020 CalSTRS Mortality Table
Classified	2021 CalPERS Active Mortality for Miscellaneous Employees Table
Miscellaneous	2021 CalPERS Active Mortality for Miscellaneous Employees Table

##### Changes in the Total OPEB Liability

	<b>Total OPEB Liability</b>
<b>Balance at July 1, 2023</b>	<b>\$ 12,004,175</b>
<b>Changes for the year:</b>	
Service cost	621,122
Interest	438,278
Differences between expected and actual experience	6,167,570
Changes of assumptions	(575,249)
Benefit payments	(614,246)
Net changes	6,037,475
<b>Balance at June 30, 2024</b>	<b>\$ 18,041,650</b>

##### *Sensitivity of the Total OPEB Liability to Changes in the Discount Rate*

The following presents the total OPEB liability of the 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:

Discount Rate	OPEB Liability
1% decrease	\$ 19,358,383
Current discount rate	\$ 18,041,650
1% increase	\$ 16,806,580

##### *Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

Healthcare Cost Trend Rate	OPEB Liability
1% decrease	\$ 16,245,855
Current trend rate	\$ 18,041,650
1% increase	\$ 20,124,339

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

#### NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

##### District Plan (continued)

##### ***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 2024, the District recognized OPEB expense of \$895,135. In addition, at June 30, 2024, the District reported deferred outflows of resources 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	\$ 5,666,141	\$ 6,393,772
Changes of assumptions	1,272,928	1,443,076
Total	<u>\$ 6,939,069</u>	<u>\$ 7,836,848</u>

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

Year Ended June 30:	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 657,609	\$ 821,874
2026	657,609	821,874
2027	657,609	821,874
2028	657,609	821,874
2029	657,609	821,874
Thereafter	3,651,024	3,727,478
Totals	<u>\$ 6,939,069</u>	<u>\$ 7,836,848</u>

##### **Medicare Premium Payment (MPP) Program**

##### ***Plan Description***

The MPP Program is a cost-sharing multiple-employer other postemployment benefit (OPEB) plan established pursuant to Chapter 1032, Statutes of 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefit Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022 annual actuarial valuation report, Medicare Premium Payment Program. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <https://www.calstrs.com/general-information/gasb-6768>.

##### ***Benefits Provided***

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the DB Program who were retired or began receiving a disability allowance prior to July 1, 2012, and were not eligible for premium-free Medicare Part A. Members who retire on or after July 1, 2012, are not eligible for coverage under the MPP Program.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)(continued)

##### Medicare Premium Payment (MPP) Program (continued)

###### *Benefits Provided (continued)*

As of June 30, 2023, 4,457 retirees participated in the MPP Program; however, the number of retired members who will participate in the program in the future is unknown as eligibility cannot be predetermined.

The MPP Program is funded on a pay-as-you-go basis from a portion of monthly employer contributions. In accordance with Education Code section 22950, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

###### *Total OPEB Liability*

At June 30, 2024, the District reported a liability of \$750,351 for its proportionate share of the net OPEB liability for the MPP Program. The total OPEB liability for the MPP Program as of June 30, 2023, was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2022 and rolling forward the total OPEB liability to June 30, 2023. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportions of the net OPEB liability for the two most recent measurement periods were:

	<u>Percentage Share of MPP Program</u>		<u>Change Increase/ (Decrease)</u>
	<u>Fiscal Year Ending June 30, 2024</u>	<u>Fiscal Year Ending June 30, 2023</u>	
Measurement Date	<u>June 30, 2023</u>	<u>June 30, 2022</u>	
Proportion of the Net OPEB Liability	0.247284%	0.256458%	-0.009174%

For the year ended June 30, 2024, the District reported OPEB expense of \$(94,451).

###### *Actuarial Assumptions and Other Inputs*

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2023
Valuation Date	June 30, 2022
Experience Study	June 30, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	3.65%
Healthcare Cost Trend Rates	4.5% for Medicare Part A, and 5.4% for Medicare Part B



# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

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### NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

#### Medicare Premium Payment (MPP) Program (continued)

##### *Actuarial Assumptions and Other Inputs (continued)*

Assumptions were made about future participation (enrollment) into the MPP Program as CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' ages increase. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility but are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 179 or an average of 0.13% of the potentially eligible population of 138,780.

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

##### *Discount Rate*

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2023, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund (SMIF), which is a pooled investment program administered by the California State Treasurer.

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer's 20-Bond GO Index from Bondbuyer.com as of June 30, 2023, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2023, was 3.65%, which is an increase of 0.11% from 3.54% as of June 30, 2022.

##### *Sensitivity of the Proportionate Share of The Net OPEB Liability to Changes in the Discount Rate*

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net 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:

		MPP OPEB
Discount Rate		Liability
1% decrease	\$	815,479
Current discount rate	\$	750,351
1% increase	\$	693,723

##### *Sensitivity of the Proportionate Share of The Net OPEB Liability to Changes in the Medicare Costs Trend Rates*

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

Medicare Cost		MPP OPEB
Trend Rates		Liability
1% decrease	\$	690,397
Current trend rate	\$	750,351
1% increase	\$	818,038

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 9 – PENSION PLANS

Qualified employees are covered under multiple-employer defined benefit pension 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).

For the fiscal year ended June 30, 2024, the District reported net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	\$ 127,327,727	\$ 34,840,976	\$ 13,951,553	\$ 24,596,701
CalPERS	75,434,186	34,223,945	15,203,745	10,675,004
Totals	<u>\$ 202,761,913</u>	<u>\$ 69,064,921</u>	<u>\$ 29,155,298</u>	<u>35,271,705</u>

The details of each plan are as follows:

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

###### Plan Description

The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <https://www.calstrs.com/general-information/gasb-6768>.

###### Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is a multiple-employer, cost-sharing defined benefit plan composed of four programs: Defined Benefit (DB) Program, Defined Benefit Supplement (DBS) Program, Cash Balance Benefit (CBB) Program and Replacement Benefits (RB) Program. A Supplemental Benefit Maintenance Account (SBMA) exists within the STRP and provides purchasing power protection for DB Program benefits. The STRP holds assets for the exclusive purpose of providing benefits to members of these programs and their beneficiaries. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor and obligor of the trust. In addition, the state is both an employer and non-employer contributing entity to the STRP.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 9 – PENSION PLANS (continued)

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

##### Benefits Provided (continued)

The STRP provisions and benefits in effect at June 30, 2024, are summarized as follows:

	<b>STRP Defined Benefit Program</b>	
	On or before December 31, 2012	On or after January 1, 2013
Hire Date	December 31, 2012	January 1, 2013
Benefit Formula	2% at 60	2% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	60	62
Monthly Benefits as a Percentage of Eligible Compensation	2.0%-2.4%	2.0%-2.4%
Required Member Contribution Rate	10.25%	10.205%
Required Employer Contribution Rate	19.10%	19.10%
Required State Contribution Rate	10.828%	10.828%

##### Contributions

The parameters for member, employer and state contribution rates are set by the California Legislature and the Governor and detailed in the Teachers' Retirement Law. Current contribution rates were established by California Assembly Bill 1469 (CalSTRS Funding Plan), which was passed into law in June 2014 and established a schedule of contribution rate increases shared among members, employers and the state to bring CalSTRS toward full funding by 2046.

The contribution rates for each program for the year ended June 30, 2024, are presented above, and the District's total contributions were \$20,309,042.

##### 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 net pension liability	\$	127,327,727
State's proportionate share of the net pension liability associated with the District		61,006,295
Total	\$	188,334,022

The net pension liability was measured as of 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 and the State, actuarially determined. The District's proportions of the net pension liability for the two most recent measurement periods were:

	<b>Percentage Share of Risk Pool</b>		<b>Change Increase/ (Decrease)</b>
	<b>Fiscal Year Ending June 30, 2024</b>	<b>Fiscal Year Ending June 30, 2023</b>	
Measurement Date	June 30, 2023	June 30, 2022	
Proportion of the Net Pension Liability	0.167182%	0.170882%	0.003700%

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 9 – 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 \$24,596,701. In addition, the District recognized pension expense and revenue of \$(885,936) 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:

	Deferred Outflows	Deferred Inflows
Pension contributions subsequent to measurement date	\$ 20,309,042	\$ -
Net change in proportionate share of net pension liability	3,243,784	7,138,874
Difference between projected and actual earnings on pension plan investments	545,014	-
Changes of assumptions	737,274	-
Differences between expected and actual experience	10,005,862	6,812,679
Totals	\$ 34,840,976	\$ 13,951,553

The 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 subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARS�) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARS� for the measurement period is 7 years.

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

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 280,779	\$ 4,749,301
2026	280,779	6,221,191
2027	10,838,342	1,404,289
2028	1,009,694	394,193
2029	928,443	394,193
Thereafter	1,193,897	788,386
Totals	\$ 14,531,934	\$ 13,951,553

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 9 – PENSION PLANS (continued)

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

###### Actuarial Methods and Assumptions

The total pension liability for the STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023. Significant actuarial methods and assumptions used in the financial reporting actuarial valuation to determine the total pension liability as of June 30, 2023, include:

Valuation Date	June 30, 2022
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.00%
Inflation	2.75%
Payroll Growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

The long-term investment rate of return assumption 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 investment staff and investment consultants as inputs to the process.

The actuarial investment rate of return assumption was adopted by the board in January 2020 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	38.0%	5.25%
Real Estate	15.0%	4.05%
Private Equity	14.0%	6.75%
Fixed Income	14.0%	2.45%
Risk Mitigating Strategies	10.0%	2.25%
Inflation Sensitive	7.0%	3.65%
Cash/Liquidity	2.0%	0.05%

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 9 – 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%, which was unchanged from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments and administrative expenses occur midyear. Based on those assumptions, the STRP'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.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.10%)	\$ 213,582,102
Current discount rate (7.10%)	\$ 127,327,727
1% increase (8.10%)	\$ 55,683,416

###### On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS pursuant to Sections 22954, 22955, and 22955.1 of the *Education Code* and *Public Resources Code* Section 6217.5. Under accounting principles generally accepted in the United States of America, these contributions are reported as revenues and expenditures in the fund financial statements. The total amount recognized by the District for its proportionate share of the State's on-behalf contributions is \$9,982,355.

##### B. California Public Employees Retirement System (CalPERS)

###### Plan Description

Qualified employees are eligible to participate in the Schools Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022 annual actuarial valuation report, Schools Pool Accounting Report. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: <https://www.calpers.ca.gov/page/employers/actuarial-resources/gasb>.

NOTE 9 – PENSION PLANS (continued)

- California Public Employees Retirement System (CalPERS)

**Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2024, are summarized as follows:

	<b>Schools Pool (CalPERS)</b>	
	On or before December 31, 2012	On or after January 1, 2013
Hire Date		
Benefit Formula	2% at 55	2% at 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	55	62
Required Employee Contribution Rate	7.00%	8.00%
Required Employer Contribution Rate	26.68%	26.68%

**Contributions**

The benefits for the defined benefit pension plans are funded by contributions from members, employers, non-employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer's benefit formulas. In some circumstances, contributions are made by the employer to satisfy member contribution requirements. Member and employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Non-employer contributions are not expected each year, but when provided they are accrued for. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024 are presented above, and the total District contributions were \$10,604,976.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Notes to Financial Statements

June 30, 2024

### NOTE 9 – 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

As of June 30, 2024, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$75,434,186. The net pension liability was measured as of 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. The District's proportions of the net pension liability for the two most recent measurement periods were:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2024	Fiscal Year Ending June 30, 2023	
Measurement Date	June 30, 2023	June 30, 2022	
Proportion of the Net Pension Liability	0.208388%	0.224412%	(0.016024%)

For the year ended June 30, 2024, the District recognized pension expense of \$10,675,004. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Pension contributions subsequent to measurement date	\$ 10,604,976	\$ -
Net change in proportionate share of net pension liability	287,885	4,999,582
Difference between projected and actual earnings on pension plan investments	17,103,055	9,045,605
Changes of assumptions	3,475,223	-
Differences between expected and actual experience	2,752,806	1,158,558
Totals	\$ 34,223,945	\$ 15,203,745

The 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 subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSLS) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSLS for the measurement period is 3.8 years.



## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 9 – 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)**

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

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 8,959,631	\$ 6,637,684
2026	8,130,204	6,402,750
2027	6,278,379	1,201,839
2028	250,755	961,472
2029	-	-
Thereafter	-	-
Totals	<u>\$ 23,618,969</u>	<u>\$ 15,203,745</u>

###### **Actuarial Methods and Assumptions**

Total pension liability for the Schools Pool was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2022
Experience Study	2000-2019
Actuarial Cost Method	Entry age normal
Discount Rate	6.9%
Inflation Rate	2.3%
Salary Increases	Varies by entry age and service

Post-retirement mortality rates are based on CalPERS' experience and include generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries. These tables are used to estimate the value of benefits expected to be paid for service and disability retirements. For disability retirements, impaired longevity is recognized by a separate table.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Notes to Financial Statements

June 30, 2024

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#### NOTE 9 – PENSION PLANS (continued)

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

###### Actuarial Methods and Assumptions (continued)

The target asset allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Real Return
Global Equity Cap-weighted	30.00%	4.54%
Global Equity Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

###### Discount Rate

The discount rate used to measure the total pension liability was 6.9%. The discount rate is not adjusted for administrative expenses. The fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return for the pension plan's investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (5.9%)	\$ 109,058,334
Current discount rate (6.9%)	\$ 75,434,186
1% increase (7.9%)	\$ 47,644,593

##### C. Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use the Social Security as its alternative plan.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### *Notes to Financial Statements*

*June 30, 2024*

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#### **NOTE 9 – PENSION PLANS (continued)**

##### **D. Payables to the Pension Plans**

At June 30, 2024, the District reported payables of \$78,783 and \$65,247 for the outstanding amount of legally required contributions to the CalSTRS and CalPERS pension plans, respectively, for the fiscal year ended June 30, 2024.

#### **NOTE 10 – JOINT VENTURES**

The District participates in one joint powers agreement (JPA) entity, the Protected Insurance Program for schools (PIPS). The relationship between the District and the JPA is such that the JPA is not a component unit of the District.

The JPA arranges for and provides for various types of insurances for its member districts as requested. The JPA is governed by a board consisting of a representative from each member district. The board controls the operations of the JPA, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPA.

Financial information for the JPA can be obtained directly from the entity.

#### **NOTE 11 – COMMITMENTS AND CONTINGENCIES**

##### **A. State and Federal Allowances, Awards, and Grants**

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

##### **B. Construction Commitments**

As of June 30, 2024, the District had commitments with respect to unfinished capital projects of approximately \$43.6 million to be paid from a combination of State and local funds.

##### **C. Legal Matters**

The District is involved in various legal matters that arose out of the normal course of business. In the opinion of management, none of these matters are expected to have a material effect on the financial statements, therefore, no liability has been recorded in these financial statements.

## **OCEANSIDE UNIFIED SCHOOL DISTRICT**

### *Notes to Financial Statements*

*June 30, 2024*

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#### **NOTE 12 – RISK MANAGEMENT**

##### **Property and Liability**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

Risk management is the process of managing the District's activities to minimize the adverse effects of these risks. The main elements of risk management are risk control (to minimize the losses that strike an organization) and risk financing (to obtain finances to provide for or restore the economic damages of those losses). Risk financing techniques include risk retention (self-insurance), risk transfer to and from an insurer, and risk transfer to a noninsurer.

The District has implemented the risk financing technique of risk transfer to an insurer. The District has purchased property & liability insurance as well as workers' compensation insurance to cover any losses resulting from the risks identified above.

The District is not obligated to cover any losses beyond the premiums paid for the insurance costs. As a result, there has not been a liability recorded for incurred but not reported claims.

##### **Workers' Compensation**

For fiscal year 2023-24, the District participated in the Protected Insurance Program for Schools (PIPS) risk pool for workers' compensation, with excess coverage provided by the SELF public entity risk pool. The District maintains a \$100,000 S.I.R. account.

##### **Employee Medical Benefits**

The District has contracted with Voluntary Employee Benefits Association (VEBA) to provide employee health and welfare benefits and is self-insured for dental and vision benefits.

#### **NOTE 13 – ADJUSTMENT FOR RESTATEMENT**

Capital Assets and Long Term Debt were restated by \$422,704, to record beginning changes from subscription based IT arrangements. There was no net effect on the beginning net position.

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*Required Supplementary Information*

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Budgetary Comparison Schedule – General Fund*  
*For the Fiscal Year Ended June 30, 2024*

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	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>(Budgetary Basis)</b>	<b>Final Budget - Pos (Neg)</b>
<b>Revenues</b>				
LCFF Sources	\$ 219,159,385	\$ 222,815,500	\$ 218,160,289	\$ (4,655,211)
Federal Sources	15,472,309	38,563,455	34,799,477	(3,763,978)
Other State Sources	27,696,661	41,551,530	39,955,035	(1,596,495)
Other Local Sources	15,318,809	22,817,985	26,340,754	3,522,769
Total Revenues	277,647,164	325,748,470	319,255,555	(6,492,915)
<b>Expenditures</b>				
Current:				
Certificated Salaries	102,417,628	114,985,464	106,837,501	8,147,963
Classified Salaries	37,625,887	39,462,973	39,378,169	84,804
Employee Benefits	87,690,467	82,633,446	74,431,034	8,202,412
Books and Supplies	6,348,013	21,896,194	10,383,443	11,512,751
Services and Other Operating Expenditures	36,295,039	72,148,072	50,761,249	21,386,823
Transfers of indirect costs	(228,498)	810,634	(211,600)	1,022,234
Capital Outlay	2,817,063	9,893,058	11,748,518	(1,855,460)
Other Outgo	190,634	-	1,685,611	(1,685,611)
Total Expenditures	273,156,233	341,829,841	295,013,925	46,815,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,490,931	(16,081,371)	24,241,630	40,323,001
<b>Other Financing Sources and Uses</b>				
Interfund Transfers In	-	-	13,224	13,224
Proceeds from SBITAs	-	-	3,901,065	3,901,065
Total Other Financing Sources and Uses	-	-	3,914,289	3,914,289
Excess (Deficiency) of Revenues and Other Expenditures and Other Financing Uses	4,490,931	(16,081,371)	28,155,919	44,237,290
Fund Balance, July 1, 2023	101,101,436	102,303,340	102,303,340	-
Fund Balance, June 30, 2024	\$ 105,592,367	\$ 86,221,969	\$ 130,459,259	\$ 44,237,290

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Schedule of Proportionate Share of the Net Pension Liability-CalSTRS For the Fiscal Year Ended June 30, 2024

Employer's Fiscal Year Measurement Period	Last Ten Fiscal Years				
	2023-24 2022-23	2022-23 2021-22	2021-22 2020-21	2020-21 2019-20	2019-20 2018-19
District's proportion of the net pension liability	0.1672%	0.1709%	0.1693%	0.1682%	0.1651%
District's proportionate share of the net pension liability	\$ 127,327,727	\$ 118,738,810	\$ 77,035,275	\$ 163,047,792	\$ 149,152,095
State's proportionate share of the net pension liability associated with the District	61,006,295	59,463,932	38,761,163	84,051,156	81,373,083
Totals	\$ 188,334,022	\$ 178,202,742	\$ 115,796,438	\$ 247,098,948	\$ 230,525,178
District's covered-employee payroll	\$ 101,291,337	\$ 98,382,951	\$ 91,915,672	\$ 91,890,525	\$ 88,910,053
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	125.70%	120.69%	83.81%	177.44%	167.76%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	87%	72%	73%
Employer's Fiscal Year Measurement Period	2018-19 2017-18	2017-18 2016-17	2016-17 2015-16	2015-16 2014-15	2014-15 2013-14
District's proportion of the net pension liability	0.1740%	0.1770%	0.1850%	0.1900%	0.1940%
District's proportionate share of the net pension liability	\$ 159,672,511	\$ 163,579,928	\$ 149,651,338	\$ 127,591,187	\$ 113,507,163
State's proportionate share of the net pension liability associated with the District	91,420,428	96,773,292	85,206,379	67,481,492	68,316,977
Totals	\$ 251,092,939	\$ 260,353,220	\$ 234,857,717	\$ 195,072,679	\$ 181,824,140
District's covered-employee payroll	\$ 93,212,643	\$ 92,888,107	\$ 93,104,876	\$ 87,020,090	\$ 86,514,376
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	171.30%	176.10%	160.70%	146.62%	131.20%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%



# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Schedule of Proportionate Share of the Net Pension Liability-CalPERS For the Fiscal Year Ended June 30, 2024

Employer's Fiscal Year Measurement Period	Last Ten Fiscal Years				
	2023-24 2022-23	2022-23 2021-22	2021-22 2020-21	2020-21 2019-20	2019-20 2018-19
<b>CalPERS</b>					
District's proportion of the net pension liability	0.2084%	0.2244%	0.2231%	0.2251%	0.2249%
District's proportionate share of the net pension liability	75,434,186	77,218,041	\$ 45,360,649	\$ 69,072,484	\$ 65,552,352
District's covered-employee payroll	36,357,883	38,056,844	\$ 32,316,860	\$ 32,760,640	\$ 31,493,974
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	207.48%	202.90%	140.36%	210.84%	208.14%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%
<b>Employer's Fiscal Year Measurement Period</b>					
	2018-19 2017-18	2017-18 2016-17	2016-17 2015-16	2015-16 2014-15	2014-15 2013-14
District's proportion of the net pension liability	0.2520%	0.2620%	0.2750%	0.2650%	0.2820%
District's proportionate share of the net pension liability	\$ 67,069,960	\$ 62,629,580	\$ 54,340,175	\$ 39,028,960	\$ 31,982,217
District's covered-employee payroll	\$ 33,418,192	\$ 33,618,277	\$ 32,909,499	\$ 29,597,587	\$ 29,573,702
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	200.70%	186.30%	165.12%	131.87%	108.14%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	83%

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Schedule of Pension Contributions-CalSTRS*  
*For the Fiscal Year Ended June 30, 2024*

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	Last Ten Fiscal Years				
<b>Employer's Fiscal Year</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Contractually required contribution	\$ 20,309,042	\$ 19,346,645	\$ 16,646,395	\$ 14,844,381	\$ 15,567,188
Contributions in relation to the contractually required contribution	20,309,042	19,346,645	16,646,395	14,844,381	15,567,188
Contribution deficiency (excess):	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 106,330,065	\$ 101,291,337	\$ 98,382,951	\$ 91,915,672	\$ 91,890,525
Contributions as a percentage of covered-employee payroll	19.10%	19.10%	16.92%	16.15%	16.94%
<b>Employer's Fiscal Year</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
Contractually required contribution	\$ 14,442,236	\$ 13,431,816	\$ 11,715,177	\$ 10,001,655	\$ 7,727,385
Contributions in relation to the contractually required contribution	14,442,236	13,431,816	11,715,177	10,001,655	7,727,385
Contribution deficiency (excess):	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 88,910,053	\$ 93,212,643	\$ 92,888,107	\$ 93,104,876	\$ 87,020,090
Contributions as a percentage of covered-employee payroll	16.24%	14.41%	12.61%	10.74%	8.88%

**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Schedule of Pension Contributions-CalPERS*  
*For the Fiscal Year Ended June 30, 2024*

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	Last Ten Fiscal Years				
<b>Employer's Fiscal Year</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
Contractually required contribution	\$ 10,604,976	\$ 9,223,995	\$ 7,957,686	\$ 6,689,590	\$ 6,414,539
Contributions in relation to the contractually required contribution	10,604,976	9,223,995	7,957,686	6,689,590	6,414,539
Contribution deficiency (excess):	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 39,748,786	\$ 36,357,883	\$ 38,056,844	\$ 32,316,860	\$ 32,760,640
Contributions as a percentage of covered-employee payroll	26.680%	25.370%	20.910%	20.700%	19.580%
<b>Employer's Fiscal Year</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>
Contractually required contribution	\$ 5,654,103	\$ 5,195,018	\$ 4,647,290	\$ 3,913,069	\$ 3,483,635
Contributions in relation to the contractually required contribution	5,654,103	5,195,018	4,647,290	3,913,069	3,483,635
Contribution deficiency (excess):	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 31,493,974	\$ 33,418,192	\$ 33,618,277	\$ 32,909,499	\$ 29,597,587
Contributions as a percentage of covered-employee payroll	17.953%	15.545%	13.824%	11.890%	11.770%

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Schedule of Changes in the District's Total OPEB Liability and Related Ratios For the Fiscal Year Ended June 30, 2024

Employer Fiscal Year End Measurement Period	Last Ten Fiscal Years*						2017-18 2017-18
	2023-24 2023-24	2022-23 2022-23	2021-22 2021-22	2020-21 2020-21	2019-20 2019-20	2018-19 2018-19	
<b>Total OPEB liability</b>							
Service cost	\$ 621,122	\$ 616,402	\$ 771,260	\$ 744,780	\$ 1,177,871	\$ 1,088,112	\$ 1,058,990
Interest	438,278	412,505	407,463	406,294	640,257	591,966	603,449
Differences between expected and actual experience	6,167,570	-	(6,529,564)	-	(2,243,905)	-	-
Changes of assumptions or other inputs	(575,249)	(95,981)	(1,091,587)	70,392	1,627,407	380,252	-
Benefit payments	(614,246)	(546,491)	(836,418)	(840,837)	(779,573)	(671,382)	(645,560)
<b>Net change in total OPEB liability</b>	<b>6,037,475</b>	<b>386,435</b>	<b>(7,278,846)</b>	<b>380,629</b>	<b>422,057</b>	<b>1,388,948</b>	<b>1,016,879</b>
<b>Total OPEB liability - beginning</b>	<b>12,004,175</b>	<b>11,617,740</b>	<b>18,896,586</b>	<b>18,515,957</b>	<b>18,093,900</b>	<b>16,704,952</b>	<b>15,688,073</b>
<b>Total OPEB liability - ending</b>	<b>18,041,650</b>	<b>12,004,175</b>	<b>\$ 11,617,740</b>	<b>\$ 18,896,586</b>	<b>\$ 18,515,957</b>	<b>\$ 18,093,900</b>	<b>\$ 16,704,952</b>
<b>Covered-employee payroll</b>	<b>\$ 141,203,591</b>	<b>\$ 137,424,419</b>	<b>\$ 133,746,393</b>	<b>\$ 130,166,806</b>	<b>\$ 126,683,023</b>	<b>\$ 123,727,639</b>	<b>\$ 123,237,566</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>12.8%</b>	<b>8.7%</b>	<b>8.7%</b>	<b>14.5%</b>	<b>14.6%</b>	<b>14.6%</b>	<b>13.6%</b>

\*This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Schedule of the District's Proportionate Share of the Net OPEB Liability – MPP Program For the Fiscal Year Ended June 30, 2024

Employer Fiscal Year End Measurement Period	Last Ten Fiscal Years*						
	2023-24 2022-23	2022-23 2021-22	2021-22 2020-21	2020-21 2019-20	2019-20 2018-19	2018-19 2017-18	2017-18 2016-17
District's proportion of net OPEB liability	0.2473%	0.2565%	0.2545%	0.2550%	0.2552%	0.2066%	0.2083%
District's proportionate share of net OPEB liability	\$ 750,351	\$ 844,802	\$ 1,014,921	\$ 1,080,568	\$ 950,513	\$ 875,522	\$ 775,691
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's net OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	(0.96%)	(0.94%)	(0.80%)	(0.71%)	(0.81%)	0.40%	0.01%

### Notes to Schedule:

\*This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## *Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2024*

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### NOTE 1 – PURPOSE OF SCHEDULES

#### **Budgetary Comparison Schedule**

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the *Governmental Accounting Standards Board* and provisions of the *California Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. 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 adoptions 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.

This schedule presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

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

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District.

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

*Change of assumptions* - There were no changes in economic assumptions since the previous valuations for either CalSTRS or CalPERS.

#### **Schedule of District Contributions**

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution.

#### **Schedule of Changes in the District's Total OPEB Liability and Related Ratios**

This schedule presents information on the District's changes in the total OPEB liability, including beginning and ending balances, and the total OPEB liability. In the future, as data becomes available, ten years of information will be presented.

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

*Change of assumptions* – Liability changes resulting from changes in economic and demographic assumptions are deferred based on the average working life. The discount rate was changed from 3.65 percent to 3.93 percent since the previous valuation.

## **OCEANSIDE UNIFIED SCHOOL DISTRICT**

*Notes to the Required Supplementary Information  
For the Fiscal Year Ended June 30, 2024*

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### **NOTE 1 – PURPOSE OF SCHEDULES (continued)**

#### **Schedule of the District's Proportionate Share of the Net OPEB Liability – MPP Program**

This schedule presents information on the District's proportionate share of the net OPEB liability – MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented. As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP program; therefore, the covered payroll disclosure is not applicable.

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

*Change of assumptions* – The discount rate was changed from 3.54 percent to 3.65 percent since the previous valuation.

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## *Supplementary Information*

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Combining Balance Sheet - Non-Major Governmental Funds*  
*June 30, 2024*

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	Student Activity Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	Bond Interest and Redemption Fund	Total Non-Major Governmental Funds
<b>ASSETS</b>						
Cash	\$ 1,353,114	\$ 1,374,054	\$ 12,411,202	\$ 23,488,580	\$ 24,458,232	\$ 63,085,182
Accounts receivable	7,095	16,862	2,388,497	291,106	-	2,703,560
Stores inventories	13,452	-	222,730	-	-	236,182
Total Assets	<u>\$ 1,373,661</u>	<u>\$ 1,390,916</u>	<u>\$ 15,022,429</u>	<u>\$ 23,779,686</u>	<u>\$ 24,458,232</u>	<u>\$ 66,024,924</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 95,040	\$ 25,289	\$ 451,784	\$ 485,438	\$ -	\$ 1,057,551
Due to other funds	-	5,210	137,617	-	-	142,827
Unearned revenue	-	926,021	-	-	-	926,021
Total Liabilities	<u>95,040</u>	<u>956,520</u>	<u>589,401</u>	<u>485,438</u>	<u>-</u>	<u>2,126,399</u>
<b>Fund Balances</b>						
Nonspendable	13,452	-	232,730	-	-	246,182
Restricted	1,265,169	434,396	14,200,298	23,294,248	24,458,232	63,652,343
Total Fund Balances	<u>1,278,621</u>	<u>434,396</u>	<u>14,433,028</u>	<u>23,294,248</u>	<u>24,458,232</u>	<u>63,898,525</u>
Total Liabilities and Fund Balances	<u>\$ 1,373,661</u>	<u>\$ 1,390,916</u>	<u>\$ 15,022,429</u>	<u>\$ 23,779,686</u>	<u>\$ 24,458,232</u>	<u>\$ 66,024,924</u>

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds For the Fiscal Year Ended June 30, 2024

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	Formerly non major Special Reserve Fund for Capital Outlay Projects	Bond Interest and Redemption Fund	Total Non-Major Governmental Funds
<b>REVENUES</b>							
Federal sources	\$ -	-	\$ 7,385,310	\$ -		\$ -	\$ 7,385,310
Other state sources	-	1,016,465	4,360,127	-		105,312	5,481,904
Other local sources	1,250,894	18,029	970,648	4,008,697		23,804,170	30,052,438
Total Revenues	1,250,894	1,034,494	12,716,085	4,008,697		23,909,482	42,919,652
<b>EXPENDITURES</b>							
Current:							
Instruction	-	640,838	-	-		-	640,838
Instruction-Related Services:							
Supervision of instruction	-	169,103	-	-		-	169,103
Pupil Services:							
Food services	-	-	11,068,696	-		-	11,068,696
All other pupil services	-	6,779	-	-		-	6,779
Ancillary services	1,117,985	-	-	-		-	1,117,985
General Administration Services:							
Transfers of indirect costs	-	-	211,600	-		-	211,600
Plant services	-	15,360	-	-		-	15,360
Capital outlay	-	-	-	2,372,751		-	2,372,751
Debt service:							
Issuance costs	-	-	-	-		527,220	527,220
Principal	-	-	-	-		11,523,744	11,523,744
Interest	-	-	-	-		12,734,542	12,734,542
Total Expenditures	1,117,985	832,080	11,280,296	2,372,751		24,785,506	40,388,618
Excess (Deficiency) of Revenues Over (Under) Expenditures	132,909	202,414	1,435,789	1,635,946		(876,024)	2,531,034
<b>OTHER FINANCING SOURCES (USES)</b>							
Interfund transfers out	-	-	(13,224)	-		-	(13,224)
Proceeds from refunding bonds	-	-	-	-		46,605,000	46,605,000
Premiums on long term debt	-	-	-	-		7,039,732	7,039,732
Deposit with escrow agent	-	-	-	-		(51,748,845)	(51,748,845)
Total Other Financing Sources and Uses	-	-	(13,224)	-		1,895,887	1,882,663
Net Change in Fund Balances	132,909	202,414	1,422,565	1,635,946		1,019,863	4,413,697
Fund Balances, July 1, 2023, as originally reported	1,145,712	231,982	13,010,463	21,658,302	13,197,921	-	49,244,380
Change to financial reporting entity (to major fund) to non-major fund	-	-	-	-	(13,197,921)	23,438,369	10,240,448
Fund Balances, July 1, 2023	1,145,712	231,982	13,010,463	21,658,302		23,438,369	59,484,828
Fund Balances, June 30, 2024	\$ 1,278,621	434,396	\$ 14,433,028	\$ 23,294,248		\$ 24,458,232	\$ 63,898,525

See accompanying note to supplementary information.

**OCEANSIDE UNIFIED SCHOOL DISTRICT***Schedule of Average Daily Attendance  
For the Fiscal Year Ended June 30, 2024*

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	<b>Originally Reported</b>	
	<b>Second Period Report</b>	<b>Annual Report</b>
<b>Regular ADA:</b>		
TK/Grades K-3	4,528.70	4,533.79
Grades 4-6	3,081.74	3,074.74
Grades 7-8	2,095.64	2,079.88
Grades 9-12	4,290.70	4,257.20
Total Regular ADA	13,996.78	13,945.61
<b>Special Education, Nonpublic, Nonsectarian Schools:</b>		
TK/Grades K-3	0.37	0.46
Grades 4-6	4.45	4.42
Grades 7-8	5.36	5.44
Grades 9-12	13.20	12.65
Total Special Education, Nonpublic ADA Nonsectarian Schools ADA	23.38	22.97
Total ADA	14,020.16	13,968.58

	<b>As Audited</b>	
	<b>Second Period</b>	<b>Annual</b>
<b>Regular ADA:</b>		
TK/Grades K-3	4,528.80	4,530.15
Grades 4-6	3,081.74	3,077.82
Grades 7-8	2,095.64	2,087.54
Grades 9-12	4,290.70	4,255.81
Total Regular ADA	13,996.88	13,951.32
<b>Special Education, Nonpublic, Nonsectarian Schools:</b>		
TK/Grades K-3	0.37	0.46
Grades 4-6	4.32	4.42
Grades 7-8	5.19	5.44
Grades 9-12	12.84	12.65
Total Special Education, Nonpublic ADA Nonsectarian Schools ADA	22.72	22.97
Total ADA	14,019.60	13,974.29

**OCEANSIDE UNIFIED SCHOOL DISTRICT***Schedule of Instructional Time**For the Fiscal Year Ended June 30, 2024*

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Grade Level	Instructional Minutes Requirement	Instructional Minutes Offered	Instructional Days Offered	Status
Kindergarten	36,000	50,690	180	Complied
Grade 1	50,400	54,000	180	Complied
Grade 2	50,400	54,000	180	Complied
Grade 3	50,400	54,000	180	Complied
Grade 4	54,000	54,000	180	Complied
Grade 5	54,000	54,000	180	Complied
Grade 6	54,000	58,188	180	Complied
Grade 7	54,000	58,188	180	Complied
Grade 8	54,000	58,188	180	Complied
Grade 9	64,800	65,224	180	Complied
Grade 10	64,800	65,224	180	Complied
Grade 11	64,800	65,224	180	Complied
Grade 12	64,800	65,224	180	Complied

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Schedule of Financial Trends and Analysis

For the Fiscal Year Ended June 30, 2024

General Fund	(Budget)			
	2025 <sup>2</sup>	2024	2023	2022
Revenues and other financing sources	\$ 274,155,367	\$ 323,169,844	\$ 333,033,193	\$ 262,018,466
Expenditures and other financing uses	300,944,157	295,013,925	281,983,590	252,650,637
Change in fund balance (deficit)	(26,788,790)	28,155,919	51,049,603	9,367,829
Ending fund balance	\$ 103,670,469	\$ 130,459,259	\$ 102,303,340	\$ 51,253,737
Available reserves <sup>1</sup>	\$ 9,028,325	\$ 8,706,193	\$ 8,432,992	\$ 11,448,627
Available reserves as a percentage of total outgo	3.0%	3.0%	3.0%	4.5%
Total long-term debt	\$ 651,088,524	\$ 669,357,680	\$ 575,304,644	\$ 499,118,711
Average daily attendance at P-2	13,377	14,020	13,918	14,660

General Fund balance has increased by \$79.2 million over the past two years. The fiscal year 2024-25 adopted budget projects a decrease of \$26.8 million. For a district of this size, the state recommends available reserves of at least 3% of total general fund expenditures, transfers out, and other uses (total outgo).

The District incurred an operating surplus in each of the last three years but anticipates incurring an operating deficit during the 2024-25 fiscal year. Long-term debt has increased by \$170.2 million over the past two years.

ADA has decreased by 640 since 2021-22 and is expected to decrease by another 643 in 2024-25.

<sup>1</sup> Available reserves consist of all unassigned fund balances in the General Fund.

<sup>2</sup> Revised budget September, 2024.

**OCEANSIDE UNIFIED SCHOOL DISTRICT*****Reconciliation of Annual Financial and Budget Report with Audited Financial Statements  
For the Fiscal Year Ended June 30, 2024***

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	General Fund	Child Development Fund	Building Fund
June 30, 2024, annual financial and budget report (SACS) fund balance	\$ 133,709,159	\$ 520,197	\$ 122,985,950
Adjustments and reclassifications:			
Increasing (decreasing) the fund balance:			
Accounts receivable (overstated)	(4,107,485)	(85,801)	-
Accounts payable overstated (understated)	857,585	-	(171,526)
Net adjustments and reclassifications	(3,249,900)	(85,801)	(171,526)
June 30, 2024, audited financial statement fund balance	<u>\$ 130,459,259</u>	<u>\$ 434,396</u>	<u>\$ 122,814,424</u>



**OCEANSIDE UNIFIED SCHOOL DISTRICT***Schedule of Charter Schools**For the Fiscal Year Ended June 30, 2024*

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Charter School		Inclusion in Financial
Name	Number	Statements
Coastal Academy Charter	0516	Not included
Pacific View Charter	0247	Not included

# OCEANSIDE UNIFIED SCHOOL DISTRICT

## Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Sub-total Expenditures	Federal Expenditures
Federal Programs:				
U.S. Department of Agriculture:				
Passed through California Dept. of Education (CDE):				
Child Nutrition Cluster:				
School Breakfast Program - Basic	10.553	13525	\$ 124,988	
School Breakfast Program - Especially Needy	10.553	13526	1,251,207	
National School Lunch Program	10.555	13523	3,969,866	
USDA Donated Foods	10.555	N/A	532,631	
Supply Chain Assistance (SCA) Funds	10.555	15655	182,034	
Total Child Nutrition Cluster				\$ 6,060,726
Passed through California Dept. of Social Services				
Child and Adult Care Food Program:				
Child and Adult Care Food Program	10.558	13393	868,346	
Cash in Lieu of Commodities	10.558	N/A	53,106	
Total Child and Adult Care Food Program				921,452
Total U.S. Department of Agriculture				6,982,178
U.S. Department of Defense:				
Promoting K-12 Student Achievement at Military Connected Schools	12.556	N/A		356,681
Secondary Math and Stem Project	12.000	N/A		122,951
Total U.S. Department of Defense				479,632
U.S. Department of Education:				
Passed through California Dept. of Education (CDE):				
Every Student Succeeds Act (ESSA):				
Title I Grants				
Title I, Part A, Basic Grants, Low-Income and Neglected	84.010	14329	2,148,338	
ESEA School Improvement Funding	84.010	15438	201,848	
Total Title I Grants				2,350,186
Title II, Part A, Supporting Effective Instruction	84.367	14341		399,719
Title III, English Learner Student Program	84.365	14346		4,195
Title IV, Part A, Student Support and Academic Enrichment Grants	84.424	15396		49,702
Title VIII Impact Aid	84.041	10015		11,660,416
Carl D. Perkins Career and Technical Education: Adult, Sec. 132	84.048	14893		147,617
Title IV 21st Century Community Learning Centers Grants:				
Title IV, Part B, 21st Century Community Learning Centers Program	84.287	14535	489,610	
21st Century Community Learning Centers: ESSER III Summer Learning Program	84.425	15650	244,155	
Total 21st Century Community Learning Centers Grants				733,765
COVID-19 Education Stabilization Fund:				
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425 U	15559	11,407,631	
Elementary and Secondary School Emergency Relief III (ESSER III) Fund Learning Loss	84.425 U	10155	3,934,391	
Expanded Learning Opportunities (ELO) Grant ESSER II State Reserve	84.425 D	15618	4,972	
Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Learning Loss	84.425U	15621	90,423	
American Rescue Plan-Homeless Children and Youth II	84.425	15566	30,494	
Total Education Stabilization Fund				15,467,911
Passed through East County SELPA:				
Special Education Individuals with Disabilities Education Act (IDEA):				
Basic Local Assistance Entitlement	84.027	13379	3,710,352	
Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	104,111	
Mental Health Allocation Plan, Part B, Sec 611	84.027A	15197	171,503	
Total Special Education (IDEA) Cluster				3,985,966
Total U.S. Department of Education				34,799,477
U.S. Department of Health & Human Services:				
Passed through California Dept. of Education (CDE):				
COVID-19 ARP California State Preschool Program One Time Stipend Cluster	93.575	15640		\$ 10,655
Total U.S. Department of Health & Human Services				10,655
Total Expenditures of Federal Awards				\$ 42,271,942

Of the Federal expenditures presented in the schedule, the District provided no Federal awards to recipients.

# OCEANSIDE UNIFIED SCHOOL DISTRICT

*Note to the Supplementary Information*

*June 30, 2024*

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## NOTE 1 – PURPOSE OF SCHEDULES

### **Combining Fund Financial Statements**

Combining fund balance sheets and statements of revenues, expenditures and changes in fund balance have been presented for the non-major and fiduciary funds to provide additional information to the users of these financial statements. These statements have been prepared using the basis of accounting described in the notes to the financial statements.

### **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 number of instructional days offered by the District and whether the District complied with Article 8 (commencing with Section 46200) of Chapter 2 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 Unaudited Actual financial report to the audited financial statements.

### **Schedule of Charter Schools**

This schedule lists all charter schools chartered by the District and displays information for each charter school and whether or not the charter school is included in the District audit.

The 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 the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements. The District did not elect to use the ten percent de minimis indirect cost rate.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

*Note to the Supplementary Information*

*June 30, 2024*

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### NOTE 1 – PURPOSE OF SCHEDULES (continued)

#### Schedule of Expenditures of Federal Awards

The following schedule provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances and the related expenditures reported on the Schedule of Expenditures of Federal Awards.

	Assistance Listing	
	Number	Amount
Total Federal Revenues from the Statement of Revenues, Expenditures, and Changes in Fund Balances		\$ 42,184,787
Differences between Federal Revenues and Expenditures:		
Promoting K-12 Student Achievement at Military Connected Schools	12.556	356,681
Secondary Math and Stem Project	12.000	122,951
Child and Adult Care Food Program:	10.558	(132,643)
Coronavirus Response and Relief Supplemental Appropriations Act	93.575	10,655
Supply Chain Assistance Funds	10.555	(270,489)
Total Schedule of Expenditures of Federal Awards		\$ 42,271,942

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## *Other Information*

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**OCEANSIDE UNIFIED SCHOOL DISTRICT**  
*Local Educational Agency Organization Structure*  
*June 30, 2024*

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The Oceanside Unified School District was established in 1970. The District boundaries encompass the city of Oceanside, as well as part of Marine Corps Base-Camp Pendleton. There were no changes in the boundaries of the District during the current year. The District provides primary and secondary education for all students within the District's boundaries through operation of its twenty-two schools, which consist of twelve elementary, three K-8 schools, four middle schools, two high schools, and two alternative/independent schools.

<b>GOVERNING BOARD</b>		
<b>Member</b>	<b>Office</b>	<b>Term Expires</b>
Raquel Alvarez	President	December, 2026
Stacy Begin	Vice President	December, 2026
Mike Blessing	Clerk	December, 2024
Eleanor Evans	Member	December, 2024
Nancy Licon	Member	December, 2026

**DISTRICT ADMINISTRATORS**

Julie Vitale, Ed.D.,  
*Superintendent*

Andrea Norman, Ed.D.,  
*Associate Superintendent, Business Services*

Mercedes Lovie, Ed.D.,  
*Associate Superintendent, Education Services*

Todd McAteer, Ed.D.,  
*Associate Superintendent, Human Resources*

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***Other Independent Auditors' Reports***

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**INDEPENDENT AUDITORS' 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**

Governing Board  
Oceanside Unified School District  
Oceanside, 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 Oceanside Unified School District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 13, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2024-001, that we consider to be a material weakness.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

**Oceanside Unified School District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Nigro + Nigro, P.C.".

Murrieta, California  
December 13, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Governing Board  
Oceanside Unified School District  
Oceanside, California

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

***Opinion on Each Major Federal Program***

We have audited the Oceanside Unified 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 the Oceanside Unified School District's major federal programs for the year ended June 30, 2024. The Oceanside Unified 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, the Oceanside Unified 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* 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 the Oceanside Unified School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Oceanside Unified 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 laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Oceanside Unified School District's federal programs.

### ***Auditors' Responsibilities for the Audit of 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 the Oceanside Unified 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 material noncompliance when it exists. The risk of not detecting 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 the Oceanside Unified 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, 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 the Oceanside Unified School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Oceanside Unified 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 the Oceanside Unified 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 a 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.

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.

Murrieta, California  
December 13, 2024

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## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees  
Oceanside Unified School District  
Oceanside, California

### Report on Compliance

#### *Opinion*

We have audited the Oceanside Unified School District's (District) compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2024.

In our opinion, Oceanside Unified School District complied in all material aspects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2024.

#### *Basis for Opinion*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 opinion. Our audit does not provide a legal determination of the 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 laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Oceanside Unified School District's state programs.

### ***Auditors' Responsibilities for the Audit of 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 the 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 GAAS, *Government Auditing Standards*, and the 2023-24 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than 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 the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2023-24 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, 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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the 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 2023-24 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

<b>Description</b>	<b>Procedures Performed</b>
<b>Local Education Agencies Other Than Charter Schools:</b>	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	Yes
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	Not Applicable
Home to School Transportation Reimbursement	Yes

<b>Description</b>	<b>Procedures Performed</b>
<b>School Districts, County Offices of Education, and Charter Schools:</b>	
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	Yes
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
<b>Charter Schools:</b>	
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom-Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

Areas marked as “Not Applicable” were not operated by the District.

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 in 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 Findings 2024-002 through 2024-004. Our opinion on each state program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District’s response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The 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, 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 a 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. 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 from 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.

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 *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Murrieta, California  
December 13, 2024

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*Schedule of Findings and Questioned Costs*

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## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Summary of Auditors' Results

For the Fiscal Year Ended June 30, 2024

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#### Financial Statements

Type of auditors' report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>Yes</u>
Significant deficiency(s) identified not considered to be material weaknesses?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

#### Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(s) identified not considered to be material weaknesses?	<u>None reported</u>
Type of auditors' report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance Sec. 200.516(a)?	<u>No</u>

#### Identification of major programs:

<u>Assistance Listing</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425 D, U</u>	<u>Education Stabilization Fund</u>
<u>10.553, 10.555</u>	<u>Child Nutrition Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 1,268,158</u>
Auditee qualified as low-risk auditee?	<u>No</u>

#### State Awards

Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>
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## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Financial Statement Findings

For the Fiscal Year Ended June 30, 2024

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This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*. Pursuant to Assembly Bill (AB) 3627, all audit findings must be identified as one or more of the following categories:

Five Digit Code	AB 3627 Finding Types
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

#### **Finding 2024-001: Financial Reporting (30000)(60000)**

**Repeat Finding?** No.

**Criteria:** Good internal controls over financial reporting are an important and prudent business practice to ensure the District records transactions accurately and timely. While immaterial errors are understandable, numerous material errors are a sign of poor internal controls.

**Condition:** During our review and audit of the District's financial records, we noted the following deficiencies:

- Lottery and Impact Aid revenue year end accruals were booked twice resulting in overstated revenue totaling \$4.1 million.
- Several expenditures were not properly accrued and a payable for LCFF was improperly accrued for a net of \$0.7 million.
- California State Preschool Program (CSPP) revenue was overstated by \$85,801.

**Cause:** The District closed their books, but afterwards noted errors and communicated this to auditors.

**Effect:** The financial statements required audit adjustments to be fairly stated

**Recommendation:** We recommend the District review all entries to ensure accuracy before closing the books. Also, that the District record all transactions that occur in the appropriate fund to accurately present the financial condition of each fund.



## OCEANSIDE UNIFIED SCHOOL DISTRICT

### *Financial Statement Findings*

*For the Fiscal Year Ended June 30, 2024*

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#### **Finding 2024-001: Financial Reporting (30000)(60000) (continued)**

##### **Views of Responsible Officials:**

##### Lottery & Impact Aid

- This was the result of posting more than one person being asked to post the same revenue.
- The fiscal team's internal audit processes found these errors before the auditors started the audit. The Executive Director pointed out the errors to the auditors when they arrived for the audit.
- These errors were corrected at the beginning of October. The first interim budget reflects the correct amount of revenue for both of these revenue sources.
- Moving forward, the person responsible for the account will post revenue budget entries.
- At year-end closing, we will track all revenue budget journals on our "closing checklist" spreadsheet.

##### Accruals

- At year-end, the district failed to charge some expenses (accrue) in the 2023-2024 school year. Therefore, our expenditures were understated.
- In recalculating the Local Control Funding Formula (LCFF) for the 2023-2024 second interim, the district also underreported the amount of base revenue. This caused the revenue to be understated.
- The net result of these two items is an increase in fund balance of \$750,000. This adjustment will be once we have the auditors' final audit adjustments.
- Moving forward, the district will communicate year-end closing deadlines to vendors and district staff to facilitate the timely submission of invoices. The fiscal staff will closely monitor invoices at year-end to ensure all monthly invoices have been paid. This will minimize under-accruals.
- The LCFF calculator will be audited by more than one staff member before funding journal entries are entered into PeopleSoft. Revenue reports will be run out of PeopleSoft to verify that journals were created correctly. Once CDE has posted the LCFF Total Entitlement for the year, the district will make any final adjustments before the year-end closing.

##### Preschool

- The District received revenue for state preschool based on expected enrollment.
- If that enrollment does not meet the funding threshold, funding is returned to the State.
- This overstatement of revenue is the funding being returned because of lower-than-expected enrollment.
- Before the second interim budget report, fiscal staff will audit the enrollment numbers for the state preschool program.
- If staff anticipates that enrollment will not meet the amount of funding received, staff will record the excess funding as a "liability" so that revenue is not overstated.

## **OCEANSIDE UNIFIED SCHOOL DISTRICT**

### *Federal Award Findings and Questioned Costs*

*For the Fiscal Year Ended June 30, 2024*

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This section identifies the audit findings required to be reported by the Uniform Guidance, Section 200.516 (e.g., significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

*There were no federal award findings or questioned costs in 2023-24.*

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### *State Award Findings and Questioned Costs*

*For the Fiscal Year Ended June 30, 2024*

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This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

#### **Finding 2024-002: Attendance Accounting (10000)**

**Repeat Finding?** No

**Criteria:** California Education Code section 46000 states: Attendance in all schools and classes shall be recorded and kept according to regulations prescribed by the State Board of Education, subject to the provisions of this chapter. Good internal controls require the District & Charters to review its pupil attendance reporting processes and ensure that attendance policies and procedures are maintained and followed at all school sites.

**Condition/Context:** During our review of ADA totals reported by the District to CDE, we noted the following misstatements:

- Based on our recalculation, the District misreported ADA on the P-2 Report of Attendance (Line-A-1) by the following amounts:
  - Understated by 0.10 ADA in grades TK/K-3
- Based on our recalculation, the District misreported ADA on the P-2 Report of Attendance (Line-A-3) by the following amounts:
  - Overstated by 0.13 ADA in grades 4-6,
  - Overstated by 0.17 ADA in grades 7-8
  - Overstated by 0.36 ADA in grades 9-12
- Based on our recalculation, the District misreported ADA on the Annual Report of Attendance (Line-A-1) by the following amounts:
  - Overstated by 3.64 ADA in grades TK/K-3,
  - Understated by 3.08 ADA in grades 4-6
  - Understated by 7.66 ADA in grades 7-8
  - Overstated by 1.39 ADA in grades 9-12

**Effect:** The District's calculation based on derived value of ADA totals a questioned cost of \$8,080.

**Cause:** The District noted this error during the audit process and attempted to make revisions but was unable to do so because of a closure in the reporting window.

**Recommendation:** We recommend that the District develop policies and procedures and implement controls to ensure that pupil attendance is recorded and reported consistently and accurately.

**Views of Responsible Officials:** The District was aware of the ADA calculation error. However, fiscal staff could not enter the correct information before the deadline.

Fiscal Services has created a department calendar with all CDE due dates and reporting windows.

Staff will receive "calendar reminders" for items relevant to them to help ensure they are completed before deadlines.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### *State Award Findings and Questioned Costs (continued)*

*For the Fiscal Year Ended June 30, 2024*

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#### **Finding 2024-003: After/Before School Education and Safety Program (40000)**

**Repeat Finding?** Yes, a repeat of Finding 2023-004.

**Criteria:** The After School Education and Safety Program (ASES) was established to serve pupils in kindergarten through grade nine. In accordance with Education Code Section 8483 (a)(1), there are stringent regulations in operating and reporting attendance for the program.

**Condition/Context:** At four sites, we noted eleven instances where students had attendance recorded but were marked as absent or there were no time entries on the sign in/out sheets, and eleven instances where students did not have attendance recorded but had time entries on the sign in/out sheet. In fifteen instances the sign in/out sheets did not have a code or other information that permitted the student to leave the program early or arrive late.

**Cause:** The amount recorded through the system has not been reconciled with the amount reported on the sign in/out sheets. Additionally, sign in/out procedures are not being followed at two of the sites tested.

**Effect:** There is no financial impact from this finding. The amount reported was less than the amount shown in the attendance system but could not be fully reconciled.

**Recommendation:** We recommend that the District reconcile their attendance monthly, follow-up on any variances between the support and amount reported and provide training to all levels of employees involved with the program regarding all policies and procedures for early release or late start.

**Views of Responsible Officials:** OUSD has been working with the San Diego County Office of Education (SDCOE) to mitigate findings related to the ASES grant. Findings from 23-24 are consistent with concerns indicated by site visits and observations.

For the 24-25 school year, OUSD terminated the contracts of providers that were not effectively managing the attendance process. This termination was a result of a multi-year process to redesign the attendance collection process. The OUSD continues to work with the SDCOE to provide consistent training on attendance collection procedures, working closely with providers and monitoring attendance collection.

#### **Finding 2024-004 : Expanded Learning Opportunities Program (40000)**

**Repeat Finding?** No

**Criteria:** California Education Code Section 46120(b)(2)(D) states that the administrator shall ensure that the program maintains a pupil-to-staff member ratio of no more than 20 to 1, except programs serving transitional kindergarten or kindergarten pupils shall maintain a pupil-to-staff member ratio of no more than 10 to 1.

**Condition/Context:** It was noted that out of the five sites we tested, two were unable to provide documentation to show they were in compliance with the pupil-to-staff ratio.

**Cause:** Tracking the staff to pupil ratio was overlooked by the district.

**Effect:** There is no financial penalty associated with noncompliance.

**Recommendation:** We recommend that the District ensure that there is tracking for every group at each site operating the expanded learning opportunities program to ensure it is properly staffed to meet the required ratios.

## **OCEANSIDE UNIFIED SCHOOL DISTRICT**

*State Award Findings and Questioned Costs (continued)*

*For the Fiscal Year Ended June 30, 2024*

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### **Finding 2024-004: Expanded Learning Opportunities Program (40000) (continued)**

**Views of Responsible Officials:** As part of OUSD's program management and review of Expanded Learning Programs, as part of the single comprehensive program structure, the OUSD continues to refine processes which has resulted in the elimination of two providers from the 23-24 school year.

OUSD has developed a uniform process across contracted service providers for the 24-25 school year to accurately monitor daily staffing and students served to provide evidence of daily ELO-P program ratio. No additional findings in this area are anticipated for the 24-25 school year as this method is currently in place and continually refined.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended June 30, 2024

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Original Finding No.	Finding	Code	Recommendation	Current Status
<i>Finding 2023-001: Implementation of GASB 96 (6000)</i>	<p>A government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government’s incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.</p> <p>The requirements of GASB 96 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.</p> <p>The District did not comply with implementing GASB 96.</p>	60000	We recommend the District implement the standard in order to follow generally accepted accounting principles.	Implemented.

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## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended June 30, 2024

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Original Finding No.	Finding	Code	Recommendation	Current Status
<i>Finding 2023-002: Capital Asset Accounting</i>	<p>Capital assets represent one of the largest investments of the District; control and accountability are of significant concern. Generally accepted accounting principles (GAAP), Education Code Section 35168, and District Board Policy require the District to maintain records that properly account for capital assets. Capital asset records serve as a management tool and have an important bearing on management decisions, such as long-range acquisition and abandonment projections. The need for data on capital assets is an important aspect to the District.</p> <p>The District provided an incomplete record of additions to capital assets for the fiscal year 2023-24 causing the financial reports to require adjustment. Property sales and financed purchases that don't capitalize transpired during the year were not reflected in the asset records.</p>	20000	We recommend the District reconcile all costs expended annually to the capital asset record. Also, any sales that occur during the year should be identified and removed from the record. Finally, it may be prudent for the District to contract with an outside consultant to perform a physical inventory of all District assets, including all construction projects, improvements, equipment, as well as accumulated depreciation. Then the District needs to appoint an individual the responsibility of maintaining the inventory on a current basis.	Implemented.

## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended June 30, 2024

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Original Finding No.	Finding	Code	Recommendation	Current Status
<i>Finding 2023-003: Annual Report Card, High School Graduation Rate</i>	<p><b>Program Identification:</b></p> <p>Federal Agency: U.S. Department of Education Pass-through Entity: California Department of Education</p> <p>Program Names: Title I, Part A Grants: Title I, Part A, Basic Grants Local-Income and Neglected (AL No. 84.010)</p> <p>ESEA, School Improvement Grant Funding for LEAs (AL No. 84.010)</p> <p>ESEA Sections 1111(h)(1)(C)(iii)(II) and 8101(23), (25) (20 USC 6311(h)(1)(C)(iii)(II) and 7801(23), (25) require a local educational agency to have official written documentation that a student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma in order to remove a student from the graduation cohort. A student who is retained in grade, enrolled in a GED program, or leaves school for any other reason may not be counted as having transferred out for the purpose of calculating graduation rate and must remain in the adjusted cohort.</p> <p>During our testing of compliance and controls over the graduation cohort, we identified two instances in which the District was unable to provide supporting documentation to demonstrate that the students enrolled in another school or in an educational program that culminates in the award of a regular high school diploma.</p>	50000	We recommend the District train school site staff on allowable documentation to remove students from a graduation cohort as well as other cohort codes. Subsequently the District should assist school sites in developing the record retention process to ensure documentation is available upon request.	Implemented.



## OCEANSIDE UNIFIED SCHOOL DISTRICT

### Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended June 30, 2024

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Original Finding No.	Finding	Code	Recommendation	Current Status
<i>Finding 2023-004: After/Before School Education and Safety Program</i> (This is a repeat of Finding 2022-001)	<p>The After School Education and Safety Program (ASES) was established to serve pupils in kindergarten through grade nine. In accordance with Education Code Section 8483 (a)(1), there are stringent regulations in operating and reporting attendance for the program.</p> <p>For two sites tested, we could not reconcile the amounts reported by the District in the supporting attendance system with the amount reported in the first half semiannual report. At one site, we noted fourteen instances where students had attendance recorded but were marked as absent or there were no time entries on the sign in sign out sheets. In one instance the sign in out sheets did not have a code or other information that permitted the student to leave the program early or arrive late.</p>	40000	We recommend that the District reconcile their attendance monthly, follow-up on any variances between the support and amount reported and provide training to all levels of employees involved with the program regarding all policies and procedures for early release or late start.	Not implemented, see Finding 2024-003
<i>Finding 2023-005: School Accountability Report Card</i>	<p>The information on the School Accountability Report Card (SARC) should be reported consistent with the Williams Quarterly Reports for each school as required by the provisions of Education Code Section 33126.</p> <p>For two of eight sites tested, the District reported information on the SARC that was inconsistent with the Williams Quarterly Reports.</p>	72000	We recommend that an employee verify the information presented in the SARC. This information is essential to present the required information about the school fairly to the public.	Implemented

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To the Governing Board  
Oceanside Unified School District  
Oceanside, California

In planning and performing our audit of the basic financial statements of Oceanside Unified School District for the year ending June 30, 2024, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control structure.

However, during our audit we noted matters that are an opportunity for strengthening internal controls and operating efficiency. The following items represent conditions noted by our audit that we consider important enough to bring to your attention. This letter does not affect our report dated December 13, 2024 on the financial statements of Oceanside Unified School District.

#### **DISTRICT OFFICE**

**Observation:** During our review of cash receipts, we found four receipts that were not deposited in a timely manner. Receipts were dated from one to four months prior to deposit. Additionally, it was noted that there is only one signer on the nutrition bank account and bank reconciliations are not reviewed. It was also noted that the District clearing account was not reconciled monthly. At the time of testing, reconciliation of the clearing account was behind by three months.

**Recommendation:** District should implement controls and procedures to ensure cash collected is deposited within two weeks of receipt. Furthermore, bank reconciliations should be reviewed to detect errors and possible questionable or suspicious activity. Additionally, we recommend the nutrition bank account have two signers on checks or set a dollar limit for two signers.

We will review the status of the current year comments during our next audit engagement.

Murrieta, California  
December 13, 2024

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## APPENDIX C

### PROPOSED FORMS OF OPINIONS OF BOND COUNSEL

[Closing Date]

Board of Education  
Oceanside Unified School District  
Oceanside, California

Oceanside Unified School District  
General Obligation Bonds,  
Election of 2020, Series C  

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(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Oceanside Unified School District (the “District”), which is located in the County of San Diego, California (the “County”), in connection with the issuance by the District of \$ \_\_\_\_\_ aggregate principal amount of bonds designated as “Oceanside Unified School District General Obligation Bonds, Election of 2020, Series C” (the “Bonds”). The Bonds are issued pursuant to a resolution of the Board of Education of the District adopted on June 10, 2025 (the “Resolution”), and a Paying Agent Agreement, dated as of July 1, 2025 (the “Paying Agent Agreement”), by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”), and acknowledged by the Treasurer-Tax Collector of the County. The Board of Supervisors of the County authorized the District to issue the Bonds on its own behalf by a resolution adopted on June 8, 2021. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution or the Paying Agent Agreement.

In such connection, we have reviewed the Resolution, the Paying Agent Agreement, the tax certificate of the District, dated the date hereof (the “Tax Certificate”), relating to the Bonds, certificates of the District, the County, the Paying Agent and others, and such other documents and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery of each such document by each party thereto other than the District and that each such document constitutes a valid and binding agreement of such party. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution, the Paying Agent Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Resolution, the Paying Agent Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial

discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the District or the County in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Resolution, or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding obligations of the District.
2. The Resolution has been duly adopted and constitutes the valid and binding obligation of the District.
3. The Paying Agent Agreement has been duly executed and delivered by, and constitutes the valid and binding agreement of, the District.
4. The Board of Supervisors of the County has power and is obligated to levy *ad valorem* taxes without limitation as to rate or amount upon all property within the District's boundaries subject to taxation by the District (except certain personal property which is taxable at limited rates) for the payment of the Bonds and the interest thereon.
5. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

[Closing Date]

Board of Education  
Oceanside Unified School District  
Oceanside, California

Oceanside Unified School District  
2025 General Obligation Refunding Bonds, Series A

and

Oceanside Unified School District  
2025 General Obligation Refunding Bonds, Series B  
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Oceanside Unified School District (the “District”), which is located in the County of San Diego, California (the “County”), in connection with the issuance by the District of \$ \_\_\_\_\_ aggregate principal amount of bonds designated as “Oceanside Unified School District 2025 General Obligation Refunding Bonds, Series A” and \$ \_\_\_\_\_ aggregate principal amount of bonds designated as “Oceanside Unified School District 2025 General Obligation Refunding Bonds, Series B” (collectively, the “Bonds”). The Bonds are issued pursuant to a resolution of the Board of Education of the District adopted on June 10, 2025 (the “Resolution”) and a Paying Agent Agreement, dated as of July 1, 2025 (the “Paying Agent Agreement”), by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”), and acknowledged by the Treasurer-Tax Collector of the County. The Board of Supervisors of the County authorized the District to issue the Bonds on its own behalf by a resolution adopted on June 8, 2021. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution or the Paying Agent Agreement.

In such connection, we have reviewed the Resolution, the Paying Agent Agreement, the tax certificate of the District, dated the date hereof (the “Tax Certificate”), relating to the Bonds, certificates of the District, the County, the Paying Agent and others, and such other documents and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery of each such document by each party thereto other than the District and that each such document constitutes a valid and binding agreement of such party. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution, the Paying Agent Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Resolution, the Paying Agent Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the

District or the County in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Resolution, or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding obligations of the District.
2. The Resolution has been duly adopted and constitutes the valid and binding obligation of the District.
3. The Paying Agent Agreement has been duly executed and delivered by, and constitutes the valid and binding agreement of, the District.
4. The Board of Supervisors of the County has power and is obligated to levy *ad valorem* taxes without limitation as to rate or amount upon all property within the District's boundaries subject to taxation by the District (except certain personal property which is taxable at limited rates) for the payment of the Bonds and the interest thereon.
5. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP



## APPENDIX D

### PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

#### OCEANSIDE UNIFIED SCHOOL DISTRICT

(San Diego County, California)

**\$60,000,000\***  
**General Obligation Bonds,**  
**Election of 2020, Series C**

**\$26,285,000\***  
**2025 General Obligation**  
**Refunding Bonds, Series A**

**\$7,160,000\***  
**2025 General Obligation**  
**Refunding Bonds, Series B**

This Continuing Disclosure Certificate (the “Disclosure Certificate”), dated July \_\_, 2025, is executed and delivered by the Oceanside Unified School District (the “District”) in connection with the issuance of the above-named bonds (the “Bonds”). The Bonds are being issued pursuant to the resolutions (collectively, the “Resolution”), each adopted by the Board of Education of the District on June 10, 2025, and in accordance with the terms of each respective Paying Agent Agreement, dated as of July 1, 2025 (collectively, the “Paying Agent Agreement”), each by and between the District and U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”). The District 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 Securities and Exchange Commission (“S.E.C.”) Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Paying Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person who has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean the KNN Public Finance, LLC, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and 5(b)(8), 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 defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Holder” shall mean the person in whose name any Bond shall be registered.

“Listed Events” shall mean any of the events listed in Section 5(a) or (b) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the S.E.C., filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the final official statement dated \_\_\_\_\_, 2025 relating to the Bonds.

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\* Preliminary, subject to change.

“Participating Underwriter” shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean 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 nine months after the end of the District’s fiscal year (currently ending June 30), commencing with the report for the fiscal year of the District ending June 30, 2025 (which is due not later than April 1, 2026), provide to the Participating Underwriter and the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are 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) Not later than 15 business days prior to said date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall (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, stating the date it was provided to the MSRB.

SECTION 4. Content of Annual Reports. The District’s Annual Report shall contain or include by reference the following:

- \* Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District’s audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a), 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 provided to the MSRB in the same manner as the Annual Report when they become available.

To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

- \* Outstanding indebtedness and lease obligations, as of the preceding fiscal year;
- \* General fund budget and actual results, as of the preceding fiscal year;
- \* Average daily attendance and State funding information, or equivalent information, as may be reasonably available, as of the preceding fiscal year;
- \* Assessed valuations, as of the most recent equalized assessed roll; and
- \* Largest local secured taxpayers, as of the most recent equalized assessed roll.

Any or all of the items listed above may be set forth in one or a set of documents or 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 website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

#### 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 events with respect to the Bonds not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person; or
10. 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.

Note: For the purposes of the event identified in Section 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. 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 obligated person, or if such jurisdiction has been assumed by leaving the existing governmental 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 obligated person.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of Bond holders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the

sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

7. Appointment of a successor or additional paying agent or the change of name of a paying agent; or
8. Incurrence of a Financial Obligation of the District, 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.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 3, as provided in Section 3(b).

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Paying Agent Agreement.

(f) The District intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of “Financial Obligation” in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Commission in its Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

SECTION 6. 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(e).

SECTION 7. 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 such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be KNN Public Finance, LLC.

SECTION 8. 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, 5(a) or 5(b), 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 the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(e), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. 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 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate 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; provided, that any such action may be instituted only in Superior Court of the State of California in and for the County of San Diego or in U.S. District Court in or nearest to the County. 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 11. 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.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Continuing Disclosure Certificate on the date as first written above.

OCEANSIDE UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_  
Associate Superintendent of  
Business Services

**EXHIBIT A**

**FORM OF NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE  
ANNUAL REPORT**

Name of District: OCEANSIDE UNIFIED SCHOOL DISTRICT

Name of Bond Issue: OCEANSIDE UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, ELECTION OF 2020, SERIES C

OCEANSIDE UNIFIED SCHOOL DISTRICT  
2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES A

OCEANSIDE UNIFIED SCHOOL DISTRICT  
2025 GENERAL OBLIGATION REFUNDING BONDS, SERIES B

Date of Issuance: \_\_\_\_\_, 2025

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Certificate of the District, dated the Date of Issuance. [The District anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

OCEANSIDE UNIFIED SCHOOL DISTRICT

By \_\_\_\_\_ [to be signed only if filed]

## **APPENDIX E**

### **SAN DIEGO COUNTY INVESTMENT POOL**

*The following information concerning the Treasury Pool of San Diego County (the “Treasury Pool”) has been provided by the County Treasurer and has not been confirmed or verified by the District or the Underwriter. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date.*

In accordance with Section 53600 et seq. of the Government Code of the State of California (the “Government Code”), the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with Section 53635 et seq. of the Government Code. In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code.

All investments in the Treasurer’s investment portfolio conform to the statutory requirements of Section 53635 et seq. of the Government Code, authorities delegated by the County Board of Supervisors and the Treasurer’s investment policy.

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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.
- 
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)
- 
- 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

**Apr  
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 April 30, 2025

Investment Type	Par Value	Book Value	Market Value	% of Portfolio	Market Price	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
ABS	841,437,158	841,364,526	847,064,170	4.68%	100.67	1033	4.81%	1,684,162	5,699,644
Agency	4,401,979,000	4,386,906,556	4,355,369,259	24.05%	98.94	511	2.92%	16,423,706	(31,537,298)
Trade Payables/Receivables	0	0	0	0.00%	100.00	0	0.00%	-	-
Bank Deposit	44,623,501	44,623,501	44,623,501	0.25%	100.00	0	3.54%	-	-
Commercial Paper	2,253,000,000	2,235,602,125	2,235,426,869	12.35%	99.22	66	4.52%	-	(175,256)
Corporate	105,000,000	104,035,185	104,404,456	0.58%	99.43	245	5.00%	1,627,097	369,271
LAIF	8	8	8	0.00%	99.09	0	4.27%	-	-
Local Gov Investment Pool	258,619,262	258,619,262	258,619,262	1.43%	100.00	0	4.45%	-	-
Money Market Fund FI	471,000,000	471,000,000	471,000,000	2.60%	100.00	0	4.24%	-	-
Municipal Bonds	521,410,000	522,115,735	523,911,731	2.89%	100.48	628	3.33%	3,927,587	1,795,996
Negotiable CD	2,954,000,000	2,954,000,000	2,954,027,145	16.31%	100.00	124	4.43%	44,350,859	27,145
Supranationals	2,390,780,000	2,375,231,371	2,400,892,472	13.26%	100.42	1183	4.00%	20,597,301	25,661,101
US Treasury	3,920,000,000	3,902,380,951	3,910,971,188	21.60%	99.77	752	3.36%	25,323,637	8,590,237
<b>Total for April 2025</b>	<b>18,161,848,928</b>	<b>18,095,879,221</b>	<b>18,106,310,060</b>	<b>100%</b>	<b>99.69</b>	<b>537</b>	<b>3.77%</b>	<b>113,934,350</b>	<b>10,430,839</b>
<b>Total for March 2025</b>	<b>16,499,099,600</b>	<b>16,420,652,824</b>	<b>16,380,539,159</b>	<b>100%</b>	<b>99.28</b>	<b>489</b>	<b>3.80%</b>	<b>95,341,943</b>	<b>(40,113,665)</b>
<b>Change from Prior Month</b>	<b>1,662,749,329</b>	<b>1,675,226,396</b>	<b>1,725,770,901</b>		<b>0.41</b>	<b>47</b>	<b>-0.03%</b>	<b>18,592,407</b>	<b>50,544,504</b>
<b>Portfolio Effective Duration</b>	<b>1.13</b>								
<b>Return Information</b>	<b>Monthly Return</b>	<b>Annualized</b>	<b>Fiscal Year To Date Return</b>	<b>Annualized</b>	<b>Calendar YTD Return</b>	<b>Annualized</b>			
Book Value	0.31%	3.81%	3.06%	3.68%	1.22%	3.69%			

### 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 April 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 18.78 as of 04/30/25, 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 April 30, 2025

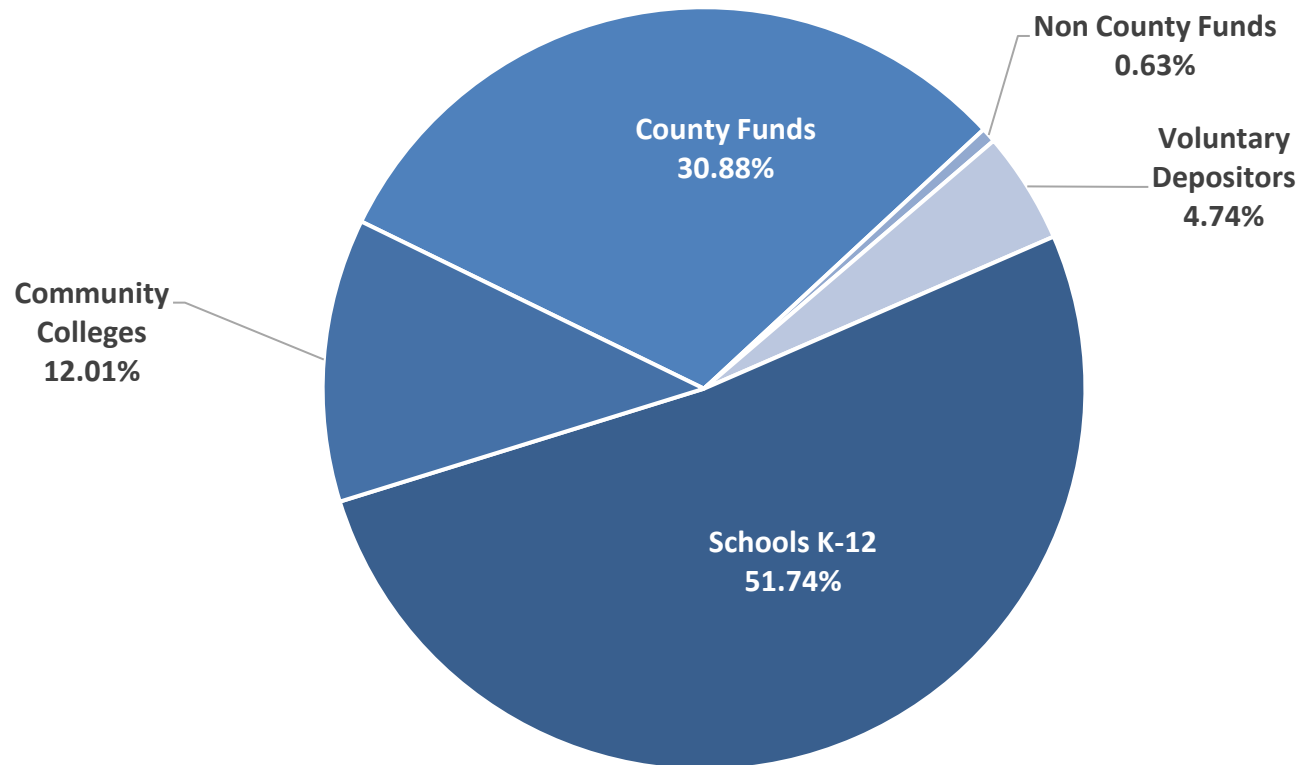
(\$000)

PARTICIPANT	FMV 02/28/25	FMV 03/31/25	FMV 04/30/25	% of Total	PARTICIPANT	FMV 02/28/25	FMV 03/31/25	FMV 04/30/25	% of Total
<b>COUNTY</b>	1,826,531	2,328,451	2,303,757	12.72%	Lakeside FPD	9,469	7,669	6,659	0.04%
<b>COUNTY - SPECIAL TRUST FUNDS</b>	2,645,075	2,509,149	3,288,164	18.16%	Leucadia Wastewater District	0	0	0	0.00%
<b>NON-COUNTY INVESTMENT FUNDS</b>	143,775	118,282	113,710	0.63%	Lower Sweetwater FPD	591	606	776	0.00%
<b>SCHOOLS - (K THRU 12)</b>	8,704,861	8,566,306	9,369,057	51.74%	Metropolitan Transit System	353,279	343,770	335,316	1.85%
					Mission Resource Conservation District	67	44	60	0.00%
<b>COMMUNITY COLLEGES</b>					North County Transit District	43,782	43,857	44,138	0.24%
Grossmont-Cuyamaca	209,969	211,365	233,341	1.29%	North County Cemetery District	11,483	11,805	11,854	0.07%
MiraCosta	222,125	205,843	242,057	1.34%	North County Dispatch	8,314	7,889	8,215	0.05%
Palomar	271,059	262,890	285,140	1.57%	North County FPD	3,237	3,655	7,750	0.04%
San Diego	1,186,192	1,166,350	1,227,759	6.79%	Otay Water District	76	76	108	0.00%
Southwestern	161,045	164,757	185,607	1.03%	Palomar Health	2	0	2	0.00%
<b>Total Community Colleges</b>	<b>2,050,388</b>	<b>2,011,204</b>	<b>2,173,902</b>	<b>12.01%</b>	Pomerado Cemetery District	2,500	2,495	2,746	0.02%
<b>FIRST 5 COMMISSION</b>	21,183	20,664	24,278	0.13%	Public Agencies Self-Insurance System	0	0	0	0.00%
<b>SDCERA</b>	8,757	8,771	8,730	0.05%	Ramona Cemetery District	1,827	1,814	1,879	0.01%
<b>CITIES</b>					Rancho Santa Fe FPD	11,786	10,821	15,714	0.09%
Chula Vista	6,063	6,032	6,071	0.03%	Resource Conservation District of Greater SD*	0	0	0	0.00%
Coronado	7,883	7,896	7,951	0.04%	Rincon del Diablo Municipal Water District	3,046	3,051	3,071	0.02%
Del Mar	3,033	3,039	3,058	0.02%	SANDAG	14,468	10,860	10,939	0.06%
Encinitas	1,334	1,336	1,345	0.01%	SD County Regional Airport Authority	138,482	140,414	143,140	0.79%
National City	39,796	39,864	40,119	0.22%	San Diego Housing Commission	8,548	8,563	8,618	0.05%
Oceanside*	0	0	0	0.00%	San Diego Geographic Information Source	586	570	794	0.00%
Solana Beach*	0	0	0	0.00%	San Diego Law Library	8,240	8,345	8,434	0.05%
Vista	91	91	92	0.00%	San Diego Local Agency Formation Comm	2,514	2,318	2,081	0.01%
					San Diego Regional Training Center	1,449	1,531	1,507	0.01%
<b>INDEPENDENT AGENCIES</b>					San Dieguito River Park	1,421	1,218	1,333	0.01%
Air Pollution Control District	101,933	98,342	88,911	0.49%	San Marcos FPD	1	1	1	0.00%
Alpine FPD	987	1,121	1,262	0.01%	San Miguel Consolidated FPD	19,374	17,167	25,494	0.14%
Bonita-Sunnyside FPD	3,370	2,535	3,926	0.02%	Santa Fe Irrigation District	107	107	108	0.00%
Borrego Springs FPD	15	15	15	0.00%	Upper San Luis Rey Resource Conserv Dist	33	34	37	0.00%
Canebrake County Water District	0	0	0	0.00%	Vallecitos Water District	1,010	1,012	1,018	0.01%
Deer Springs FPD	20,212	19,947	19,960	0.11%	Valley Center FPD	2,282	2,392	3,373	0.02%
Grossmont Healthcare District	2	2	2	0.00%	Valley Center Cemetery District	509	512	532	0.00%
Julian-Cuyamaca FPD	0	0	0	0.00%	Valley Center Water District	2,692	2,697	2,714	0.01%
Lake Cuyamaca Rec & Park District	22	22	22	0.00%	Vista FPD	2,208	2,176	3,566	0.02%
					Whispering Palms Community Services District*	0	0	0	0.00%
					<b>Total Voluntary Participants</b>	<b>868,068</b>	<b>847,147</b>	<b>857,720</b>	<b>4.74%</b>
					<b>Pooled Money Fund Total</b>	<b>\$ 16,238,699</b>	<b>\$ 16,380,539</b>	<b>\$ 18,106,310</b>	<b>100.00%</b>

\* **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 April 30, 2025



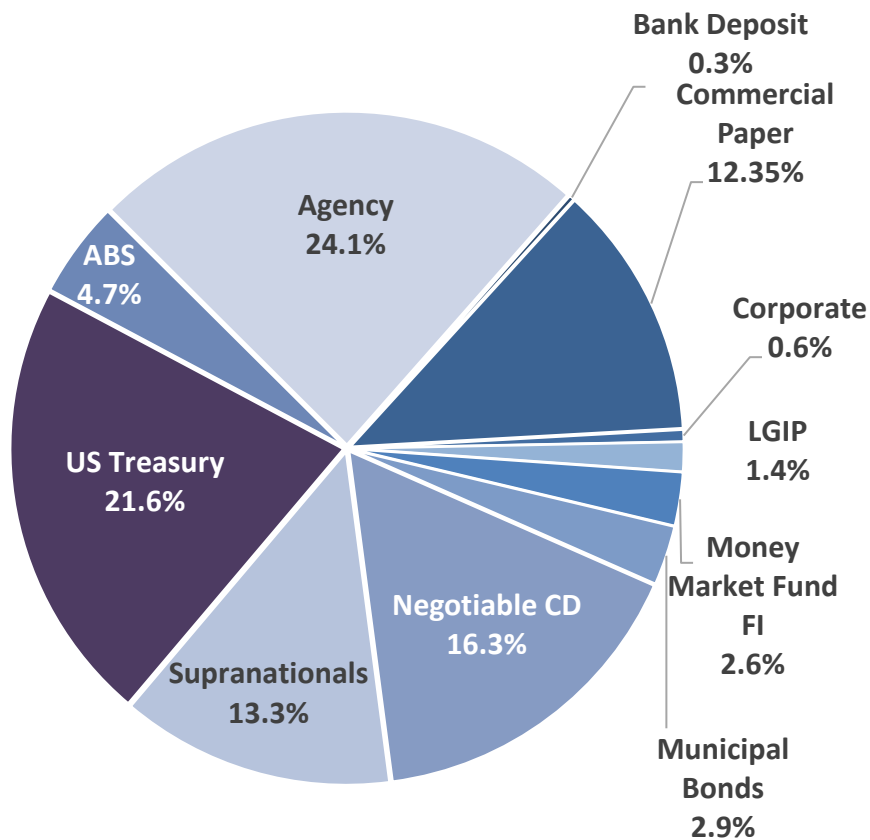
\*Totals may not add to 100% due to rounding



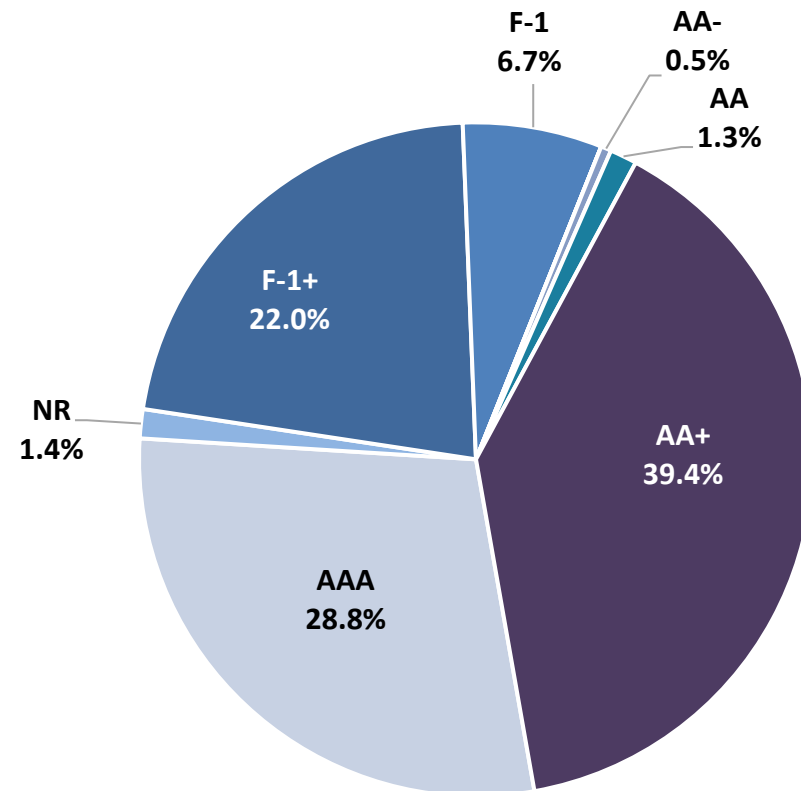
# INVESTMENT FUND OVERVIEW

## County of San Diego Pooled Money Fund As of April 30, 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 April 30, 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 April 30, 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
<b>ABS</b>									
43815GAC3	HAROT 2021-4 A3 0.88 01/21/2026	269,982.95	11/24/2021 0.89%	269,926.04 269,974.14	99.78 4.99%	269,376.76 66.00	0.00% (597.38)	Aaa/NA AAA	0.73 0.05
89238JAC9	TAOT 2021-D A3 0.71 04/15/2026	185,261.54	11/15/2021 0.71%	185,257.59 185,260.80	99.83 5.08%	184,951.20 58.46	0.00% (309.59)	NA/AAA AAA	0.96 0.04
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	2,946,565.47	02/23/2022 1.89%	2,946,122.31 2,946,466.21	99.56 4.90%	2,933,708.13 2,462.02	0.02% (12,758.08)	Aaa/AAA NA	1.04 0.14
345286AC2	FORDO 2022-A A3 1.29 06/15/2026	206,461.31	01/20/2022 1.30%	206,436.78 206,455.86	99.77 4.30%	205,983.19 118.37	0.00% (472.67)	NA/AAA AAA	1.13 0.08
43815PAC3	HAROT 2022-2 A3 3.73 07/20/2026	1,805,627.13	08/24/2022 3.76%	1,805,519.51 1,805,594.71	99.74 4.76%	1,801,011.58 2,432.08	0.01% (4,583.13)	NA/AAA AAA	1.22 0.25
65479QAC1	NAROT 2022-A A3 1.86 08/17/2026	3,222,205.69	02/23/2022 1.88%	3,221,573.82 3,222,023.01	99.46 4.66%	3,204,903.74 2,663.69	0.02% (17,119.27)	Aaa/AAA NA	1.30 0.19
05602RAD3	BMWOT 2022-A A3 3.21 08/25/2026	1,127,021.64	05/18/2022 3.23%	1,126,963.04 1,127,004.93	99.71 4.59%	1,123,770.98 602.96	0.01% (3,233.95)	Aaa/AAA NA	1.32 0.21
34534LAD9	FORDO 2022-B A3 3.74 09/15/2026	3,216,799.39	06/27/2022 3.77%	3,216,625.36 3,216,747.05	99.86 4.58%	3,212,295.22 5,347.04	0.02% (4,451.82)	Aaa/NA AAA	1.38 0.17
89238FAD5	TAOT 2022-B A3 2.93 09/15/2026	2,052,727.70	04/13/2022 2.95%	2,052,679.66 2,052,713.97	99.60 4.74%	2,044,617.37 2,673.11	0.01% (8,096.60)	Aaa/AAA NA	1.38 0.22
47787JAC2	JDOT 2022 A3 2.32 09/15/2026	2,213,633.04	03/16/2022 2.34%	2,213,143.38 2,213,493.91	99.54 4.08%	2,203,390.34 2,282.50	0.01% (10,103.58)	Aaa/NA AAA	1.38 0.26
362554AC1	GMCAR 2021-4 A3 0.68 09/16/2026	403,747.82	10/21/2021 0.68%	403,737.52 403,745.38	99.68 4.74%	402,460.14 114.40	0.00% (1,285.23)	Aaa/AAA NA	1.38 0.08
448977AD0	HART 2022-A A3 2.22 10/15/2026	3,300,089.10	03/16/2022 2.23%	3,299,962.05 3,300,052.67	99.64 4.79%	3,288,308.77 3,256.09	0.02% (11,743.90)	NA/AAA AAA	1.46 0.14
44918MAD2	HART 2022-B A3 3.72 11/16/2026	6,302,565.73	07/20/2022 4.31%	6,302,563.21 6,302,564.98	99.79 4.66%	6,289,477.19 10,420.24	0.03% (13,087.80)	NA/AAA AAA	1.55 0.23
90291UAC6	USAOT 2022-A A3 4.86 11/16/2026	3,861,264.08	10/11/2022 4.91%	3,861,081.06 3,861,197.86	100.02 4.64%	3,862,220.90 8,340.33	0.02% 1,023.04	Aaa/AAA NA	1.55 0.09
380146AC4	GMCAR 2022-1 A3 1.26 11/16/2026	552,792.01	01/19/2022 1.27%	552,743.97 552,778.53	99.60 4.87%	550,569.62 290.22	0.00% (2,208.91)	NA/AAA AAA	1.55 0.11
34535AAD2	FORDO 2022-C A3 4.48 12/15/2026	5,991,165.63	09/23/2022 4.52%	5,990,819.34 5,991,037.80	99.94 4.76%	5,987,279.16 11,929.08	0.03% (3,758.64)	Aaa/AAA NA	1.63 0.27

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
41284YAD8	HDMOT 2022-A A3 3.06 02/16/2027	2,187,009.25	04/20/2022 3.09%	2,186,645.12 2,186,886.71	99.68 5.24%	2,179,977.58 2,974.33	0.01% (6,909.13)	Aaa/AAA NA	1.80 0.15
362585AC5	GMCAR 2022-2 A3 3.1 02/16/2027	2,497,911.53	04/13/2022 3.13%	2,497,389.46 2,497,733.98	99.49 5.00%	2,485,069.76 3,226.47	0.01% (12,664.22)	Aaa/AAA NA	1.80 0.27
47800AAC4	JDOT 2022-B A3 3.74 02/16/2027	6,898,484.08	07/20/2022 3.77%	6,897,825.27 6,898,235.22	99.61 4.55%	6,871,364.76 11,466.81	0.04% (26,870.46)	Aaa/NA AAA	1.80 0.50
89231CAD9	TAOT 2022-C A3 3.76 04/15/2027	5,017,185.49	08/16/2022 3.80%	5,016,347.12 5,016,849.46	99.59 4.77%	4,996,648.15 8,384.27	0.03% (20,201.32)	NA/AAA AAA	1.96 0.42
448979AD6	HART 2023-A A3 4.58 04/15/2027	11,473,776.25	04/04/2023 5.14%	11,472,656.41 11,473,230.10	99.93 4.80%	11,465,391.21 23,355.51	0.06% (7,838.88)	NA/AAA AAA	1.96 0.42
36265WAD5	GMCAR 2022-3 A3 3.64 04/16/2027	5,984,255.18	07/13/2022 3.67%	5,984,213.89 5,984,239.31	99.70 4.76%	5,966,302.42 9,076.12	0.03% (17,936.89)	Aaa/NA AAA	1.96 0.27
345295AD1	FORDO 2022-D A3 5.27 05/17/2027	7,158,417.78	11/22/2022 5.33%	7,157,404.86 7,157,964.85	100.31 4.67%	7,180,932.43 16,766.61	0.04% 22,967.58	Aaa/NA AAA	2.05 0.48
02582JIT8	AMXCA 2022-2 A 3.39 05/17/2027	16,000,000.00	05/24/2022 3.42%	15,996,460.80 15,999,935.34	99.95 4.72%	15,991,988.80 24,106.67	0.09% (7,946.54)	NA/AAA AAA	0.04 0.04
65480JAC4	NAROT 2022-B A3 4.46 05/17/2027	11,500,194.14	09/28/2022 4.51%	11,497,814.75 11,499,173.92	100.00 4.50%	11,500,535.69 22,795.94	0.06% 1,361.77	Aaa/AAA NA	2.05 0.45
254683CS2	DCENT 2022-2 A 3.32 05/15/2025	14,500,000.00	05/26/2022 3.35%	14,498,821.15 14,499,977.40	99.95 4.55%	14,493,302.45 21,395.56	0.08% (6,674.95)	Aaa/NA AAA	0.04 0.04
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	13,009,288.27	10/19/2022 5.15%	13,008,278.75 13,008,836.33	100.19 4.84%	13,033,587.02 29,429.90	0.07% 24,750.69	Aaa/NA AAA	2.13 0.61
44933DAD3	HART 2022-C A3 5.39 06/15/2027	26,749,813.84	11/09/2022 5.45%	26,749,685.44 26,749,755.84	100.34 4.63%	26,840,672.26 64,080.67	0.15% 90,916.42	NA/AAA AAA	2.13 0.41
254683CW3	DCENT 2022-3 A 3.56 07/15/2027	25,000,000.00	08/09/2022 3.59%	24,996,897.50 24,998,715.64	99.77 4.74%	24,942,347.50 39,555.56	0.14% (56,368.14)	Aaa/AAA NA	2.21 0.20
02582JIV3	AMXCA 2022-3 A 3.75 08/15/2025	26,000,000.00	08/16/2022 3.78%	25,999,584.00 25,999,942.67	99.75 4.65%	25,936,214.20 43,333.33	0.14% (63,728.47)	Aaa/NA AAA	0.29 0.28
36265QAD8	GMCAR 2022-4 A3 4.82 08/16/2027	18,328,741.17	10/12/2022 4.88%	18,325,737.09 18,327,366.30	100.05 4.73%	18,338,669.85 36,810.22	0.10% 11,303.55	NA/AAA AAA	2.30 0.38
89239HAD0	TAOT 2022-D A3 5.3 09/15/2027	33,636,546.28	11/01/2022 5.36%	33,633,226.35 33,634,953.01	100.42 4.62%	33,777,167.22 79,232.75	0.19% 142,214.21	Aaa/NA AAA	2.38 0.57
161571HS6	CHAIT 2022-1 A 3.97 09/15/2025	15,000,000.00	09/15/2022 4.01%	14,997,496.50 14,999,414.88	99.76 4.68%	14,963,251.50 26,466.67	0.08% (36,163.38)	NA/AAA AAA	0.38 0.36

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
254683CX1	DCENT 2022-4 A 5.03 10/15/2025	13,000,000.00	11/28/2022 5.09%	12,998,326.90 12,999,734.40	100.21 4.62%	13,026,793.00 29,062.22	0.07% 27,058.60	NA/AAA AAA	0.46 0.44
02582JX9	AMXCA 2022-4 A 4.95 10/15/2027	12,000,000.00	10/27/2022 5.00%	11,999,404.80 11,999,715.04	100.19 4.58%	12,022,491.60 26,400.00	0.07% 22,776.56	NA/AAA AAA	2.46 0.44
437927AC0	HAROT 2023-2 A3 4.93 11/15/2027	12,500,000.00	05/23/2023 3.45%	12,497,975.00 12,498,847.12	100.34 4.50%	12,541,983.75 27,388.89	0.07% 43,136.63	Aaa/AAA NA	2.54 0.69
362583AD8	GMCAR 2023-2 A3 4.47 02/16/2028	11,654,525.93	04/04/2023 4.51%	11,654,205.43 11,654,341.16	99.98 4.55%	11,651,798.77 21,706.55	0.06% (2,542.39)	Aaa/AAA NA	2.80 0.54
43815QAC1	HAROT 2023-3 A3 5.41 02/18/2028	19,000,000.00	08/15/2023 5.48%	18,996,082.20 18,997,557.64	100.72 4.44%	19,137,033.70 37,118.61	0.11% 139,476.06	NA/AAA AAA	2.80 0.69
477920AC6	JDOT 2023-B A3 5.18 03/15/2028	10,689,859.45	06/21/2023 5.51%	10,688,076.38 10,688,773.25	100.63 4.51%	10,757,557.26 24,610.43	0.06% 68,784.01	Aaa/NA AAA	2.88 0.87
44933XAD9	HART 2023-B A3 5.48 04/17/2028	6,973,377.08	07/11/2023 5.77%	6,973,074.44 6,973,188.24	100.67 4.54%	7,020,390.90 16,984.05	0.04% 47,202.66	NA/AAA AAA	2.97 0.67
90291VAC4	USAOT 2023-A A3 5.58 05/15/2028	21,719,861.87	09/07/2023 5.58%	21,716,060.89 21,717,385.88	100.62 4.54%	21,855,415.53 53,865.26	0.12% 138,029.65	Aaa/AAA NA	3.04 0.57
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	5,500,000.00	11/01/2023 5.74%	5,499,031.45 5,499,341.48	101.36 4.29%	5,575,032.65 8,662.50	0.03% 75,691.17	Aaa/NA AAA	3.14 0.93
437918AC9	HAROT 2024-1 A3 5.21 08/15/2028	32,500,000.00	02/13/2024 5.27%	32,498,586.25 32,498,961.93	101.15 4.19%	32,872,866.00 75,255.56	0.18% 373,904.07	Aaa/AAA NA	3.29 1.06
379930AD2	GMCAR 2023-4 A3 5.78 08/16/2028	12,500,000.00	10/03/2023 5.86%	12,497,432.50 12,498,255.96	101.36 4.37%	12,670,305.00 30,104.17	0.07% 172,049.04	Aaa/AAA NA	3.30 0.92
44918CAD4	HART 2023-C A3 5.54 10/16/2028	7,000,000.00	11/03/2023 5.61%	6,999,079.50 6,999,353.26	101.32 4.28%	7,092,341.20 17,235.56	0.04% 92,987.94	NA/AAA AAA	3.46 0.99
89238DAD0	TAOT 2024-A A3 4.83 10/16/2028	24,000,000.00	01/23/2024 4.89%	23,995,197.60 23,996,472.85	100.52 4.40%	24,125,275.20 51,520.00	0.13% 128,802.35	Aaa/AAA NA	3.46 1.09
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	7,300,000.00	03/11/2024 5.12%	7,299,591.20 7,299,689.20	101.09 4.31%	7,379,817.47 16,092.44	0.04% 80,128.27	Aaa/NA AAA	3.54 1.54
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	40,000,000.00	05/14/2024 5.27%	39,995,140.00 39,996,159.89	101.40 4.21%	40,559,572.00 76,122.22	0.22% 563,412.11	NA/AAA AAA	3.56 1.24
36268GAD7	GMCAR 2024-1 A3 4.85 12/18/2028	6,000,000.00	01/09/2024 4.91%	5,998,793.40 5,999,108.98	100.59 4.35%	6,035,144.40 12,125.00	0.03% 36,035.42	Aaa/NA AAA	3.64 1.07
89237NAD9	TAOT 2024-B A3 5.33 01/16/2029	34,250,000.00	04/23/2024 5.33%	34,245,115.95 34,246,154.02	101.45 4.25%	34,747,529.20 81,134.44	0.19% 501,375.18	Aaa/AAA NA	3.71 1.27

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
161571HV9	CHAIT 241 A 4.6 01/16/2029	43,000,000.00	01/24/2024 4.61%	42,993,451.10 42,995,099.17	100.75 4.18%	43,322,392.50 87,911.11	0.24% 327,293.33	NA/AAA AAA	3.71 1.61
448973AD9	HART 2024-A A3 4.99 02/15/2029	10,500,000.00	03/11/2024 5.05%	10,497,684.75 10,498,210.30	101.03 4.28%	10,608,529.05 23,286.67	0.06% 110,318.75	NA/AAA AAA	3.80 1.36
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	17,750,000.00	06/04/2024 5.18%	17,747,303.75 17,747,811.35	101.27 4.23%	17,975,153.43 15,324.17	0.10% 227,342.07	Aaa/AAA NA	3.83 1.25
47786WAD2	JDOT 2024-B A3 5.2 03/15/2029	25,000,000.00	06/11/2024 5.81%	24,995,112.50 24,996,007.55	101.93 4.12%	25,481,337.50 57,777.78	0.14% 485,329.95	Aaa/NA AAA	3.87 1.68
44934QAD3	HART 2024-B A3 4.84 03/15/2029	19,000,000.00	07/16/2024 5.45%	18,997,132.90 18,997,608.21	101.10 4.18%	19,209,332.50 40,871.11	0.11% 211,724.29	NA/AAA AAA	3.87 1.55
379931AD0	GMCAR 2024-2 A3 5.1 03/16/2029	15,500,000.00	04/04/2024 5.10%	15,497,000.75 15,497,643.57	101.04 4.24%	15,661,187.60 32,937.50	0.09% 163,544.03	Aaa/AAA AAA	3.88 1.13
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	24,000,000.00	08/09/2024 4.66%	23,996,229.86 23,996,800.00	100.60 4.20%	24,142,905.60 30,466.67	0.13% 146,105.60	Aaa/NA AAA	3.89 1.44
02582JKH2	AMXCA 2024-1 A 5.23 04/16/2029	45,000,000.00	04/16/2024 5.30%	44,990,775.00 44,992,666.66	102.19 4.10%	45,987,192.00 104,600.00	0.25% 994,525.34	NA/AAA AAA	3.96 1.82
38013KAD2	GMCAR 2024-3 A3 5.13 04/16/2029	20,000,000.00	07/02/2024 5.13%	19,996,922.00 19,997,443.55	101.35 4.15%	20,269,986.00 42,750.00	0.11% 272,542.45	Aaa/AAA NA	3.96 1.30
448976AD2	HART 2024-C A3 4.41 05/15/2029	16,000,000.00	10/08/2024 4.46%	15,998,828.80 15,998,966.79	100.48 4.18%	16,076,016.00 31,360.00	0.09% 77,049.21	NA/AAA AAA	4.04 1.73
477911AD3	JDOT 2024-C A3 4.06 06/15/2029	32,000,000.00	09/10/2024 4.10%	31,992,556.80 31,993,528.03	99.94 4.13%	31,980,534.40 57,742.22	0.18% (12,993.63)	Aaa/NA AAA	4.13 1.74
02589BAE0	AMXCA 2024-3 A 4.65 07/15/2027	18,500,000.00	07/16/2024 4.70%	18,499,160.10 18,499,377.99	101.35 4.04%	18,750,508.50 38,233.33	0.10% 251,130.51	NA/AAA AAA	2.21 2.06
<b>Total ABS</b>		<b>841,437,157.80</b>	<b>4.81%</b>	<b>841,324,971.30</b> <b>841,364,526.21</b>	<b>100.67</b> <b>4.40%</b>	<b>847,064,169.79</b> <b>1,684,162.41</b>	<b>4.68%</b> <b>5,699,643.58</b>		<b>2.83</b> <b>0.97</b>

AGENCY									
31315LFA1	FEDERAL AGRICULTURAL MORTGAGE CORP 05/01/2025	35,000,000.00	10/31/2024 4.42%	34,239,800.00 35,000,000.00	99.99 4.21%	34,995,905.00 0.00	0.19% (4,095.00)	P-1/A-1+ F1+	0.00 0.00
313313FP8	FEDERAL FARM CREDIT BANKS FUNDING CORP 05/14/2025	150,000,000.00	09/26/2024 4.07%	146,185,833.33 149,784,416.67	99.84 4.63%	149,753,250.00 0.00	0.83% (31,166.67)	P-1/A-1+ F1+	0.04 0.04

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	99.82 4.32%	24,955,318.50 84,375.00	0.14% (44,681.50)	Aaa/AA+ AA+	0.05 0.05
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	99.80 4.41%	34,930,062.30 154,583.33	0.19% (69,937.70)	Aaa/AA+ AA+	0.06 0.06
3134GVB31	FEDERAL HOME LOAN MORTGAGE CORP 0.75 05/28/2025	75,000,000.00	-- 0.75%	74,995,000.00 74,999,925.86	99.73 4.37%	74,796,456.75 239,062.50	0.41% (203,469.11)	Aaa/AA+ AA+	0.08 0.07
313385GF7	FEDERAL HOME LOAN BANKS 05/30/2025	190,000,000.00	11/25/2024 4.39%	185,788,650.00 189,343,391.67	99.65 4.45%	189,330,250.00 0.00	1.05% (13,141.67)	P-1/A-1+ F1+	0.08 0.08
313385GJ9	FEDERAL HOME LOAN BANKS 06/02/2025	21,000,000.00	12/02/2024 4.35%	20,547,730.00 20,920,480.00	99.62 4.39%	20,919,534.93 0.00	0.12% (945.07)	P-1/A-1+ F1+	0.09 0.09
313385GM2	FEDERAL HOME LOAN BANKS 06/05/2025	22,000,000.00	12/02/2024 4.35%	21,518,383.33 21,908,883.33	99.58 4.38%	21,908,040.00 0.00	0.12% (843.33)	P-1/A-1+ F1+	0.10 0.10
313385GN0	FEDERAL HOME LOAN BANKS 06/06/2025	100,000,000.00	12/02/2024 4.35%	97,799,000.00 99,574,000.00	99.57 4.37%	99,570,389.00 0.00	0.55% (3,611.00)	P-1/A-1+ F1+	0.10 0.10
313385GR1	FEDERAL HOME LOAN BANKS 06/09/2025	50,000,000.00	12/02/2024 4.34%	48,884,375.00 49,769,791.67	99.54 4.37%	49,767,778.00 0.00	0.27% (2,013.67)	P-1/A-1+ F1+	0.11 0.11
313385GT7	FEDERAL HOME LOAN BANKS 06/11/2025	20,000,000.00	12/02/2024 4.35%	19,549,027.78 19,903,194.44	99.51 4.36%	19,902,466.60 0.00	0.11% (727.84)	P-1/A-1+ F1+	0.11 0.11
313385GY6	FEDERAL HOME LOAN BANKS 06/16/2025	13,000,000.00	12/02/2024 4.34%	12,699,902.22 12,929,568.89	99.45 4.35%	12,929,056.14 0.00	0.07% (512.75)	P-1/A-1+ F1+	0.13 0.13
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	99.54 4.42%	49,771,100.00 140,625.00	0.27% (228,900.00)	Aaa/AA+ AA+	0.13 0.12
313385HC3	FEDERAL HOME LOAN BANKS 06/20/2025	52,000,000.00	12/02/2024 4.34%	50,775,111.11 51,693,777.78	99.41 4.35%	51,692,073.16 0.00	0.29% (1,704.62)	P-1/A-1+ F1+	0.14 0.14
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	99.26 4.36%	29,777,623.80 64,483.33	0.16% (222,376.20)	NA/AA+ AA+	0.21 0.20
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	99.12 4.35%	19,823,522.60 34,616.67	0.11% (176,477.40)	Aaa/AA+ AA+	0.24 0.24
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	99.09 4.34%	49,546,950.00 76,666.67	0.27% (453,050.00)	Aaa/AA+ AA+	0.25 0.24
313385JZ0	FEDERAL HOME LOAN BANKS 08/04/2025	35,000,000.00	01/23/2025 4.22%	34,225,989.58 34,619,010.42	98.91 4.24%	34,617,800.00 0.00	0.19% (1,210.42)	P-1/A-1+ F1+	0.26 0.26
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	99.06 4.39%	24,763,768.75 42,291.67	0.14% (236,231.25)	Aaa/AA+ AA+	0.26 0.26



# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
313385KA3	FEDERAL HOME LOAN BANKS 08/05/2025	50,000,000.00	01/23/2025 4.22%	48,888,541.66 49,450,000.00	98.90 4.24%	49,448,312.50 0.00	0.27% (1,687.50)	P-1/A-1+ F1+	0.27 0.26
313385KC9	FEDERAL HOME LOAN BANKS 08/07/2025	40,000,000.00	01/23/2025 4.22%	39,101,666.67 39,550,833.34	98.87 4.24%	39,549,550.00 0.00	0.22% (1,283.34)	P-1/A-1+ F1+	0.27 0.27
313385KG0	FEDERAL HOME LOAN BANKS 08/11/2025	50,000,000.00	01/23/2025 4.21%	48,856,944.45 49,417,041.67	98.83 4.24%	49,414,187.50 0.00	0.27% (2,854.17)	P-1/A-1+ F1+	0.28 0.28
313385KH8	FEDERAL HOME LOAN BANKS 08/12/2025	30,000,000.00	01/23/2025 4.21%	29,310,737.50 29,646,795.83	98.82 4.24%	29,645,100.00 0.00	0.16% (1,695.83)	P-1/A-1+ F1+	0.28 0.28
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	98.93 4.41%	24,733,432.00 31,270.83	0.14% (266,568.00)	Aaa/AA+ AA+	0.28 0.28
313385KJ4	FEDERAL HOME LOAN BANKS 08/13/2025	80,000,000.00	-- 4.21%	78,086,836.11 79,044,644.44	98.81 4.24%	79,044,500.00 0.00	0.44% (144.44)	P-1/A-1+ F1+	0.29 0.28
313385KK1	FEDERAL HOME LOAN BANKS 08/14/2025	50,000,000.00	01/23/2025 4.21%	48,839,798.61 49,399,895.83	98.79 4.24%	49,397,150.00 0.00	0.27% (2,745.83)	P-1/A-1+ F1+	0.29 0.28
313385KP0	FEDERAL HOME LOAN BANKS 08/18/2025	100,000,000.00	01/23/2025 4.20%	97,636,750.00 98,755,583.33	98.75 4.24%	98,748,800.00 0.00	0.55% (6,783.33)	P-1/A-1+ F1+	0.30 0.29
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	98.87 4.37%	24,716,854.25 27,500.00	0.14% (283,145.75)	Aaa/AA+ AA+	0.30 0.30
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	98.79 4.39%	24,697,563.25 24,826.39	0.14% (302,436.75)	Aaa/AA+ AA+	0.32 0.32
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	98.82 4.36%	24,705,081.75 28,888.89	0.14% (294,918.25)	Aaa/AA+ AA+	0.33 0.32
313385LE4	FEDERAL HOME LOAN BANKS 09/02/2025	135,000,000.00	01/23/2025 4.20%	131,582,587.46 133,091,174.98	98.60 4.18%	133,110,936.90 0.00	0.74% 19,761.92	P-1/A-1+ F1+	0.34 0.34
313385LF1	FEDERAL HOME LOAN BANKS 09/03/2025	65,000,000.00	01/23/2025 4.20%	63,347,167.36 64,073,524.30	98.59 4.18%	64,083,175.00 0.00	0.35% 9,650.70	P-1/A-1+ F1+	0.34 0.34
3130AK5E2	FEDERAL HOME LOAN BANKS 0.375 09/04/2025	5,000,000.00	09/11/2020 0.44%	4,985,000.00 4,998,960.97	98.67 4.32%	4,933,503.90 2,968.75	0.03% (65,457.07)	Aaa/AA+ AA+	0.35 0.34
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	98.52 4.35%	39,406,137.20 21,666.67	0.22% (593,862.80)	Aaa/AA+ AA+	0.40 0.39
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	10,000,000.00	11/04/2020 0.51%	9,936,300.00 9,994,822.59	98.46 4.34%	9,846,025.50 3,958.33	0.05% (148,797.09)	Aaa/AA+ AA+	0.40 0.39
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	98.44 4.38%	37,802,372.35 18,186.67	0.21% (597,627.65)	Aaa/AA+ AA+	0.42 0.41

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
3134GWYS9	FEDERAL HOME LOAN MORTGAGE CORP 0.6 10/15/2025	56,000,000.00	-- 0.82%	55,515,500.00 55,943,615.68	98.37 4.24%	55,088,793.20 14,933.33	0.30% (854,822.48)	Aaa/AA+ AA+	0.46 0.45
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	98.28 4.31%	24,570,411.50 4,430.56	0.14% (429,588.50)	Aaa/AA+ AA+	0.47 0.46
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	98.18 4.29%	24,544,982.75 1,104.17	0.14% (455,017.25)	Aaa/AA+ AA+	0.50 0.49
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	98.23 4.25%	24,557,548.75 833.33	0.14% (442,451.25)	Aaa/AA+ AA+	0.50 0.48
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 16,444,048.26	98.11 4.28%	16,138,976.89 37,414.61	0.09% (305,071.37)	Aaa/AA+ AA+	0.51 0.49
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	23,000,000.00	11/12/2020 0.57%	22,917,660.00 22,991,408.79	98.17 4.11%	22,579,753.20 55,583.33	0.12% (411,655.59)	Aaa/AA+ AA+	0.52 0.51
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	97.99 4.35%	48,994,404.00 129,833.33	0.27% (1,005,596.00)	Aaa/AA+ AA+	0.55 0.53
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	98.00 4.24%	24,499,497.75 69,965.28	0.14% (500,502.25)	Aaa/AA+ AA+	0.57 0.56
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	97.90 4.31%	24,473,817.25 64,583.33	0.14% (526,182.75)	Aaa/AA+ AA+	0.59 0.57
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	97.94 4.11%	24,485,589.75 63,645.83	0.14% (514,410.25)	Aaa/AA+ AA+	0.61 0.59
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	98.17 4.24%	24,541,463.25 115,222.22	0.14% (458,536.75)	Aaa/AA+ AA+	0.63 0.61
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	97.80 4.24%	73,350,387.00 181,458.33	0.41% (1,649,613.00)	Aaa/AA+ AA+	0.63 0.61
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	97.49 4.17%	24,372,015.00 37,895.83	0.13% (627,985.00)	Aaa/AA+ AA+	0.71 0.69
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	97.51 4.17%	24,376,716.00 40,486.11	0.13% (623,284.00)	Aaa/AA+ AA+	0.71 0.69
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	97.50 4.15%	24,376,001.50 42,968.75	0.13% (623,998.50)	Aaa/AA+ AA+	0.73 0.71
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	97.54 4.11%	24,383,758.00 45,208.33	0.13% (616,242.00)	NA/AA+ AA+	0.75 0.73
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	97.55 3.94%	48,774,116.50 71,041.67	0.27% (1,225,883.50)	Aaa/AA+ AA+	0.75 0.73

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	97.38 4.05%	48,691,544.00 69,791.67	0.27% (1,308,456.00)	NA/AA+ AA+	0.82 0.80
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	97.36 3.95%	24,340,126.00 29,079.86	0.13% (659,874.00)	Aaa/AA+ AA+	0.82 0.80
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	97.27 4.06%	48,632,886.50 56,875.00	0.27% (1,367,113.50)	Aaa/AA+ AA+	0.83 0.80
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	97.32 4.02%	24,329,953.00 28,888.89	0.13% (670,047.00)	Aaa/AA+ AA+	0.86 0.84
3133ENS3	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	98.42 3.99%	24,605,504.00 64,201.39	0.14% (394,496.00)	Aaa/AA+ AA+	0.88 0.86
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	97.30 3.89%	24,325,844.25 1,527.78	0.13% (674,155.75)	Aaa/AA+ AA+	1.00 0.97
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 19,995,728.37	96.85 3.99%	19,369,202.40 81,805.56	0.11% (626,525.97)	Aaa/AA+ AA+	1.07 1.04
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	96.90 3.99%	4,457,489.61 19,805.56	0.02% (142,510.39)	Aaa/AA+ AA+	1.07 1.04
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	96.61 3.96%	24,153,369.25 80,697.92	0.13% (846,630.75)	Aaa/AA+ AA+	1.15 1.12
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	96.69 3.96%	48,346,987.50 173,611.11	0.27% (1,653,012.50)	Aaa/AA+ AA+	1.16 1.12
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	96.67 3.96%	24,166,900.75 84,027.78	0.13% (833,099.25)	Aaa/AA+ AA+	1.17 1.13
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	96.55 3.91%	24,136,503.75 68,750.00	0.13% (863,496.25)	Aaa/AA+ AA+	1.23 1.19
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	96.44 3.91%	24,110,553.50 60,694.44	0.13% (889,446.50)	Aaa/AA+ AA+	1.25 1.21
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	96.23 3.85%	24,058,375.50 40,625.00	0.13% (941,624.50)	Aaa/AA+ AA+	1.32 1.29
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	96.14 3.87%	24,034,187.00 30,000.00	0.13% (965,813.00)	Aaa/AA+ AA+	1.38 1.34
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	96.00 3.88%	48,002,053.50 43,083.33	0.27% (1,997,946.50)	Aaa/AA+ AA+	1.41 1.37
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	96.39 3.83%	24,098,293.75 2,750.00	0.13% (901,706.25)	Aaa/AA+ AA+	1.50 1.45

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	96.30 3.82%	24,076,210.50 157,868.06	0.13% (923,789.50)	Aaa/AA+ AA+	1.51 1.46
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	96.36 3.82%	24,090,481.00 160,055.56	0.13% (909,519.00)	Aaa/AA+ AA+	1.53 1.47
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	96.36 3.86%	24,089,472.75 156,902.78	0.13% (910,527.25)	Aaa/AA+ AA+	1.57 1.51
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	96.41 3.81%	24,102,654.25 142,708.33	0.13% (897,345.75)	Aaa/AA+ AA+	1.62 1.57
3130AQT8	FEDERAL HOME LOAN BANKS 2.01 02/17/2027	39,580,000.00	12/28/2023 4.23%	37,023,923.60 38,114,605.41	96.86 3.84%	38,336,082.93 163,531.37	0.21% 221,477.51	Aaa/AA+ AA+	1.80 1.73
3130AL5A8	FEDERAL HOME LOAN BANKS 0.9 02/26/2027	25,000,000.00	06/24/2022 3.38%	22,312,675.00 23,952,132.05	95.06 3.74%	23,764,179.00 40,625.00	0.13% (187,953.05)	Aaa/AA+ AA+	1.83 1.77
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	97.13 3.81%	24,282,134.50 90,416.67	0.13% (717,865.50)	Aaa/AA+ AA+	1.84 1.77
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	97.91 3.70%	24,478,451.25 63,750.00	0.14% (521,548.75)	Aaa/AA+ AA+	1.90 1.83
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	98.60 3.69%	24,650,466.50 24,583.33	0.14% (349,533.50)	Aaa/AA+ AA+	1.97 1.89
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	98.55 3.92%	24,637,031.75 10,937.50	0.14% (362,968.25)	Aaa/AA+ AA+	1.99 1.90
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	99.07 4.00%	24,766,964.25 384,868.06	0.14% (233,035.75)	Aaa/AA+ AA+	2.07 1.94
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	99.14 4.07%	39,654,976.80 546,000.00	0.22% (345,023.20)	Aaa/AA+ AA+	2.13 2.00
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	99.44 3.66%	44,747,401.05 521,212.50	0.25% (252,598.95)	Aaa/AA+ AA+	2.16 2.04
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 49,971,258.85	99.69 3.80%	49,843,184.00 613,402.78	0.28% (128,074.85)	Aaa/AA+ AA+	2.17 2.04
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	99.94 3.80%	99,935,761.00 932,027.78	0.55% (64,239.00)	Aaa/AA+ AA+	2.25 2.12
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	100.15 3.80%	25,037,215.00 483,125.00	0.14% 37,215.00	Aaa/AA+ AA+	2.25 2.13

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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 24,950,376.71	100.72 4.05%	25,180,637.25 385,777.78	0.14% 230,260.54	Aaa/AA+ AA+	2.65 1.55
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	101.58 3.65%	13,897,473.37 185,423.15	0.08% 216,473.37	Aaa/AA+ AA+	2.69 2.49
3133ETCQ8	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.75 01/10/2028	48,500,000.00	04/07/2025 3.81%	48,426,765.00 48,428,295.28	100.47 3.57%	48,725,809.70 106,093.75	0.27% 297,514.41	Aaa/AA+ AA+	2.70 2.53
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	100.12 4.57%	25,030,672.25 314,416.67	0.14% 30,672.25	Aaa/AA+ AA+	2.73 0.70
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	99.50 3.83%	49,749,977.00 470,166.67	0.27% (250,023.00)	Aaa/AA+ AA+	2.75 2.56
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	100.09 3.83%	50,046,297.50 499,875.00	0.28% 46,297.50	Aaa/AA+ AA+	2.75 2.55
880591EZ1	TENNESSEE VALLEY AUTHORITY 3.875 03/15/2028	25,000,000.00	03/27/2023 4.06%	24,796,750.00 24,882,334.85	100.53 3.68%	25,132,034.00 123,784.72	0.14% 249,699.15	Aaa/AA+ AA+	2.88 2.68
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	99.98 3.97%	24,995,524.25 93,500.00	0.14% (4,475.75)	Aaa/AA+ AA+	2.91 2.71
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	101.12 3.65%	25,279,136.75 434,861.11	0.14% 279,136.75	Aaa/AA+ AA+	3.07 2.82
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 24,958,435.96	100.14 3.82%	25,035,953.75 406,336.81	0.14% 77,517.79	Aaa/AA+ AA+	3.08 2.83
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	102.03 3.65%	25,508,681.25 364,680.56	0.14% 508,681.25	Aaa/AA+ AA+	3.17 2.90
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	102.40 3.68%	51,198,711.00 578,020.83	0.28% 1,198,711.00	Aaa/AA+ AA+	3.24 2.97
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	102.28 3.68%	25,569,367.25 258,416.67	0.14% 569,367.25	Aaa/AA+ AA+	3.27 3.00
3130B0LA5	FEDERAL HOME LOAN BANKS 4.0 09/22/2028	25,000,000.00	03/19/2024 4.57%	24,430,000.00 24,570,334.35	99.60 4.13%	24,900,346.25 108,333.33	0.14% 330,011.90	Aaa/AA+ AA+	3.40 3.13

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
3134H1CM3	FEDERAL HOME LOAN MORTGAGE CORP 4.5 09/25/2028	21,268,000.00	01/25/2024 4.67%	21,116,146.48 21,157,228.92	99.79 4.57%	21,223,127.07 95,706.00	0.12% 65,898.16	Aaa/AA+ AA+	3.41 3.11
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	100.46 4.34%	25,115,166.75 348,444.44	0.14% 115,166.75	Aaa/AA+ AA+	3.70 1.13
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	100.30 4.21%	25,074,950.75 325,486.11	0.14% 74,950.75	Aaa/AA+ AA+	3.70 1.60
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	100.33 4.65%	25,081,886.50 280,381.94	0.14% 81,886.50	Aaa/AA+ AA+	3.77 0.74
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 19,846,564.61	100.64 4.79%	20,128,053.60 93,877.78	0.11% 281,488.99	Aaa/AA+ AA+	3.91 0.87
3130ARBZ3	FEDERAL HOME LOAN BANKS 2.7 03/28/2029	22,500,000.00	06/24/2024 4.42%	20,856,082.50 21,149,470.19	95.51 3.95%	21,490,119.68 55,687.50	0.12% 340,649.48	Aaa/AA+ AA+	3.91 3.65
3130B0YH6	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	101.20 4.68%	25,299,621.50 41,750.00	0.14% 299,621.50	Aaa/AA+ AA+	3.97 1.85
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	100.86 4.95%	25,215,438.00 601,895.83	0.14% 215,438.00	Aaa/AA+ AA+	4.04 0.98
3130B5WP9	FEDERAL HOME LOAN BANKS 4.44 06/29/2029	50,000,000.00	04/11/2025 4.44%	50,000,000.00 50,000,000.00	100.08 4.42%	50,039,488.50 61,666.67	0.28% 39,488.50	Aaa/AA+ AA+	4.16 1.12
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	100.73 4.50%	25,182,133.25 394,930.56	0.14% 182,133.25	Aaa/AA+ AA+	4.17 1.11
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	100.01 4.35%	25,003,447.50 87,604.17	0.14% 3,447.50	Aaa/AA+ AA+	4.17 1.12
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	101.15 3.86%	15,171,984.00 194,133.33	0.08% 171,984.00	Aaa/AA+ AA+	4.19 3.77
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	99.90 3.86%	49,949,576.50 501,333.33	0.28% (50,423.50)	Aaa/AA+ AA+	4.24 3.84
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	101.12 4.31%	50,560,582.50 578,861.11	0.28% 560,582.50	Aaa/AA+ AA+	4.75 2.53
3136GAC98	FEDERAL NATIONAL MORTGAGE ASSOCIATION 4.625 02/26/2030	50,000,000.00	02/21/2025 4.62%	50,000,000.00 50,000,000.00	100.60 4.48%	50,298,167.00 417,534.72	0.28% 298,167.00	Aaa/AA+ AA+	4.83 1.72



# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
3130B5DL9	FEDERAL HOME LOAN BANKS 5.0 02/28/2030	50,000,000.00	02/25/2025 4.98%	50,000,000.00 50,000,000.00	99.43 5.13%	49,715,544.00 437,500.00	0.27% (284,456.00)	Aaa/AA+ AA+	4.83 4.20
3130B5FY9	FEDERAL HOME LOAN BANKS 4.225 02/28/2030	25,000,000.00	03/03/2025 4.21%	25,000,000.00 25,000,000.00	100.30 4.16%	25,074,649.25 164,305.56	0.14% 74,649.25	Aaa/AA+ AA+	4.83 2.62
3133ETey9	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.36 04/29/2030	50,000,000.00	04/29/2025 4.36%	50,000,000.00 50,000,000.00	100.00 4.36%	50,000,000.00 12,111.11	0.28% 0.00	Aaa/AA+ AA+	5.00 1.89
<b>Total Agency</b>		<b>4,401,979,000.00</b>	<b>2.92%</b>	<b>4,362,854,987.25</b> <b>4,386,906,556.30</b>	<b>98.96</b> <b>4.18%</b>	<b>4,355,369,258.62</b> <b>16,423,706.24</b>	<b>24.05%</b> <b>(31,537,297.68)</b>		<b>1.40</b> <b>1.05</b>

### CASH

90USB\$000	US Bank	8,652,834.38	-- 3.95%	8,652,834.38 8,652,834.38	1.00 3.95%	8,652,834.38 0.00	0.05% 0.00	NA/NA NA	0.00 0.00
90JPMC\$03	JP Morgan Chase Bank Deposit	35,970,666.60	-- 3.44%	35,970,666.60 35,970,666.60	1.00 3.44%	35,970,666.60 0.00	0.20% 0.00	NA/NA NA	0.00 0.00
CCYUSD	Payable	(942,311.77)	-- 0.00%	(942,311.77) (942,311.77)	1.00 0.00%	(942,311.77) 0.00	(0.01%) 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	942,311.85	-- 0.00%	942,311.85 942,311.85	1.00 0.00%	942,311.85 0.00	0.01% 0.00	Aaa/AAA AAA	0.00 0.00
<b>Total Cash</b>		<b>44,623,501.06</b>	<b>3.54%</b>	<b>44,623,501.06</b> <b>44,623,501.06</b>	<b>1.00</b> <b>3.54%</b>	<b>44,623,501.06</b> <b>0.00</b>	<b>0.25%</b> <b>0.00</b>		<b>0.00</b> <b>0.00</b>

### COMMERCIAL PAPER

89233GS15	Toyota Motor Credit Corporation 05/01/2025	20,000,000.00	11/01/2024 4.60%	19,555,000.00 20,000,000.00	99.99 4.32%	19,997,600.00 0.00	0.11% (2,400.00)	P-1/A-1+ F1	0.00 0.00
63873JS19	Natixis, New York Branch 05/01/2025	60,000,000.00	10/30/2024 4.61%	58,624,450.00 60,000,000.00	99.99 4.28%	59,992,860.00 0.00	0.33% (7,140.00)	P-1/A-1 F1	0.00 0.00
89233GS23	Toyota Motor Credit Corporation 05/02/2025	35,000,000.00	11/01/2024 4.60%	34,216,875.00 34,995,625.00	99.98 4.32%	34,991,600.00 0.00	0.19% (4,025.00)	P-1/A-1+ F1	0.01 0.01
63873JS76	Natixis, New York Branch 05/07/2025	20,000,000.00	11/13/2024 4.58%	19,564,444.44 19,985,066.67	99.92 4.31%	19,983,260.00 0.00	0.11% (1,806.67)	P-1/A-1 F1	0.02 0.02
63873JS84	Natixis, New York Branch 05/08/2025	40,000,000.00	11/13/2024 4.58%	39,123,911.11 39,965,155.56	99.90 4.93%	39,961,720.00 0.00	0.22% (3,435.56)	P-1/A-1 F1	0.02 0.02

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
63873JS92	Natixis, New York Branch 05/09/2025	60,000,000.00	11/13/2024 4.58%	58,678,400.00 59,940,266.67	99.89 4.85%	59,935,380.00 0.00	0.33% (4,886.67)	P-1/A-1 F1	0.02 0.02
63873JSC5	Natixis, New York Branch 05/12/2025	50,000,000.00	11/13/2024 4.58%	48,880,000.00 49,931,555.56	99.86 4.32%	49,928,100.00 0.00	0.28% (3,455.56)	P-1/A-1 F1	0.03 0.03
63873JSD3	Natixis, New York Branch 05/13/2025	50,000,000.00	11/15/2024 4.62%	48,876,277.78 49,924,666.67	99.84 4.68%	49,922,050.00 0.00	0.28% (2,616.67)	P-1/A-1 F1	0.04 0.04
63873JSP6	Natixis, New York Branch 05/23/2025	40,000,000.00	11/15/2024 4.62%	39,052,900.00 39,889,755.56	99.72 4.54%	39,889,280.00 0.00	0.22% (475.56)	P-1/A-1 F1	0.06 0.06
13607ESW0	Canadian Imperial Holdings, Inc. 05/30/2025	100,000,000.00	11/15/2024 4.59%	97,560,888.89 99,639,111.11	99.64 4.52%	99,637,200.00 0.00	0.55% (1,911.11)	P-1/A-1 F1+	0.08 0.08
06054NT27	BofA Securities, Inc. 06/02/2025	275,000,000.00	-- 4.64%	268,397,222.23 273,891,111.11	99.60 4.56%	273,890,100.00 0.00	1.51% (1,011.11)	P-1/A-1 F1+	0.09 0.09
06054NT68	BofA Securities, Inc. 06/06/2025	85,000,000.00	11/25/2024 4.65%	82,931,147.22 84,614,100.00	99.55 4.55%	84,615,035.00 0.00	0.47% 935.00	P-1/A-1 F1+	0.10 0.10
78016JTP1	Royal Bank of Canada 06/23/2025	40,000,000.00	12/03/2024 4.53%	39,007,955.56 39,739,711.11	99.35 4.48%	39,738,160.00 0.00	0.22% (1,551.11)	P-1/A-1+ F1+	0.15 0.15
78016JTT3	Royal Bank of Canada 06/27/2025	50,000,000.00	10/02/2024 4.22%	48,470,166.67 49,674,625.00	99.30 4.48%	49,648,150.00 0.00	0.27% (26,475.00)	P-1/A-1+ F1+	0.16 0.16
09659BTW0	BNP Paribas New York Branch 06/30/2025	100,000,000.00	12/05/2024 4.57%	97,435,500.00 99,256,666.67	99.27 4.43%	99,266,500.00 0.00	0.55% 9,833.33	P-1/A-1 F1+	0.17 0.17
78015CU18	Royal Bank of Canada New York Branch 07/01/2025	300,000,000.00	12/06/2024 4.44%	292,513,500.00 297,793,833.33	99.25 4.47%	297,744,600.00 0.00	1.64% (49,233.33)	P-1/A-1+ F1+	0.17 0.17
63873JU24	Natixis, New York Branch 07/02/2025	100,000,000.00	12/09/2024 4.51%	97,494,444.44 99,242,222.22	99.23 4.50%	99,231,800.00 0.00	0.55% (10,422.22)	P-1/A-1 F1	0.17 0.17
09659BU32	BNP Paribas New York Branch 07/03/2025	70,000,000.00	12/05/2024 4.57%	68,178,833.33 69,453,650.00	99.23 4.43%	69,461,000.00 0.00	0.38% 7,350.00	P-1/A-1 F1+	0.18 0.18
06054NU74	BofA Securities, Inc. 07/07/2025	100,000,000.00	12/09/2024 4.51%	97,433,333.34 99,181,111.11	99.16 4.54%	99,161,800.00 0.00	0.55% (19,311.11)	P-1/A-1 F1+	0.19 0.19
09659BU81	BNP Paribas New York Branch 07/08/2025	150,000,000.00	12/09/2024 4.52%	146,122,875.00 148,750,500.00	99.17 4.44%	148,753,650.00 0.00	0.82% 3,150.00	P-1/A-1 F1+	0.19 0.19
21687AUA9	COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH 07/10/2025	30,000,000.00	12/16/2024 4.45%	29,253,250.00 29,746,250.00	99.14 4.47%	29,741,340.00 0.00	0.16% (4,910.00)	P-1/A-1 F1+	0.19 0.19
06366GUM9	Bank of Montreal - Chicago Branch 07/21/2025	80,000,000.00	12/16/2024 4.46%	77,902,333.33 79,217,000.00	99.01 4.46%	79,205,120.00 0.00	0.44% (11,880.00)	P-1/A-1 F1+	0.22 0.22



# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
46590DV15	J.P. Morgan Securities LLC 08/01/2025	100,000,000.00	12/16/2024 4.50%	97,231,861.11 98,878,111.11	98.87 4.49%	98,866,600.00 0.00	0.55% (11,511.11)	P-1/A-1+ F1+	0.25 0.25
06366GV71	Bank of Montreal - Chicago Branch 08/07/2025	48,000,000.00	01/07/2025 4.46%	46,770,400.00 47,431,600.00	98.80 4.47%	47,423,184.00 0.00	0.26% (8,416.00)	P-1/A-1 F1+	0.27 0.27
63873JX13	Natixis, New York Branch 10/01/2025	30,000,000.00	04/08/2025 4.34%	29,376,666.67 29,458,125.00	98.18 4.36%	29,454,810.00 0.00	0.16% (3,315.00)	P-1/A-1 F1	0.42 0.42
63873JX70	Natixis, New York Branch 10/07/2025	50,000,000.00	04/08/2025 4.34%	48,925,694.44 49,061,458.33	98.11 4.37%	49,054,100.00 0.00	0.27% (7,358.33)	P-1/A-1 F1	0.44 0.44
06366GX79	Bank of Montreal - Chicago Branch 10/07/2025	50,000,000.00	03/28/2025 4.37%	48,855,402.78 49,057,041.67	98.10 4.45%	49,048,900.00 0.00	0.27% (8,141.67)	P-1/A-1 F1+	0.44 0.44
06366GY78	Bank of Montreal - Chicago Branch 11/07/2025	62,000,000.00	03/26/2025 4.37%	60,345,805.56 60,609,305.56	97.74 4.38%	60,598,552.00 0.00	0.33% (10,753.56)	P-1/A-1 F1+	0.52 0.52
06054PA89	BofA Securities, Inc. 01/08/2026	58,000,000.00	04/14/2025 4.39%	56,158,097.22 56,274,500.00	97.04 4.35%	56,284,418.00 0.00	0.31% 9,918.00	P-1/A-1 F1+	0.69 0.69
<b>Total Commercial Paper</b>		<b>2,253,000,000.00</b>	<b>4.52%</b>	<b>2,196,937,636.12</b> <b>2,235,602,125.00</b>	<b>99.22</b> <b>4.49%</b>	<b>2,235,426,869.00</b> <b>0.00</b>	<b>12.35%</b> <b>(175,256.00)</b>		<b>0.18</b> <b>0.18</b>
<b>CORPORATE</b>									
931142EW9	WALMART INC 3.9 09/09/2025	30,000,000.00	09/09/2022 3.92%	29,979,000.00 29,997,489.96	99.80 4.45%	29,939,998.50 169,000.00	0.17% (57,491.46)	Aa2/AA AA	0.36 0.35
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	100.29 5.03%	25,071,512.25 693,458.33	0.14% 71,512.25	A1/A AA-	0.51 0.48
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	100.03 5.54%	25,007,894.75 693,458.33	0.14% 7,894.75	A1/A- AA-	0.51 0.48
037833DN7	APPLE INC 2.05 09/11/2026	25,000,000.00	04/18/2024 5.08%	23,315,000.00 24,037,694.95	97.54 3.92%	24,385,050.00 71,180.56	0.13% 347,355.05	Aaa/AA+ NA	1.37 1.32
<b>Total Corporate</b>		<b>105,000,000.00</b>	<b>5.00%</b>	<b>103,294,000.00</b> <b>104,035,184.92</b>	<b>99.44</b> <b>4.73%</b>	<b>104,404,455.50</b> <b>1,627,097.22</b>	<b>0.58%</b> <b>369,270.58</b>		<b>0.67</b> <b>0.64</b>
<b>LAIF</b>									
90LAIF\$00	Local Agency Investment Fund State Pool	7.69	-- 4.27%	7.69 7.69	1.00 4.27%	7.69 0.00	0.00% 0.00	NA/NA NA	0.00 0.00

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund

As of April 30, 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 LAIF		7.69	4.27%	7.69 7.69	1.00 4.27%	7.69 0.00	0.00% 0.00		0.00 0.00

### LOCAL GOV INVESTMENT POOL

90CAMP\$00	CAMP	258,619,261.74	-- 4.45%	258,619,261.74 258,619,261.74	1.00 4.45%	258,619,261.74 0.00	1.43% (0.00)	NA/AAAm AAA	0.00 0.00
Total Local Gov Investment Pool		258,619,261.74	4.45%	258,619,261.74 258,619,261.74	1.00 4.45%	258,619,261.74 0.00	1.43% (0.00)		0.00 0.00

### MONEY MARKET FUND

09248U700	BLKRR LQ:FEDFUND INSTL	21,500,000.00	08/28/2024 4.24%	21,500,000.00 21,500,000.00	1.00 4.24%	21,500,000.00 0.00	0.12% 0.00	Aaa/AAAm AAA	0.00 0.00
31607A703	FIDELITY IMM:GOVT INSTL	205,000,000.00	04/30/2025 4.25%	205,000,000.00 205,000,000.00	1.00 4.25%	205,000,000.00 0.00	1.13% 0.00	Aaa/AAAm NA	0.00 0.00
61747C707	MORG STAN I LQ:GV I	244,500,000.00	04/30/2025 4.24%	244,500,000.00 244,500,000.00	1.00 4.24%	244,500,000.00 0.00	1.35% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		471,000,000.00	4.24%	471,000,000.00 471,000,000.00	1.00 4.24%	471,000,000.00 0.00	2.60% 0.00		0.00 0.00

### MUNICIPAL BONDS

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	100.00 2.94%	7,970,000.00 117,159.00	0.04% 0.00	Aa1/AA+ AA+	0.00 0.00
68609T7E2	OREGON 3.062 05/01/2025	1,000,000.00	05/17/2022 3.06%	1,000,000.00 1,000,000.00	100.00 3.06%	1,000,000.00 15,310.00	0.01% 0.00	Aa1/AA+ AA+	0.00 0.00
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	100.00 2.94%	6,975,000.00 102,532.50	0.04% 0.00	Aa1/AA+ AA+	0.00 0.00
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	99.70 4.48%	4,985,155.00 19,229.17	0.03% (14,845.00)	Aa3/AA- AA-	0.09 0.08
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	99.70 4.13%	10,827,626.34 24,887.50	0.06% (32,373.66)	Aaa/AAA AAA	0.09 0.08

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	99.72 3.94%	39,887,040.00 91,666.67	0.22% (112,960.00)	Aaa/AAA AAA	0.09 0.08
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	99.69 4.50%	4,984,730.00 17,500.00	0.03% (15,270.00)	Aa2/AA NA	0.09 0.08
797646NC6	SAN FRANCISCO CALIF CITY & CNTY 5.45 06/15/2025	4,605,000.00	03/19/2021 0.99%	5,464,154.85 4,629,959.31	100.09 4.65%	4,608,969.51 94,811.83	0.03% (20,989.80)	Aa1/AA+ AAA	0.13 0.12
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	99.85 4.48%	2,496,215.00 31,091.11	0.01% (3,785.00)	Aa3/AA- AA-	0.13 0.12
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	99.21 4.20%	9,921,300.00 25,825.00	0.05% (78,700.00)	Aa2/AA+ AA	0.25 0.25
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	99.12 4.23%	24,778,775.00 41,250.00	0.14% (221,225.00)	Aaa/AAA AAA	0.25 0.25
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	99.12 4.20%	5,208,971.46 8,802.13	0.03% (46,028.55)	Aa2/AA+ AA	0.25 0.25
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	97.85 4.09%	30,508,663.42 61,753.72	0.17% (671,336.58)	NA/AA+ AA+	0.87 0.85
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	97.54 4.09%	4,876,965.00 7,583.61	0.03% (123,035.00)	NA/AA+ AA+	0.87 0.85
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	99.54 4.09%	21,700,112.40 98,887.22	0.12% (99,887.60)	NA/NA AA+	0.87 0.85
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	98.79 4.33%	7,093,100.46 110,572.00	0.04% (86,899.54)	Aa1/AA+ AA+	1.00 0.97
68609T7F9	OREGON 3.215 05/01/2026	1,400,000.00	05/17/2022 3.22%	1,400,000.00 1,400,000.00	99.35 3.88%	1,390,936.40 22,505.00	0.01% (9,063.60)	Aa1/AA+ AA+	1.00 0.97
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	99.10 4.00%	8,131,491.41 126,357.00	0.04% (73,508.60)	Aa1/AA+ AA+	1.00 0.97
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	96.89 4.09%	5,425,694.40 26,203.33	0.03% (174,305.60)	Aa3/AA- AA-	1.09 1.05
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	99.40 4.08%	4,969,890.00 66,696.67	0.03% (30,110.00)	Aa3/AA- AA-	1.13 1.07
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	99.40 3.95%	4,472,784.00 51,285.00	0.02% (27,216.00)	Aa1/AAA AA+	1.17 1.12
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	96.76 3.97%	7,256,925.00 24,056.25	0.04% (243,075.00)	Aa2/AA+ AA	1.25 1.22

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
13063EBN5	CALIFORNIA ST 5.5 09/01/2026	45,955,000.00	04/12/2024 5.10%	46,367,216.35 46,187,288.20	101.74 4.14%	46,752,594.98 421,254.17	0.26% 565,306.78	Aa2/AA- AA	1.34 1.27
798135E96	SAN JOSE CALIF 2.5 09/01/2026	10,000,000.00	04/28/2022 3.16%	9,730,500.00 9,917,129.18	98.10 3.97%	9,810,180.00 41,666.67	0.05% (106,949.18)	Aa1/AA+ AAA	1.34 1.29
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	101.12 3.92%	2,527,932.50 19,983.33	0.01% 27,932.50	Aaa/AA+ NA	1.34 1.27
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	101.20 3.94%	8,551,045.10 33,926.75	0.05% 101,045.10	Aa2/AA+ NA	1.42 1.36
880558QT1	TENNESSEE ST SCH BD AUTH 4.73 11/01/2026	3,650,000.00	10/26/2022 4.71%	3,652,774.00 3,651,052.47	100.90 4.11%	3,682,846.35 86,322.50	0.02% 31,793.88	Aa1/AA+ AA+	1.51 1.44
57582RK96	MASSACHUSETTS COMMONWEALTH 0.986 11/01/2026	6,710,000.00	10/27/2022 4.62%	5,823,541.90 6,377,123.46	95.76 3.93%	6,425,402.06 33,080.30	0.04% 48,278.60	Aa1/AA+ AA+	1.51 1.46
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	101.48 4.00%	18,773,855.50 149,418.33	0.10% 273,855.50	Aa2/AA- AA	1.84 1.73
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	98.14 4.16%	7,262,345.20 117,660.00	0.04% (137,654.80)	Aa1/AA+ AA+	2.00 1.91
68609T7G7	OREGON 3.315 05/01/2027	1,000,000.00	05/17/2022 3.32%	1,000,000.00 1,000,000.00	99.34 3.66%	993,396.00 16,575.00	0.01% (6,604.00)	Aa1/AA+ AA+	2.00 1.92
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	98.72 3.85%	8,351,686.62 134,514.00	0.05% (108,313.38)	Aa1/AA+ AA+	2.00 1.92
68609UBF1	OREGON 4.112 05/01/2027	5,625,000.00	03/16/2023 4.11%	5,625,000.00 5,625,000.00	100.40 3.90%	5,647,595.63 115,650.00	0.03% 22,595.63	Aa1/AA+ AA+	2.00 1.90
20772KTJ8	CONNECTICUT ST 5.05 05/15/2027	8,670,000.00	06/01/2023 4.51%	8,836,464.00 8,757,033.88	102.13 3.95%	8,854,506.27 201,890.58	0.05% 97,472.39	Aa3/AA- AA-	2.04 1.88
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	99.34 3.96%	4,966,860.00 68,585.56	0.03% (33,140.00)	Aa3/AA- AA-	2.13 1.99
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	99.34 3.82%	4,966,895.00 58,316.67	0.03% (33,105.00)	Aa1/AAA AA+	2.17 2.04
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	98.91 3.96%	8,120,445.32 93,867.67	0.04% (89,554.68)	Aaa/AAA AAA	2.17 2.04

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	99.09 4.11%	4,954,510.00 54,177.78	0.03% (45,490.00)	Aa1/NA AAA	2.21 2.07
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	101.05 3.85%	2,020,900.00 21,700.00	0.01% 20,900.00	Aaa/NA AAA	2.25 2.11
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	101.93 3.85%	2,038,514.00 15,726.67	0.01% 38,514.00	Aaa/AA+ NA	2.34 2.18
57582R4H6	MASSACHUSETTS COMMONWEALTH 5.5 10/01/2027	20,000,000.00	10/17/2023 5.20%	20,210,000.00 20,129,039.67	103.71 3.88%	20,741,000.00 91,666.67	0.11% 611,960.33	Aa1/AA+ AA+	2.42 2.25
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	102.00 3.65%	5,100,020.00 18,866.67	0.03% 100,020.00	NA/AAA AAA	2.42 2.27
419792M29	HAWAII ST 5.0 10/01/2027	5,000,000.00	12/07/2023 4.51%	5,084,150.00 5,053,765.88	102.56 3.88%	5,127,950.00 20,833.33	0.03% 74,184.12	Aa2/AA+ AA	2.42 2.26
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	102.19 3.88%	6,897,744.00 27,213.75	0.04% 147,744.00	Aa2/AA+ NA	2.42 2.26
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	101.38 4.02%	5,068,780.00 103,888.33	0.03% 68,780.00	Aa3/AA- AA-	3.04 2.76
57582R4J2	MASSACHUSETTS COMMONWEALTH 5.5 10/01/2028	14,000,000.00	10/17/2023 5.25%	14,149,800.00 14,103,771.60	104.90 3.95%	14,685,342.00 64,166.67	0.08% 581,570.40	Aa1/AA+ AA+	3.42 3.09
13063D7D4	CALIFORNIA ST 5.5 10/01/2028	25,000,000.00	10/04/2023 5.17%	25,357,000.00 25,245,400.66	104.50 4.08%	26,123,800.00 114,583.33	0.14% 878,399.34	Aa2/AA- AA	3.42 3.09
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	50,000,000.00	10/30/2024 4.37%	50,272,000.00 50,244,171.10	101.71 4.06%	50,856,400.00 562,500.00	0.28% 612,228.90	Aa2/AA- AA	4.25 3.80
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	100.93 4.05%	15,138,840.00 53,587.50	0.08% 138,840.00	Aa2/AA+ AA	4.42 3.98
<b>Total Municipal Bonds</b>		<b>521,410,000.00</b>	<b>3.33%</b>	<b>522,767,601.10 522,115,735.41</b>	<b>100.52 4.02%</b>	<b>523,911,731.32 3,927,586.93</b>	<b>2.89% 1,795,995.91</b>		<b>1.72 1.59</b>

NEGOTIABLE CD

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	100.00 4.41%	80,000,480.00 1,893,155.56	0.44% 480.00	P-1/A-1 NA	0.00 0.00
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	100.00 4.46%	99,998,500.00 2,725,333.33	0.55% (1,500.00)	P-1/A-1 F1+	0.02 0.02
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	99.97 4.48%	99,967,800.00 2,579,888.89	0.55% (32,200.00)	P-1/A-1 F1+	0.16 0.16
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	100.00 4.55%	100,001,300.00 1,874,666.67	0.55% 1,300.00	P-1/A-1 F1+	0.17 0.17
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	99.97 4.45%	59,979,360.00 1,547,600.00	0.33% (20,640.00)	P-1/A-1 NA	0.17 0.17
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	100.01 4.50%	50,006,400.00 1,520,305.56	0.28% 6,400.00	P-1/A-1 F1+	0.17 0.17
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	99.94 4.59%	99,941,400.00 2,579,333.33	0.55% (58,600.00)	P-1/A-1 F1+	0.17 0.17
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	100.10 4.54%	100,103,500.00 3,948,333.33	0.55% 103,500.00	P-1/A-1 F1+	0.17 0.17
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	100.01 4.41%	75,009,825.00 1,337,645.83	0.41% 9,825.00	P-1/A-1 NA	0.17 0.17
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	99.99 4.55%	149,987,550.00 2,737,500.00	0.83% (12,450.00)	P-1/A-1 F1+	0.17 0.17
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	100.00 4.47%	180,005,940.00 3,210,350.00	0.99% 5,940.00	P-1/A-1 F1+	0.17 0.17
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	100.05 4.52%	60,028,740.00 2,072,000.00	0.33% 28,740.00	P-1/A-1 F1+	0.17 0.17
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	100.01 4.43%	50,005,250.00 891,763.89	0.28% 5,250.00	P-1/A-1 NA	0.19 0.18
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	99.98 4.53%	24,994,750.00 362,194.44	0.14% (5,250.00)	P-1/A-1 F1+	0.20 0.20

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	99.99 4.48%	24,997,625.00 375,319.44	0.14% (2,375.00)	P-1/A-1+ F1+	0.21 0.21
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	99.99 4.47%	24,997,775.00 375,319.44	0.14% (2,225.00)	P-1/A-1+ F1+	0.21 0.21
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	99.99 4.48%	64,995,125.00 1,124,861.11	0.36% (4,875.00)	P-1/A-1 F1+	0.22 0.21
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	99.99 4.45%	49,997,300.00 750,638.89	0.28% (2,700.00)	P-1/A-1+ F1+	0.23 0.23
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	99.99 4.51%	99,993,700.00 1,754,666.67	0.55% (6,300.00)	P-1/A-1 NA	0.25 0.25
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	100.04 4.56%	25,008,950.00 851,875.00	0.14% 8,950.00	P-1/A-1 F1+	0.25 0.25
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	100.00 4.47%	50,001,150.00 796,444.44	0.28% 1,150.00	P-1/A-1 F1+	0.27 0.27
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	100.00 4.49%	49,998,250.00 796,444.44	0.28% (1,750.00)	P-1/A-1 F1+	0.27 0.27
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	100.00 4.45%	149,993,100.00 2,627,000.00	0.83% (6,900.00)	P-1/A-1+ F1+	0.33 0.33
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	99.99 4.51%	149,987,400.00 2,650,666.67	0.83% (12,600.00)	P-1/A-1 F1+	0.33 0.33
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	99.99 4.44%	107,992,332.00 861,900.00	0.60% (7,668.00)	P-1/NA F1+	0.36 0.36
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	99.99 4.43%	76,995,996.00 605,048.89	0.43% (4,004.00)	P-1/NA F1+	0.37 0.37
06367DQ57	Bank of Montreal - Chicago Branch 4.19 10/10/2025	50,000,000.00	04/04/2025 4.19%	50,000,000.00 50,000,000.00	99.92 4.38%	49,958,350.00 157,125.00	0.28% (41,650.00)	P-1/A-1 F1+	0.45 0.44
86959TMS2	Svenska Handels AB Publ - New York Branch 4.24 11/07/2025	63,000,000.00	04/09/2025 4.24%	63,000,000.00 63,000,000.00	99.94 4.36%	62,962,011.00 163,240.00	0.35% (37,989.00)	P-1/A-1+ F1+	0.52 0.52
06367DQ81	Bank of Montreal - Chicago Branch 4.23 11/28/2025	150,000,000.00	04/09/2025 4.23%	150,000,000.00 150,000,000.00	99.94 4.34%	149,907,000.00 387,750.00	0.83% (93,000.00)	P-1/A-1 F1+	0.58 0.57



# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
86959TMT0	Svenska Handels AB Publ - New York Branch 4.24 11/28/2025	86,000,000.00	04/09/2025 4.24%	86,000,000.00 86,000,000.00	99.96 4.31%	85,965,686.00 222,835.56	0.47% (34,314.00)	P-1/A-1+ F1+	0.58 0.57
22536JGK5	Credit Agricole Corporate And Investment Bank, New 4.28 01/02/2026	100,000,000.00	04/10/2025 4.28%	100,000,000.00 100,000,000.00	100.00 4.28%	99,999,300.00 249,666.67	0.55% (700.00)	P-1/A-1 NA	0.68 0.66
22536JJP1	Credit Agricole Corporate And Investment Bank, New 4.24 01/16/2026	50,000,000.00	04/25/2025 4.24%	50,000,000.00 50,000,000.00	99.99 4.25%	49,997,000.00 35,333.33	0.28% (3,000.00)	P-1/A-1 NA	0.71 0.70
06367DQB4	Bank of Montreal - Chicago Branch 4.4 01/30/2026	50,000,000.00	04/16/2025 4.40%	50,000,000.00 50,000,000.00	100.11 4.26%	50,054,350.00 91,666.67	0.28% 54,350.00	P-1/A-1 F1+	0.75 0.74
06418NGL0	Bank of Nova Scotia, Houston Branch 4.31 01/30/2026	100,000,000.00	04/28/2025 4.31%	100,000,000.00 100,000,000.00	100.05 4.25%	100,046,700.00 35,916.67	0.55% 46,700.00	P-1/A-1 F1+	0.75 0.75
22536JJC0	Credit Agricole Corporate And Investment Bank, New 4.37 01/30/2026	100,000,000.00	04/23/2025 4.37%	100,000,000.00 100,000,000.00	100.10 4.23%	100,102,500.00 97,111.11	0.55% 102,500.00	P-1/A-1 NA	0.75 0.75
13606DJV5	Canadian Imperial Bank Of Commerce, New York Branc 4.32 01/30/2026	50,000,000.00	04/24/2025 4.32%	50,000,000.00 50,000,000.00	100.05 4.25%	50,026,300.00 42,000.00	0.28% 26,300.00	P-1/A-1 F1+	0.75 0.75
06051WVG6	Bank of America, National Association 4.31 02/02/2026	50,000,000.00	04/28/2025 4.31%	50,000,000.00 50,000,000.00	100.04 4.26%	50,018,450.00 17,958.33	0.28% 18,450.00	P-1/A-1 NA	0.76 0.76
<b>Total Negotiable CD</b>		<b>2,954,000,000.00</b>	<b>4.43%</b>	<b>2,954,000,000.00</b>	<b>100.00 4.43%</b>	<b>2,954,027,145.00 44,350,859.17</b>	<b>16.31% 27,145.00</b>		<b>0.34 0.34</b>
<b>SUPRANATIONAL</b>									
459053GC2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 05/27/2025	30,000,000.00	12/18/2024 4.28%	29,440,000.00 29,909,000.00	99.68 4.47%	29,904,840.00 0.00	0.17% (4,160.00)	NA/NA NA	0.07 0.07
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	99.28 4.64%	49,637,550.00 120,555.56	0.27% (362,450.00)	NA/NA NA	0.19 0.19
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 24,998,385.54	99.02 4.46%	24,755,606.25 24,218.75	0.14% (242,779.29)	Aaa/AAA NA	0.24 0.24
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	99.56 4.77%	24,890,430.50 189,375.00	0.14% (109,569.50)	NA/NA NA	0.25 0.25



# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	44,000,000.00	-- 0.62%	43,762,370.00 43,975,110.59	98.19 4.26%	43,202,800.52 1,833.33	0.24% (772,310.07)	Aaa/AAA NA	0.50 0.48
45950VPJ9	INTERNATIONAL FINANCE CORP 0.58 01/15/2026	19,700,000.00	02/12/2021 0.53%	19,748,068.00 19,706,924.15	97.46 4.27%	19,199,780.56 33,643.22	0.11% (507,143.59)	Aaa/AAA NA	0.71 0.69
45950VPK6	INTERNATIONAL FINANCE CORP 0.45 02/05/2026	25,000,000.00	02/05/2021 0.52%	24,907,500.00 24,985,815.99	97.18 4.25%	24,295,538.50 26,875.00	0.13% (690,277.49)	Aaa/AAA NA	0.77 0.74
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 74,997,994.25	97.18 4.23%	72,888,726.75 91,250.00	0.40% (2,109,267.50)	Aaa/AAA NA	0.80 0.78
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	96.53 3.96%	24,132,000.50 73,524.31	0.13% (867,999.50)	Aaa/AAA NA	1.17 1.13
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 24,980,812.33	100.28 3.78%	25,068,905.00 177,777.78	0.14% 88,092.67	Aaa/AAA NA	1.33 1.27
4581X0EM6	INTER-AMERICAN DEVELOPMENT BANK 4.375 02/01/2027	50,000,000.00	04/16/2024 4.92%	49,289,000.00 49,552,746.81	101.09 3.72%	50,546,970.00 546,875.00	0.28% 994,223.19	Aaa/AAA NA	1.76 1.66
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	100.23 3.69%	25,058,690.75 320,145.83	0.14% 58,690.75	Aaa/AAA NA	2.17 2.03
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	100.27 3.83%	50,134,545.00 661,808.22	0.28% 134,545.00	Aaa/AAA NA	2.17 2.03
45950KDM9	INTERNATIONAL FINANCE CORP 4.60343 07/30/2027	100,000,000.00	04/11/2025 4.63%	100,000,000.00 100,000,000.00	100.01 4.63%	100,005,157.00 178,800.22	0.55% 5,157.00	NA/NA NA	2.25 0.00
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	99.77 3.68%	49,883,216.00 268,500.00	0.28% (116,784.00)	Aaa/AAA NA	2.36 2.22
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 34,962,527.88	100.18 4.44%	35,061,316.85 546,875.00	0.19% 98,788.97	Aaa/AAA NA	3.16 1.10
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	101.41 3.68%	50,704,719.50 699,111.11	0.28% 704,719.50	Aaa/AAA NA	3.17 2.91
45950VUH7	INTERNATIONAL FINANCE CORP 4.3 06/30/2028	50,000,000.00	01/30/2025 4.32%	49,964,000.00 49,966,411.62	102.14 3.58%	51,072,107.50 501,666.67	0.28% 1,105,695.88	Aaa/AAA NA	3.17 2.91

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
459058LS0	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.619 06/30/2028	50,000,000.00	03/27/2025 4.65%	50,000,000.00 50,000,000.00	99.69 4.73%	49,844,500.00 179,627.78	0.28% (155,500.00)	Aaa/NA NA	3.17 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	103.23 3.67%	51,616,353.00 780,111.11	0.29% 1,616,353.00	Aaa/AAA NA	3.18 2.89
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	103.37 3.68%	51,686,302.00 776,555.56	0.29% 1,686,302.00	Aaa/AAA NA	3.18 2.89
459058KT9	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.5 07/12/2028	50,835,000.00	-- 4.10%	49,596,943.80 49,955,682.53	99.51 3.66%	50,584,859.77 538,709.79	0.28% 629,177.25	Aaa/AAA NA	3.20 2.97
4581X0DX3	INTER-AMERICAN DEVELOPMENT BANK 1.125 07/20/2028	50,801,000.00	01/22/2024 4.17%	44,531,140.58 46,302,308.92	92.34 3.67%	46,907,738.36 160,340.66	0.26% 605,429.44	Aaa/AAA AAA	3.22 3.10
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	101.34 3.63%	50,669,035.00 514,402.78	0.28% 669,035.00	Aaa/AAA NA	3.25 2.99
459058KW2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.625 08/01/2028	75,000,000.00	-- 4.46%	75,490,750.00 75,372,455.50	102.91 3.67%	77,181,287.25 867,187.50	0.43% 1,808,831.75	Aaa/AAA NA	3.25 2.97
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 31,990,312.35	91.99 3.68%	32,197,569.60 52,500.00	0.18% 207,257.25	Aaa/AAA NA	3.37 3.25
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	101.29 3.64%	50,644,231.00 573,750.00	0.28% 644,231.00	Aaa/AAA NA	3.42 3.13
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	103.23 3.83%	51,612,641.50 1,163,625.00	0.29% 1,612,641.50	Aaa/AAA NA	3.52 3.15
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	103.00 3.99%	25,750,955.25 369,010.42	0.14% 750,955.25	Aaa/NA NA	3.70 0.20
459058KH5	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.62838 01/24/2029	50,000,000.00	04/08/2025 4.65%	49,965,000.00 49,965,555.56	99.73 4.74%	49,863,852.50 44,845.40	0.28% (101,703.06)	Aaa/AAA NA	3.74 0.00
45818WEZ5	INTER-AMERICAN DEVELOPMENT BANK 4.125 01/29/2029	28,405,000.00	02/13/2024 4.39%	28,075,786.05 28,155,997.85	101.36 3.73%	28,791,489.51 299,436.04	0.16% 635,491.66	Aaa/AAA NA	3.75 3.41
45818WFJ0	INTER-AMERICAN DEVELOPMENT BANK 4.46 01/31/2029	50,000,000.00	04/05/2024 4.47%	49,987,500.00 49,990,235.04	102.21 3.82%	51,104,518.00 563,694.44	0.28% 1,114,282.96	Aaa/AAA NA	3.76 3.39

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
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	102.62 3.74%	51,312,202.50 562,500.00	0.28% 1,312,202.50	Aaa/AAA NA	3.76 3.40
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	101.70 3.73%	25,423,869.00 246,166.67	0.14% 423,869.00	Aaa/NA NA	3.77 3.43
4581X0EN4	INTER-AMERICAN DEVELOPMENT BANK 4.125 02/15/2029	50,000,000.00	-- 4.44%	49,307,250.00 49,464,642.73	101.46 3.71%	50,729,564.50 435,416.67	0.28% 1,264,921.77	Aaa/AAA NA	3.80 3.46
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	102.01 3.77%	25,502,926.25 96,177.78	0.14% 502,926.25	Aaa/AAA NA	3.91 3.56
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	102.72 3.72%	25,680,152.25 58,979.17	0.14% 680,152.25	Aaa/AAA NA	3.91 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 24,992,298.09	102.43 3.68%	25,607,772.75 454,048.61	0.14% 615,474.66	Aaa/AAA NA	4.08 3.66
45818WFR2	INTER-AMERICAN DEVELOPMENT BANK 4.6 06/07/2029	25,000,000.00	06/04/2024 4.44%	25,174,250.00 25,142,949.89	103.10 3.78%	25,775,270.25 460,000.00	0.14% 632,320.36	Aaa/AAA NA	4.10 3.65
4581X0DG0	INTER-AMERICAN DEVELOPMENT BANK 2.25 06/18/2029	56,440,000.00	-- 4.28%	51,382,442.48 52,225,105.73	94.42 3.72%	53,290,009.66 469,157.50	0.29% 1,064,903.93	Aaa/AAA AAA	4.13 3.86
45950KDH0	INTERNATIONAL FINANCE CORP 4.25 07/02/2029	50,000,000.00	06/25/2024 4.36%	49,753,000.00 49,793,986.31	101.88 3.76%	50,940,892.50 702,430.56	0.28% 1,146,906.19	Aaa/AAA NA	4.17 3.75
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	102.73 3.63%	51,363,602.50 717,801.39	0.28% 1,363,602.50	Aaa/AAA NA	4.17 3.74
4581X0EQ7	INTER-AMERICAN DEVELOPMENT BANK 4.73174 08/01/2029	105,599,000.00	-- 4.69%	105,594,632.78 105,594,693.78	100.08 4.71%	105,686,968.19 1,207,528.61	0.58% 92,274.41	Aaa/AAA NA	4.25 0.00
45950KDL1	INTERNATIONAL FINANCE CORP 4.71995 08/28/2029	50,000,000.00	03/04/2025 4.66%	50,061,622.50 50,059,476.82	99.94 4.74%	49,970,116.00 504,462.29	0.28% (89,360.82)	Aaa/AAA NA	4.33 0.00
45905U2K9	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 2.778 09/13/2029	10,000,000.00	11/01/2024 4.27%	9,349,400.00 9,414,680.05	94.75 4.10%	9,475,057.80 37,040.00	0.05% 60,377.75	Aaa/AAA NA	4.37 4.04
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 9,917,584.53	99.45 3.76%	9,944,718.00 40,277.78	0.05% 27,133.47	Aaa/AAA NA	4.39 4.00
459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029	65,000,000.00	-- 4.14%	64,266,600.00 64,313,556.42	100.44 3.77%	65,288,911.35 104,947.92	0.36% 975,354.93	Aaa/AAA NA	4.46 4.06

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
45950VUG9	INTERNATIONAL FINANCE CORP 4.665 01/23/2030	50,000,000.00	01/14/2025 4.66%	50,000,000.00 50,000,000.00	103.17 3.92%	51,587,033.50 634,958.33	0.28% 1,587,033.50	Aaa/AAA NA	4.73 4.17
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	101.90 4.10%	50,952,441.50 461,319.44	0.28% 952,441.50	Aaa/AAA NA	4.75 2.54
45906M5Z0	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.42 01/31/2030	50,000,000.00	01/28/2025 4.20%	50,000,000.00 50,000,000.00	102.31 3.88%	51,153,317.50 521,805.56	0.28% 1,153,317.50	Aaa/AAA NA	4.76 4.21
4581X0ES3	INTER-AMERICAN DEVELOPMENT BANK 4.5 02/15/2030	50,000,000.00	02/12/2025 4.58%	49,814,000.00 49,821,346.13	103.11 3.78%	51,552,674.00 656,250.00	0.28% 1,731,327.87	Aaa/AAA NA	4.80 4.24
4581X0ET1	INTER-AMERICAN DEVELOPMENT BANK 4.73835 03/13/2030	100,000,000.00	-- 4.82%	99,935,000.00 99,935,759.18	100.00 4.75%	99,995,417.00 644,505.17	0.55% 59,657.82	Aaa/AAA NA	4.87 0.00
459058LR2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	50,000,000.00	-- 4.22%	49,782,000.00 49,787,014.24	101.52 3.78%	50,761,321.00 234,895.83	0.28% 974,306.76	Aaa/AAA NA	4.89 4.38
<b>Total Supranational</b>		<b>2,390,780,000.00</b>	<b>4.00%</b>	<b>2,369,743,181.19</b> <b>2,375,231,370.80</b>	<b>100.49</b> <b>4.02%</b>	<b>2,400,892,471.92</b> <b>20,597,300.74</b>	<b>13.26%</b> <b>25,661,101.13</b>		<b>3.24</b> <b>2.20</b>
<b>US TREASURY</b>									
912828ZT0	UNITED STATES TREASURY 0.25 05/31/2025	50,000,000.00	12/10/2021 1.06%	48,607,421.88 49,967,052.57	99.65 4.53%	49,824,219.00 52,197.80	0.28% (142,833.57)	Aaa/AA+ AA+	0.08 0.08
912828ZW3	UNITED STATES TREASURY 0.25 06/30/2025	200,000,000.00	-- 0.70%	196,323,242.19 199,852,272.36	99.34 4.27%	198,677,084.00 167,127.07	1.10% (1,175,188.36)	Aaa/AA+ AA+	0.17 0.16
91282CAB7	UNITED STATES TREASURY 0.25 07/31/2025	275,000,000.00	-- 3.33%	268,337,890.64 272,925,669.03	98.99 4.32%	272,217,772.75 170,925.41	1.50% (707,896.28)	Aaa/AA+ AA+	0.25 0.25
91282CHN4	UNITED STATES TREASURY 4.75 07/31/2025	150,000,000.00	-- 4.24%	150,314,453.14 150,176,872.53	100.10 4.30%	150,150,000.00 1,771,408.84	0.83% (26,872.53)	Aaa/AA+ AA+	0.25 0.25
912797PG6	UNITED STATES TREASURY 07/31/2025	55,000,000.00	04/03/2025 4.25%	54,249,142.75 54,425,815.04	98.94 4.29%	54,417,751.85 0.00	0.30% (8,063.19)	P-1/A-1+ F1+	0.25 0.25
912828K74	UNITED STATES TREASURY 2.0 08/15/2025	30,000,000.00	01/21/2025 4.26%	29,623,828.13 29,806,435.83	99.32 4.34%	29,795,507.70 124,309.39	0.16% (10,928.13)	Aaa/AA+ AA+	0.29 0.29
91282CAM3	UNITED STATES TREASURY 0.25 09/30/2025	235,000,000.00	-- 2.23%	229,610,546.89 233,112,066.39	98.37 4.23%	231,178,954.05 49,760.93	1.28% (1,933,112.34)	Aaa/AA+ AA+	0.42 0.41
912797MS3	UNITED STATES TREASURY 10/02/2025	25,000,000.00	04/04/2025 4.08%	24,503,682.92 24,577,719.17	98.25 4.22%	24,562,372.75 0.00	0.14% (15,346.42)	P-1/A-1+ F1+	0.42 0.41

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
91282CAT8	UNITED STATES TREASURY 0.25 10/31/2025	135,000,000.00	-- 4.21%	132,099,218.76 133,010,190.30	98.08 4.20%	132,404,414.40 917.12	0.73% (605,775.90)	Aaa/AA+ AA+	0.50 0.49
9128285J5	UNITED STATES TREASURY 3.0 10/31/2025	50,000,000.00	03/26/2025 4.21%	49,648,437.50 49,704,881.02	99.41 4.21%	49,705,468.50 4,076.09	0.27% 587.48	Aaa/AA+ AA+	0.50 0.49
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	30,000,000.00	05/28/2021 0.68%	29,587,500.00 29,946,653.01	97.87 4.12%	29,359,921.80 46,978.02	0.16% (586,731.21)	Aaa/AA+ AA+	0.59 0.57
91282CBC4	UNITED STATES TREASURY 0.375 12/31/2025	33,000,000.00	01/27/2021 0.39%	32,971,640.63 32,996,153.59	97.61 4.05%	32,210,836.02 41,363.95	0.18% (785,317.57)	Aaa/AA+ AA+	0.67 0.65
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	50,000,000.00	-- 0.98%	48,671,874.99 49,777,396.45	97.32 4.04%	48,658,203.00 46,616.02	0.27% (1,119,193.45)	Aaa/AA+ AA+	0.76 0.74
91282CBQ3	UNITED STATES TREASURY 0.5 02/28/2026	25,000,000.00	04/12/2021 0.87%	24,554,687.50 24,924,324.35	97.16 4.00%	24,291,015.50 21,059.78	0.13% (633,308.85)	Aaa/AA+ AA+	0.83 0.81
91282CGV7	UNITED STATES TREASURY 3.75 04/15/2026	25,000,000.00	04/01/2024 4.71%	24,537,109.38 24,782,572.24	99.85 3.90%	24,963,623.00 40,983.61	0.14% 181,050.76	Aaa/AA+ AA+	0.96 0.93
91282CBW0	UNITED STATES TREASURY 0.75 04/30/2026	50,000,000.00	05/26/2021 0.77%	49,945,312.50 49,988,940.97	96.93 3.92%	48,465,234.50 1,019.02	0.27% (1,523,706.47)	Aaa/AA+ AA+	1.00 0.98
91282CHB0	UNITED STATES TREASURY 3.625 05/15/2026	25,000,000.00	04/09/2024 4.72%	24,458,007.81 24,731,483.61	99.74 3.88%	24,934,179.75 418,076.66	0.14% 202,696.14	Aaa/AA+ AA+	1.04 0.99
91282CCF6	UNITED STATES TREASURY 0.75 05/31/2026	50,000,000.00	06/09/2021 0.74%	50,015,625.00 50,003,396.74	96.71 3.88%	48,355,469.00 156,593.41	0.27% (1,647,927.74)	Aaa/AA+ AA+	1.08 1.06
9128286X3	UNITED STATES TREASURY 2.125 05/31/2026	50,000,000.00	-- 1.76%	51,056,640.63 50,202,179.78	98.16 3.87%	49,082,031.00 443,681.32	0.27% (1,120,148.78)	Aaa/AA+ AA+	1.08 1.05
91282CHH7	UNITED STATES TREASURY 4.125 06/15/2026	50,000,000.00	-- 4.72%	49,380,859.38 49,682,930.40	100.30 3.85%	50,150,390.50 776,270.60	0.28% 467,460.10	Aaa/AA+ AA+	1.13 1.07
91282CKY6	UNITED STATES TREASURY 4.625 06/30/2026	25,000,000.00	01/27/2025 4.21%	25,140,625.00 25,115,155.35	100.89 3.84%	25,221,679.75 386,481.35	0.14% 106,524.40	Aaa/AA+ AA+	1.17 1.11
91282CCJ8	UNITED STATES TREASURY 0.875 06/30/2026	25,000,000.00	10/05/2021 0.94%	24,924,804.69 24,981,516.48	96.65 3.84%	24,163,086.00 73,118.09	0.13% (818,430.48)	Aaa/AA+ AA+	1.17 1.14
91282CHM6	UNITED STATES TREASURY 4.5 07/15/2026	50,000,000.00	-- 4.77%	49,712,890.63 49,847,330.26	100.79 3.82%	50,394,531.00 658,839.78	0.28% 547,200.74	Aaa/AA+ AA+	1.21 1.15
91282CCP4	UNITED STATES TREASURY 0.625 07/31/2026	100,000,000.00	-- 1.05%	98,006,835.88 99,474,794.70	96.16 3.80%	96,156,300.00 155,386.74	0.53% (3,318,494.70)	Aaa/AA+ AA+	1.25 1.22
91282CHU8	UNITED STATES TREASURY 4.375 08/15/2026	25,000,000.00	04/12/2024 4.82%	24,754,882.81 24,864,495.07	100.73 3.78%	25,183,593.75 226,605.66	0.14% 319,098.68	Aaa/AA+ AA+	1.29 1.24

# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
9128282A7	UNITED STATES TREASURY 1.5 08/15/2026	25,000,000.00	06/16/2022 3.45%	23,105,468.75 24,413,330.56	97.14 3.79%	24,284,179.75 77,693.37	0.13% (129,150.81)	Aaa/AA+ AA+	1.29 1.26
91282CCW9	UNITED STATES TREASURY 0.75 08/31/2026	25,000,000.00	09/24/2021 0.90%	24,819,335.94 24,951,174.58	96.11 3.77%	24,027,343.75 31,589.67	0.13% (923,830.83)	Aaa/AA+ AA+	1.34 1.30
91282CHY0	UNITED STATES TREASURY 4.625 09/15/2026	25,000,000.00	04/10/2024 4.84%	24,877,929.69 24,930,913.98	101.16 3.75%	25,290,039.00 147,673.23	0.14% 359,125.02	Aaa/AA+ AA+	1.38 1.31
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	50,000,000.00	10/13/2021 1.05%	49,564,453.13 49,875,798.27	96.09 3.74%	48,042,969.00 37,056.01	0.27% (1,832,829.27)	Aaa/AA+ AA+	1.42 1.38
91282CJC6	UNITED STATES TREASURY 4.625 10/15/2026	25,000,000.00	04/10/2024 4.83%	24,880,859.38 24,930,880.25	101.26 3.73%	25,314,453.00 50,546.45	0.14% 383,572.75	Aaa/AA+ AA+	1.46 1.40
91282CJP7	UNITED STATES TREASURY 4.375 12/15/2026	25,000,000.00	04/12/2024 4.77%	24,755,859.38 24,851,359.97	101.07 3.69%	25,266,601.50 411,658.65	0.14% 415,241.53	Aaa/AA+ AA+	1.63 1.53
91282CJT9	UNITED STATES TREASURY 4.0 01/15/2027	50,000,000.00	04/09/2025 4.01%	49,988,281.25 49,988,662.79	100.55 3.66%	50,273,437.50 585,635.36	0.28% 284,774.71	Aaa/AA+ AA+	1.71 1.62
91282CEF4	UNITED STATES TREASURY 2.5 03/31/2027	50,000,000.00	01/23/2025 4.27%	48,169,921.88 48,392,933.91	97.95 3.61%	48,976,562.50 105,874.32	0.27% 583,628.59	Aaa/AA+ AA+	1.92 1.84
91282CEN7	UNITED STATES TREASURY 2.75 04/30/2027	25,000,000.00	01/24/2025 4.26%	24,190,429.69 24,285,500.30	98.36 3.61%	24,590,820.25 1,868.21	0.14% 305,319.95	Aaa/AA+ AA+	2.00 1.92
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	220,000,000.00	-- 3.87%	216,042,968.73 217,106,981.94	99.30 3.59%	218,453,125.00 2,389,917.13	1.21% 1,346,143.06	Aaa/AA+ AA+	2.17 2.05
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	100,000,000.00	-- 3.82%	99,148,437.50 99,164,096.02	99.76 3.59%	99,761,719.00 870,165.75	0.55% 597,622.98	Aaa/AA+ AA+	2.76 2.58
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	25,000,000.00	03/03/2025 3.98%	25,012,695.31 25,012,021.02	101.08 3.59%	25,269,531.25 168,478.26	0.14% 257,510.23	Aaa/AA+ AA+	2.84 2.64
91282CHK0	UNITED STATES TREASURY 4.0 06/30/2028	245,000,000.00	-- 4.04%	244,452,539.07 244,500,737.34	101.22 3.59%	247,995,507.20 3,275,690.61	1.37% 3,494,769.86	Aaa/AA+ AA+	3.17 2.92
91282CHQ7	UNITED STATES TREASURY 4.125 07/31/2028	250,000,000.00	-- 4.01%	250,014,648.45 250,137,382.05	101.57 3.61%	253,925,780.00 2,563,881.22	1.40% 3,788,397.95	Aaa/AA+ AA+	3.25 2.99
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	150,000,000.00	-- 3.89%	150,603,515.63 150,592,898.07	101.22 3.65%	151,828,125.00 1,491,712.71	0.84% 1,235,226.93	Aaa/AA+ AA+	3.76 3.43
91282CKD2	UNITED STATES TREASURY 4.25 02/28/2029	40,000,000.00	04/25/2025 3.85%	40,571,875.00 40,569,432.83	102.13 3.65%	40,850,000.00 286,413.04	0.23% 280,567.17	Aaa/AA+ AA+	3.83 3.49
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	100,000,000.00	04/09/2025 4.02%	100,875,000.01 100,862,524.31	102.20 3.68%	102,195,312.00 1,420,580.11	0.56% 1,332,787.69	Aaa/AA+ AA+	4.17 3.75



# INVESTMENT INVENTORY – MARKET VALUE

## County of San Diego Pooled Money Fund As of April 30, 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
91282CEV9	UNITED STATES TREASURY 3.25 06/30/2029	50,000,000.00	04/02/2025 3.89%	48,763,671.88 48,786,803.18	98.38 3.67%	49,191,406.00 543,162.98	0.27% 404,602.82	Aaa/AA+ AA+	4.17 3.82
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	297,000,000.00	-- 4.02%	296,067,265.64 296,172,599.82	101.25 3.68%	300,724,100.82 2,953,591.16	1.66% 4,551,501.00	Aaa/AA+ AA+	4.25 3.85
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	25,000,000.00	01/10/2025 4.51%	24,080,078.13 24,140,356.36	99.78 3.68%	24,945,325.00 152,683.42	0.14% 804,968.64	Aaa/AA+ AA+	4.34 3.95
91282CFL0	UNITED STATES TREASURY 3.875 09/30/2029	50,000,000.00	02/12/2025 4.50%	48,710,937.50 48,769,669.93	100.74 3.69%	50,371,094.00 164,105.19	0.28% 1,601,424.07	Aaa/AA+ AA+	4.42 4.02
91282CFT3	UNITED STATES TREASURY 4.0 10/31/2029	25,000,000.00	11/12/2024 4.33%	24,631,835.94 24,666,154.60	101.23 3.70%	25,308,593.75 2,717.39	0.14% 642,439.15	Aaa/AA+ AA+	4.50 4.09
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	25,000,000.00	01/03/2025 4.38%	24,722,656.25 24,741,229.78	101.77 3.69%	25,442,382.75 2,802.31	0.14% 701,152.97	Aaa/AA+ AA+	4.50 4.08
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	150,000,000.00	-- 4.11%	151,681,640.63 151,663,071.32	102.33 3.71%	153,498,046.50 1,584,944.75	0.85% 1,834,975.18	Aaa/AA+ AA+	4.76 4.24
91282CMU2	UNITED STATES TREASURY 4.0 03/31/2030	50,000,000.00	04/09/2025 4.00%	49,996,093.75 49,996,141.05	101.24 3.72%	50,621,094.00 169,398.91	0.28% 624,952.95	Aaa/AA+ AA+	4.92 4.42
<b>Total US Treasury</b>		<b>3,920,000,000.00</b>	<b>3.36%</b>	<b>3,880,765,560.14</b> <b>3,902,380,951.48</b>	<b>99.80</b> <b>3.88%</b>	<b>3,910,971,188.09</b> <b>25,323,636.89</b>	<b>21.60%</b> <b>8,590,236.61</b>		<b>2.06</b> <b>1.90</b>
<b>Total Portfolio</b>		<b>18,161,848,928.29</b>	<b>3.77%</b>	<b>18,005,930,707.59</b> <b>18,095,879,220.61</b>	<b>95.48</b> <b>4.18%</b>	<b>18,106,310,059.73</b> <b>113,934,349.59</b>	<b>100.00%</b> <b>10,430,839.12</b>		<b>1.47</b> <b>1.13</b>
<b>Total Market Value + Accrued</b>						<b>18,220,244,409.32</b>			

# TRANSACTION ACTIVITY REPORT

## County of San Diego Pooled Money Fund

As of April 30, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/02/2025	91282CEW7	25,000,000.00	UNITED STATES TREASURY 3.25 06/30/2027	98.715	3.85%	(24,678,710.94)		(24,885,202.65)	0.00
Purchase	04/02/2025	91282CEV9	50,000,000.00	UNITED STATES TREASURY 3.25 06/30/2029	97.527	3.89%	(48,763,671.88)		(49,176,655.31)	0.00
Purchase	04/02/2025	91282CJW2	50,000,000.00	UNITED STATES TREASURY 4.0 01/31/2029	100.441	3.87%	(50,220,703.13)		(50,557,719.70)	0.00
Purchase	04/03/2025	912797PG6	50,000,000.00	UNITED STATES TREASURY 07/31/2025	98.635	4.25%	(49,317,402.50)	0.00	(49,317,402.50)	0.00
Purchase	04/03/2025	912797PG6	5,000,000.00	UNITED STATES TREASURY 07/31/2025	98.635	4.25%	(4,931,740.25)	0.00	(4,931,740.25)	0.00
Purchase	04/04/2025	06367DQ57	50,000,000.00	Bank of Montreal - Chicago Branch 4.19 10/10/2025	100.000	4.19%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	04/04/2025	91282CLC3	25,000,000.00	UNITED STATES TREASURY 4.0 07/31/2029	101.578	3.60%	(25,394,531.25)		(25,568,564.40)	0.00
Purchase	04/04/2025	912797MS3	25,000,000.00	UNITED STATES TREASURY 10/02/2025	98.015	4.08%	(24,503,682.92)	0.00	(24,503,682.92)	0.00
Purchase	04/08/2025	63873JX70	50,000,000.00	Natixis, New York Branch 10/07/2025	97.851	4.34%	(48,925,694.44)	0.00	(48,925,694.44)	0.00
Purchase	04/08/2025	63873JR93	300,000,000.00	Natixis, New York Branch 04/09/2025	99.988	4.32%	(299,964,000.00)	0.00	(299,964,000.00)	0.00
Purchase	04/08/2025	09659BR93	350,000,000.00	BNP Paribas New York Branch 04/09/2025	99.988	4.31%	(349,958,097.22)	0.00	(349,958,097.22)	0.00
Purchase	04/08/2025	63873JX13	30,000,000.00	Natixis, New York Branch 10/01/2025	97.922	4.34%	(29,376,666.67)	0.00	(29,376,666.67)	0.00
Purchase	04/08/2025	91282CLC3	50,000,000.00	UNITED STATES TREASURY 4.0 07/31/2029	100.625	3.84%	(50,312,500.00)		(50,682,665.75)	0.00
Purchase	04/08/2025	91282CLC3	25,000,000.00	UNITED STATES TREASURY 4.0 07/31/2029	100.625	3.84%	(25,156,250.00)		(25,341,332.87)	0.00
Purchase	04/09/2025	63873JRA0	230,000,000.00	Natixis, New York Branch 04/10/2025	99.988	4.32%	(229,972,400.00)	0.00	(229,972,400.00)	0.00
Purchase	04/09/2025	06367DQ81	150,000,000.00	Bank of Montreal - Chicago Branch 4.23 11/28/2025	100.000	4.23%	(150,000,000.00)	0.00	(150,000,000.00)	0.00



# TRANSACTION ACTIVITY REPORT

## County of San Diego Pooled Money Fund As of April 30, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	04/09/2025	86959TMT0	86,000,000.00	Svenska Handels AB Publ - New York Branch 4.24 11/28/2025	100.000	4.24%	(86,000,000.00)	0.00	(86,000,000.00)	0.00
Purchase	04/09/2025	86959TMS2	63,000,000.00	Svenska Handels AB Publ - New York Branch 4.24 11/07/2025	100.000	4.24%	(63,000,000.00)	0.00	(63,000,000.00)	0.00
Purchase	04/09/2025	4581X0EQ7	5,599,000.00	INTER-AMERICAN DEVELOPMENT BANK 4.73174 08/01/2029	99.922	4.72%	(5,594,632.78)	(49,249.57)	(5,643,882.35)	0.00
Purchase	04/09/2025	459058KH5	50,000,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.66142 01/24/2029	99.930	4.65%	(49,965,000.00)		(50,449,801.88)	0.00
Purchase	04/09/2025	91282CJW2	50,000,000.00	UNITED STATES TREASURY 4.0 01/31/2029	100.383	3.89%	(50,191,406.25)		(50,567,096.86)	0.00
Purchase	04/09/2025	91282CKX8	50,000,000.00	UNITED STATES TREASURY 4.25 06/30/2029	100.598	4.09%	(50,298,828.13)		(50,885,844.70)	0.00
Purchase	04/09/2025	91282CKX8	50,000,000.00	UNITED STATES TREASURY 4.25 06/30/2029	101.152	3.95%	(50,576,171.88)		(51,157,318.29)	0.00
Purchase	04/09/2025	91282CJW2	50,000,000.00	UNITED STATES TREASURY 4.0 01/31/2029	100.383	3.89%	(50,191,406.25)		(50,567,096.86)	0.00
Purchase	04/09/2025	91282CEW7	50,000,000.00	UNITED STATES TREASURY 3.25 06/30/2027	98.930	3.75%	(49,464,843.75)		(49,909,249.83)	0.00
Purchase	04/09/2025	91282CMG3	50,000,000.00	UNITED STATES TREASURY 4.25 01/31/2030	101.496	3.90%	(50,748,046.88)		(51,147,218.15)	0.00
Purchase	04/09/2025	91282CGH8	50,000,000.00	UNITED STATES TREASURY 3.5 01/31/2028	99.195	3.80%	(49,597,656.25)		(49,926,385.53)	0.00
Purchase	04/09/2025	91282CMU2	50,000,000.00	UNITED STATES TREASURY 4.0 03/31/2030	99.992	4.00%	(49,996,093.75)	(49,180.33)	(50,045,274.08)	0.00
Purchase	04/10/2025	3133ETCQ8	48,500,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.75 01/10/2028	99.849	3.81%	(48,426,765.00)	0.00	(48,426,765.00)	0.00
Purchase	04/10/2025	22536JGK5	100,000,000.00	Credit Agricole Corporate And Investment Bank, New 4.28 01/02/2026	100.000	4.28%	(100,000,000.00)	0.00	(100,000,000.00)	0.00

# TRANSACTION ACTIVITY REPORT

## County of San Diego Pooled Money Fund As of April 30, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	04/10/2025	4581X0ET1	50,000,000.00	INTER-AMERICAN DEVELOPMENT BANK 4.73835 03/13/2030	99.870	4.82%	(49,935,000.00)		(50,119,071.43)	0.00
Purchase	04/10/2025	91282CHK0	50,000,000.00	UNITED STATES TREASURY 4.0 06/30/2028	99.953	4.01%	(49,976,562.50)		(50,529,048.69)	0.00
Purchase	04/10/2025	91282CJT9	50,000,000.00	UNITED STATES TREASURY 4.0 01/15/2027	99.977	4.01%	(49,988,281.25)		(50,457,894.51)	0.00
Purchase	04/11/2025	91282CHQ7	50,000,000.00	UNITED STATES TREASURY 4.125 07/31/2028	100.309	4.02%	(50,154,296.88)		(50,553,122.85)	0.00
Purchase	04/11/2025	91282CHQ7	50,000,000.00	UNITED STATES TREASURY 4.125 07/31/2028	100.309	4.02%	(50,154,296.88)		(50,553,122.85)	0.00
Purchase	04/14/2025	06054PA89	50,000,000.00	BofA Securities, Inc. 01/08/2026	96.824	4.39%	(48,412,152.78)	0.00	(48,412,152.78)	0.00
Purchase	04/14/2025	06054PA89	8,000,000.00	BofA Securities, Inc. 01/08/2026	96.824	4.39%	(7,745,944.44)	0.00	(7,745,944.44)	0.00
Purchase	04/14/2025	91282CEW7	50,000,000.00	UNITED STATES TREASURY 3.25 06/30/2027	98.688	3.87%	(49,343,750.00)		(49,810,600.83)	0.00
Purchase	04/15/2025	90LAIF\$00	0.07	Local Agency Investment Fund State Pool	1.000	4.28%	(0.07)	0.00	(0.07)	0.00
Purchase	04/15/2025	91282CHK0	50,000,000.00	UNITED STATES TREASURY 4.0 06/30/2028	100.461	3.84%	(50,230,468.75)		(50,810,579.25)	0.00
Purchase	04/15/2025	91282CGH8	50,000,000.00	UNITED STATES TREASURY 3.5 01/31/2028	99.102	3.84%	(49,550,781.25)		(49,908,516.06)	0.00
Purchase	04/16/2025	06367DQB4	50,000,000.00	Bank of Montreal - Chicago Branch 4.4 01/30/2026	100.000	4.40%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	04/16/2025	91282CEW7	50,000,000.00	UNITED STATES TREASURY 3.25 06/30/2027	98.875	3.78%	(49,437,500.00)		(49,913,328.73)	0.00
Purchase	04/17/2025	45950KDM9	100,000,000.00	INTERNATIONAL FINANCE CORP 4.60343 07/30/2027	100.000	4.63%	(100,000,000.00)	0.00	(100,000,000.00)	0.00
Purchase	04/21/2025	3130B5WP9	50,000,000.00	FEDERAL HOME LOAN BANKS 4.44 06/29/2029	100.000	4.44%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	04/21/2025	63873JRN2	37,000,000.00	Natixis, New York Branch 04/22/2025	99.988	4.32%	(36,995,560.00)	0.00	(36,995,560.00)	0.00
Purchase	04/22/2025	63873JRP7	63,000,000.00	Natixis, New York Branch 04/23/2025	99.988	4.32%	(62,992,440.00)	0.00	(62,992,440.00)	0.00

# TRANSACTION ACTIVITY REPORT

## County of San Diego Pooled Money Fund As of April 30, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	04/22/2025	91282CMG3	50,000,000.00	UNITED STATES TREASURY 4.25 01/31/2030	101.266	3.96%	(50,632,812.50)		(51,108,295.93)	0.00
Purchase	04/23/2025	22536JJC0	100,000,000.00	Credit Agricole Corporate And Investment Bank, New 4.37 01/30/2026	100.000	4.37%	(100,000,000.00)	0.00	(100,000,000.00)	0.00
Purchase	04/23/2025	4581X0EQ7	50,000,000.00	INTER-AMERICAN DEVELOPMENT BANK 4.73174 08/01/2029	100.000	4.69%	(50,000,000.00)		(50,532,432.71)	0.00
Purchase	04/23/2025	4581X0EQ7	50,000,000.00	INTER-AMERICAN DEVELOPMENT BANK 4.73174 08/01/2029	100.000	4.69%	(50,000,000.00)		(50,532,432.71)	0.00
Purchase	04/24/2025	13606DJV5	50,000,000.00	Canadian Imperial Bank Of Commerce, New York Branc 4.32 01/30/2026	100.000	4.32%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	04/25/2025	22536JJP1	50,000,000.00	Credit Agricole Corporate And Investment Bank, New 4.24 01/16/2026	100.000	4.24%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	04/25/2025	91282CKD2	40,000,000.00	UNITED STATES TREASURY 4.25 02/28/2029	101.430	3.85%	(40,571,875.00)		(40,830,570.65)	0.00
Purchase	04/28/2025	06418NGL0	100,000,000.00	Bank of Nova Scotia, Houston Branch 4.31 01/30/2026	100.000	4.31%	(100,000,000.00)	0.00	(100,000,000.00)	0.00
Purchase	04/28/2025	06051WVG6	50,000,000.00	Bank of America, National Association 4.31 02/02/2026	100.000	4.31%	(50,000,000.00)	0.00	(50,000,000.00)	0.00
Purchase	04/30/2025	3133ETey9	50,000,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.36 04/29/2030	100.000	4.36%	(50,000,000.00)	(6,055.56)	(50,006,055.56)	0.00
Purchase	05/01/2025	90CAMP\$00	942,311.77	CAMP	1.000		(942,311.77)	0.00	(942,311.77)	0.00
<b>Total Purchase</b>									<b>(3,623,641,240.03)</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>									<b>(3,623,641,240.03)</b>	<b>0.00</b>
<b>DISPOSITIONS</b>										
Call Redemption	04/30/2025	3130B4SR3	(50,000,000.00)	FEDERAL HOME LOAN BANKS 5.16 01/30/2030	100.000	5.16%	50,000,000.00	0.00	50,000,000.00	0.00

# TRANSACTION ACTIVITY REPORT

## County of San Diego Pooled Money Fund As of April 30, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>Total Call Redemption</b>			<b>(50,000,000.00)</b>				<b>50,000,000.00</b>	<b>0.00</b>	<b>50,000,000.00</b>	<b>0.00</b>
Maturity	04/01/2025	3133ENTK6	(25,000,000.00)	FEDERAL FARM CREDIT BANKS FUNDING CORP 2.51 04/01/2025	100.000	2.56%	25,000,000.00	0.00	25,000,000.00	0.00
Maturity	04/09/2025	63873JR93	(300,000,000.00)	Natixis, New York Branch 04/09/2025	100.000	4.32%	300,000,000.00	0.00	300,000,000.00	0.00
Maturity	04/09/2025	09659BR93	(350,000,000.00)	BNP Paribas New York Branch 04/09/2025	100.000	4.31%	350,000,000.00	0.00	350,000,000.00	0.00
Maturity	04/10/2025	63873JRA0	(230,000,000.00)	Natixis, New York Branch 04/10/2025	100.000	4.32%	230,000,000.00	0.00	230,000,000.00	0.00
Maturity	04/13/2025	023135CE4	(10,000,000.00)	AMAZON.COM INC 3.0 04/13/2025	100.000	3.05%	10,000,000.00	0.00	10,000,000.00	0.00
Maturity	04/14/2025	3133EMVS8	(25,000,000.00)	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.69 04/14/2025	100.000	0.69%	25,000,000.00	0.00	25,000,000.00	0.00
Maturity	04/21/2025	313385EQ5	(100,000,000.00)	FEDERAL HOME LOAN BANKS 04/21/2025	100.000	4.17%	100,000,000.00	0.00	100,000,000.00	0.00
Maturity	04/21/2025	06054NRM5	(100,000,000.00)	BofA Securities, Inc. 04/21/2025	100.000	4.77%	100,000,000.00	0.00	100,000,000.00	0.00
Maturity	04/21/2025	21687ARM7	(100,000,000.00)	COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH 04/21/2025	100.000	4.42%	100,000,000.00	0.00	100,000,000.00	0.00
Maturity	04/21/2025	63873JRM4	(120,000,000.00)	Natixis, New York Branch 04/21/2025	100.000	4.62%	120,000,000.00	0.00	120,000,000.00	0.00
Maturity	04/21/2025	87019WZA6	(200,000,000.00)	Swedbank Sparbanken Svenge Ab 4.44 04/21/2025	100.000	4.44%	200,000,000.00	0.00	200,000,000.00	0.00
Maturity	04/22/2025	63873JRN2	(37,000,000.00)	Natixis, New York Branch 04/22/2025	100.000	4.32%	37,000,000.00	0.00	37,000,000.00	0.00
Maturity	04/22/2025	459058JB0	(50,000,000.00)	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.625 04/22/2025	100.000	0.69%	50,000,000.00	0.00	50,000,000.00	0.00
Maturity	04/23/2025	63873JRP7	(63,000,000.00)	Natixis, New York Branch 04/23/2025	100.000	4.32%	63,000,000.00	0.00	63,000,000.00	0.00

# TRANSACTION ACTIVITY REPORT

## County of San Diego Pooled Money Fund

As of April 30, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Maturity	04/24/2025	06054NRQ6	(55,000,000.00)	BofA Securities, Inc. 04/24/2025	100.000	4.81%	55,000,000.00	0.00	55,000,000.00	0.00
Maturity	04/25/2025	313313EU8	(35,000,000.00)	FEDERAL FARM CREDIT BANKS FUNDING CORP 04/25/2025	100.000	4.25%	35,000,000.00	0.00	35,000,000.00	0.00
Maturity	04/30/2025	87019WZX6	(30,000,000.00)	Swedbank Sparbanken Svenge Ab 4.57 04/30/2025	100.000	4.57%	30,000,000.00	0.00	30,000,000.00	0.00
Maturity	04/30/2025	87019WZZ1	(150,000,000.00)	Swedbank Sparbanken Svenge Ab 4.57 04/30/2025	100.000	4.57%	150,000,000.00	0.00	150,000,000.00	0.00
Maturity	04/30/2025	78015JYX9	(170,000,000.00)	Royal Bank of Canada New York Branch 4.56 04/30/2025	100.000	4.56%	170,000,000.00	0.00	170,000,000.00	0.00
Maturity	04/30/2025	912828ZL7	(15,000,000.00)	UNITED STATES TREASURY 0.375 04/30/2025	100.000	0.33%	15,000,000.00	0.00	15,000,000.00	0.00
<b>Total Maturity</b>							<b>2,165,000,000.00</b>	<b>0.00</b>	<b>2,165,000,000.00</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>							<b>2,215,000,000.00</b>	<b>0.00</b>	<b>2,215,000,000.00</b>	<b>0.00</b>

# CONTACT US



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## APPENDIX F

### BOOK-ENTRY ONLY SYSTEM

*The information in this Appendix F has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the beneficial owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in 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 Official Statement. 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. As used in this appendix, "Securities" means the Bonds, "Issuer" means the District, and "Agent" means the Paying Agent.*

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each series and maturity of the Securities, each in the aggregate principal amount of such series and maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any series and 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 series and maturity.

2. DTC, the world's largest 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](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede &

Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer or the 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, the paying agent, or the issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer or the 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 depository with respect to the Securities at any time by giving reasonable notice to the issuer or the paying agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

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





