

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

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 1, 2026

NEW ISSUE -- FULL BOOK-ENTRY

RATING: Moody's: "A1"

See "RATING" herein.

In the opinion of Jones Hall LLP, San Mateo, California Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences caused by the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX MATTERS."

\$13,000,000*

BELLEVUE UNION SCHOOL DISTRICT
(Sonoma County, California)
General Obligation Bonds
2024 Election, Series A

Dated: Date of Delivery

Due: August 1, as shown on inside cover.

Authority and Purpose. The above-captioned bonds (the "Bonds") are being issued by the Bellevue Union School District (the "District") of Sonoma County (the "County"), State of California (the "State") pursuant to certain provisions of the California Government Code and a resolution of the Board of Trustees of the District adopted on September 8, 2026 (the "Bond Resolution"). The Bonds were authorized at an election of the registered voters of the District held on November 5, 2024, which authorized the issuance of \$38,500,000 maximum principal amount of general obligation bonds for the purpose of financing construction, reconstruction, rehabilitation or replacement of school facilities. The Bonds are the first series of bonds to be issued under this authorization. See "THE BONDS – Authority for Issuance" and "THE FINANCING PLAN."

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

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

Payments. The Bonds are dated the date of delivery and are being issued as current interest bonds. Principal of the Bonds is payable on August 1 in each of the years and in the amounts set forth on the inside front cover hereof. The Bonds accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity or earlier redemption, commencing February 1, 2027. Payments of principal of and interest on the Bonds will be paid by the Treasurer-Tax Collector of the County, through its agent, The Bank of New York Mellon Trust Company, N.A., as the designated paying agent, registrar and transfer agent (the "Paying Agent"), in Pittsburgh, Pennsylvania, to DTC for subsequent disbursement to DTC participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS."

Redemption*. The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity under certain circumstances, as described herein. See "THE BONDS – Optional Redemption" and "– Mandatory Sinking Fund Redemption."

Bond Insurance. The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds, and will decide prior to the sale of the Bonds whether to purchase such insurance.

MATURITY SCHEDULE

(see inside front cover)

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

The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall LLP, San Mateo, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall LLP is also serving as Disclosure Counsel to the District. Norton Rose Fulbright US LLP, Los Angeles, California is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about October 22, 2026.*

RAYMOND JAMES®

The date of this Official Statement is _____, 2026.

*Preliminary; subject to change.

MATURITY SCHEDULE*

BELLEVUE UNION SCHOOL DISTRICT
(Sonoma County, California)
General Obligation Bonds
2024 Election, Series A

Base CUSIP[†]: 079113

Maturity Date	Principal Amount	Interest Rate	Yield	Price	CUSIP[†]
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**Preliminary; subject to change.*

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services ("CGS"), managed on behalf of the American Bankers Association by FactSet Research Systems Inc. © 2026 CUSIP Global Services. All rights reserved. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience only. Neither the District nor the Underwriter takes any responsibility for the accuracy of such numbers.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

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

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

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

Changes to Offering Prices. The Underwriter may offer and sell the Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

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

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

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

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

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

BELLEVUE UNION SCHOOL DISTRICT
(Sonoma County, California)

BOARD OF TRUSTEES OF THE DISTRICT

Irene Rosario, *President*
Lisa Reyes, *Vice President/Clerk*
Bryan Iturbe, *Member*
Jamie Padilla, *Member*
Adele Walker, *Member*

DISTRICT ADMINISTRATION

Michael Kellison, *Superintendent*
Victoria Tuscano, *Director of Business Services*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

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

BOND AND DISCLOSURE COUNSEL

Jones Hall LLP
San Mateo, California

BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT

The Sonoma County Treasurer-Tax Collector
through its agent,
The Bank of New York Mellon Trust Company, N.A.
Pittsburgh, Pennsylvania

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OFFICIAL STATEMENT

\$13,000,000*
BELLEVUE UNION SCHOOL DISTRICT
(Sonoma County, California)
General Obligation Bonds
2024 Election, Series A

*This Official Statement, which includes the cover page, inside cover page and appendices hereto, provides information in connection with the sale and delivery by the Bellevue Union School District (the “**District**”) of the Bellevue Union School District (Sonoma County, California) General Obligation Bonds, 2024 Election, Series A, in the principal amount of \$13,000,000* (the “**Bonds**”).*

INTRODUCTION

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

The District. The District was established in 1949 and provides education services to the southwest portion of the City of Santa Rosa and certain unincorporated areas in Sonoma County (the “**County**”), State of California (the “**State**”). The District covers an area of approximately 22 square miles, and operates 4 elementary schools (grades TK-6), and one early learning center (Pre-School ages 3-5). Enrollment is budgeted for approximately 1,687 students in fiscal year 2026-27 and draws from a diverse range of socioeconomic backgrounds. The District’s total assessed value in fiscal year 2026-27 is \$4,915,229,752.

For more information regarding the District and its finances, see Appendix A and Appendix B attached hereto. See also Appendix C hereto for demographic and other information regarding the City of Santa Rosa and Sonoma County.

Authority and Purpose of Issue; Financing Plan. The Bonds will be issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53506) (the “**Bond Law**”) and pursuant to a resolution adopted by the Board of Trustees of the District on September 8, 2026 (the “**Bond Resolution**”). The Bonds are the first series of bonds issued by the District pursuant to an election held by the District on November 5, 2024 at which more than 55% of the qualified electors of the District authorized the District to issue general obligation bonds in a maximum principal amount of \$38,500,000 (the “**2024 Bond Authorization**”). The net proceeds of the Bonds will be used to finance school construction and improvements as approved by District voters pursuant to the 2024 Bond Authorization. See “THE BONDS – Authority for Issuance” and “THE FINANCING PLAN” and “SOURCES AND USES OF FUNDS” herein.

Sources of Payment for the Bonds. The Bonds are general obligation bonds of the District payable solely from *ad valorem* taxes. The Board of Supervisors of the County has the power and is obligated to annually levy an *ad valorem* tax for the payment of the Bonds and the

* Preliminary; subject to change.

interest thereon upon all property within the District subject to taxation without limitation of rate or amount (except certain personal property which is taxable at limited rates). See “SECURITY FOR THE BONDS” herein.

Description of the Bonds.

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

Redemption.* The Bonds are subject to redemption prior to maturity as described in “THE BONDS – Optional Redemption” and “– Mandatory Sinking Fund Redemption” herein.

Legal Matters. Issuance of the Bonds is subject to the approving opinion of Jones Hall LLP, San Mateo, California, as bond counsel (“**Bond Counsel**”), to be delivered in substantially the form attached hereto as Appendix D. Jones Hall LLP, San Mateo, California, will also serve as Disclosure Counsel to the District (“**Disclosure Counsel**”). Norton Rose Fulbright US LLP, Los Angeles, California, is serving as counsel to the Underwriter (“**Underwriter’s Counsel**”). Payment of the fees of Bond Counsel, Disclosure Counsel and Underwriter’s Counsel is contingent upon issuance of the Bonds.

Bond Insurance. The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds and, if a commitment is issued to insure the Bonds, will determine prior to the sale of the Bonds whether to obtain such insurance. See “BOND INSURANCE.”

Tax Matters. Assuming compliance with certain covenants and provisions of the Internal Revenue Code of 1986, in the opinion of Bond Counsel, interest on the Bonds will not be includable in gross income for federal income tax purposes although it may be includable in the calculation for certain taxes. Interest on the Bonds may be subject to the corporate alternative minimum tax. Also, in the opinion of Bond Counsel, interest on the Bonds will be exempt from State personal income taxes. See “TAX MATTERS” herein. See also APPENDIX D hereto for the form of Bond Counsel’s opinion to be delivered concurrently with the Bonds.

Continuing Disclosure. The District has covenanted for the benefit of holders and beneficial owners of the Bonds to provide ongoing financial and other information and other notices as set forth in a Continuing Disclosure Certificate, as set forth in Appendix E hereto. See “CONTINUING DISCLOSURE” and “APPENDIX E – Form of Continuing Disclosure Certificate.”

Cyber Risks. The District, like other governmental and business entities, faces significant risks relating to the use and application of computer software and hardware for educational, operational and management purposes. The District collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, vendors and contractors. As the custodian of such information, the District may face cybersecurity threats, attacks or incidents from time to time. No assurance can be given that future

* Preliminary; subject to change.

cyber threats or attacks against the District or third-party entities or service providers will not directly or indirectly impact the District or the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the District's continuing disclosure undertakings, described in more detail herein. See "CYBER RISKS" herein.

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement and information concerning the Bonds are available from the District from the Superintendent's Office at 3150 Education Drive, Santa Rosa, California 95407; telephone (707) 542-5197. The District may impose a charge for copying, mailing and handling.

END OF INTRODUCTION

THE FINANCING PLAN

The proceeds of the Bonds will be used to finance projects approved by the voters pursuant to the 2024 Bond Authorization, including to pay related costs of issuance. The abbreviated form of the ballot measure (limited to 75 words or less) is as follows:

“To improve the quality of education; repair/ replace leaky roofs; upgrade inadequate electrical and deteriorating plumbing systems; replace inefficient HVAC systems; and modernize outdated classrooms, restrooms and school facilities; shall Bellevue Union School District’s measure authorizing \$38,500,000 of bonds at legal rates be adopted, raising approximately \$2,200,000 annually with projected average rates of approximately \$29 per \$100,000 assessed value while bonds are outstanding, with annual audits, citizens’ oversight, no money for salaries and all money staying local?”

As part of the ballot materials presented to District voters, the voters authorized a specific list of projects (the **“Project List”**) eligible to be funded with proceeds of bonds sold pursuant to the 2024 Bond Authorization, including the Bonds. The District makes no representation as to the specific application of the proceeds of the Bonds, the completion of any projects listed on the Project List, or whether bonds authorized by the 2024 Bond Authorization will provide sufficient funds to complete any particular project listed in the Project List.

The Bonds described herein will be the first series of bonds issued pursuant to the 2024 Bond Authorization. Following the issuance of the Bonds, there will be \$25,500,000* unused authorization remaining under the 2024 Bond Authorization.

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* Preliminary; subject to change.

THE BONDS

Authority for Issuance

The Bonds will be issued under the Bond Law and the Bond Resolution. The Bonds are the first series of bonds issued by the District pursuant to the 2024 Bond Authorization.

See “DEBT SERVICE SCHEDULE” herein for the debt service schedule for the Bonds.

General Description of the Bonds

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

The Bonds will be issued in denominations of \$5,000 principal amount each or any integral multiple thereof. Interest on the Bonds is payable semiannually on each February 1 and August 1, commencing February 1, 2027 (each, an “**Interest Payment Date**”). Each Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Interest Payment Date, in which event it will bear interest from such date, or (ii) it is registered and authenticated prior to an Interest Payment Date and after the close of business on the 15th day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date, or (iii) it is registered and authenticated prior to January 15, 2027, in which event it will bear interest from the delivery date identified on the cover page hereof. Notwithstanding the foregoing, if interest on any Bond is in default at the time of authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC participants who will remit such payments to the beneficial owners of the Bonds.

Paying Agent

The Bank of New York Mellon Trust Company, N.A., Pittsburgh, Pennsylvania will act as the registrar, transfer agent, and paying agent for the Bonds (the “**Paying Agent**”), as the designated agent for the County. As long as DTC is the registered owner of the Bonds and DTC’s book-entry method is used for the Bonds, the Paying Agent will send all payments with respect to principal and interest on the Bonds, and any notice of redemption or other notices to owners of the Bonds, only to DTC. Any failure of DTC to advise any DTC participant, or of any DTC participant to notify any ultimate purchaser of the Bonds (each a “**Beneficial Owner**”), of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the redemption of the Bonds called for redemption or of any other action covered by such notice.

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

Optional Redemption*

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

Mandatory Sinking Fund Redemption*

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

Term Bonds Maturing August 1, 20__

Redemption Date (August 1)	Sinking Fund Redemption
---------------------------------------	------------------------------------

If some but not all of the Term Bonds have been redeemed pursuant to the optional redemption provisions described above, the aggregate principal amount of Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be reduced on a pro rata basis in integral multiples of \$5,000, or on such other basis as designated pursuant to written notice filed by the District with the Paying Agent.

Notice of Redemption

The Paying Agent is required to give notice of the redemption of the Bonds, at the expense of the District, to be mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the respective owners of any Bonds designated for redemption, at their addresses appearing on the registration books. Notice of any redemption of Bonds will specify: (a) that the Bonds or a designated portion thereof (in the case of redemption of the Bonds in part but not in whole) are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the Bonds must be submitted for redemption, and (e) descriptive information about the Bonds, including the dated date, interest rate and stated maturity date. Such notice will further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, and redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

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

* Preliminary; subject to change.

Partial Redemption

Upon the surrender of any Bond redeemed in part only, the District will execute and the Paying Agent will authenticate and deliver to the owner thereof, at the expense of the District, a new Bond or Bonds of the same maturity and of authorized denominations equal in aggregate amounts equal to the unredeemed portion of the Bonds surrendered. Such partial redemption will be valid upon payment of the amount required to be paid to such owner, and the County and the District will be released and discharged thereupon from all liability to the extent of such payment.

Right to Rescind Notice of Optional Redemption

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

Book-Entry Only System

The Bonds will be registered initially in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York ("**DTC**"), which has been appointed as securities depository for the Bonds, and registered ownership may not be transferred thereafter except as provided in the Bond Resolution. Purchasers will not receive certificates representing their interests in the Bonds. Principal of the Bonds will be paid by the Paying Agent to DTC, which in turn is obligated to remit such principal to its participants for subsequent disbursement to beneficial owners of the Bonds as described herein. See "APPENDIX F – DTC and the Book-Entry System."

In the event that the securities depository (either DTC or its successor depository) determines not to continue to act as securities depository for the Bonds, or the District determines to terminate the depository as such, then the District will thereupon discontinue the book-entry system with such securities depository. In such event, the securities depository will cooperate with the District and the Paying Agent in the issuance of replacement Bonds by providing the Paying Agent with a list showing the interests of the DTC participants in the Bonds, and by surrendering the Bonds, registered in the name of the nominee of the securities depository, to the Paying Agent on or before the date such replacement Bonds are to be issued.

Registration, Transfer and Exchange of Bonds

The Paying Agent will keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which will at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as provided in the Bond Resolution.

Any Bond may, in accordance with its terms, be transferred, upon the registration books required to be kept pursuant to the Bond Resolution, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent will require the payment by the owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. Whenever any Bond(s) shall be surrendered for transfer, the District will execute, and the Paying Agent will authenticate and deliver, a new Bond(s), for like aggregate principal amount.

Bonds may be exchanged at the principal Office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The Paying Agent will require the payment by the owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

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

Defeasance

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

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

If the District pays all the Bonds that are outstanding and also pays or causes to be paid all other sums payable under the Bond Resolution by the District, then and in that case, at the election of the District, and notwithstanding that any Bonds have not been surrendered for payment, the Bond Resolution and other assets made under the Bond Resolution and all covenants, agreements and other obligations of the District under the Bond Resolution will cease, terminate, become void and be completely discharged and satisfied, except only as provided in the Bond Resolution.

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

Whenever in the Bond Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent or other financial institution money or securities in the

necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established pursuant to the Bond Resolution and will be:

- (i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity; or
- (ii) Federal Securities (not callable by the issuer thereof prior to maturity), the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid, as such principal or redemption price and interest become due.

As used in the foregoing defeasance provision, the term “**Federal Securities**” means: (a) any direct general non-callable obligations of the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America; (b) any obligations the timely payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America or which are secured by obligations described in the preceding clause (a); (c) the interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form; and (d) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies: (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development; and (vii) obligations of the Federal Home Loan Bank (FHLB).

SOURCES AND USES OF FUNDS

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

BELLEVUE UNION SCHOOL DISTRICT Sources and Uses

Sources of Funds

Principal Amount of Bonds
Plus Net Original Issue Premium

Total Sources

Uses of Funds

Deposit to Building Fund
Deposit to Debt Service Fund
Costs of Issuance⁽¹⁾

Total Uses

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

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APPLICATION OF PROCEEDS OF BONDS

Building Fund

The proceeds from the sale of the Bonds, to the extent of the principal amount thereof, will be paid to the County Treasurer to the credit of the fund created and established in the Bond Resolution and known as the “Bellevue Union School District, 2024 Election, Series A Building Fund” (the “**Building Fund**”), which will be accounted for as separate and distinct from all other District and County funds. The proceeds will be used solely for the purposes for which the Bonds are being issued, including for the payment of permissible costs of issuance. All interest and other gain arising from the investment of proceeds of the Bonds shall be retained in the Building Fund and used for the purposes thereof. Any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof will be withdrawn from the Building Fund and transferred to the Debt Service Fund established for the Bonds, to be applied to pay the principal of and interest on the Bonds. If excess amounts remain on deposit in the Building Fund after payment in full of the Bonds, any such excess amounts shall be transferred to the general fund of the District, to be applied for the purposes for which the Bonds have been authorized or otherwise in accordance with the Bond Law.

Debt Service Fund

As described herein under the heading “SECURITY FOR THE BONDS - Debt Service Fund,” the County will establish a debt service fund for the Bonds to be designated the “Bellevue Union School District, 2024 Election, Series A Debt Service Fund” (the “**Debt Service Fund**”). Accrued interest and premium, if any, received by the County from the sale of the Bonds will be deposited in the Debt Service Fund which, together with the collections of *ad valorem* taxes, will be used only for payment of principal of and interest on the Bonds. Interest earnings on the investment of monies held in the Debt Service Fund will be retained in the Debt Service Fund and used to pay the principal of and interest on the Bonds when due. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid, will be transferred to any other interest and sinking fund for general obligation bond indebtedness of the District, and in the event there is no such debt outstanding, will be transferred to the District’s general fund upon the order of the County Auditor, as provided in Section 15234 of the Education Code.

Investment of Proceeds of Bonds

Under California law, the District is generally required to pay all monies received from any source into the County Treasury to be held on behalf of the District. All amounts deposited into the Debt Service Fund, as well as proceeds of taxes held therein for payment of the Bonds, shall be invested at the sole discretion of the County Treasurer pursuant to law and the investment policy of the County. All amounts deposited in the Building Fund of the District shall be invested at the sole discretion of the County Treasurer. See Appendix G for the County’s current investment policy and recent investment report. The County Treasurer neither monitors investments for arbitrage compliance, nor does it perform arbitrage calculations. The District shall maintain or cause to be maintained detailed records with respect to the applicable proceeds.

DEBT SERVICE SCHEDULES

Debt Service on the Bonds. The following table shows the annual debt service schedule with respect to the Bonds, assuming no optional redemption of the Bonds prior to maturity.

BELLEVUE UNION SCHOOL DISTRICT Annual Debt Service Schedule for the Bonds

Period Ending August 1	Principal	Interest	Total Debt Service
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
2056			
Total			

Combined General Obligation Bond Annual Debt Service. The District has other series of general obligation bonds currently outstanding. The following table shows the combined annual debt service schedule with respect to general obligation bonds (including the Bonds), assuming no optional redemptions. See Appendix A under the heading “DISTRICT FINANCIAL INFORMATION – Existing Debt Obligations” for additional information.

**BELLEVUE UNION SCHOOL DISTRICT
Combined Outstanding General Obligation Bond Debt Service**

Bond Year Ending August 1	Other Outstanding Bonds	The Bonds	Total Debt Service
2027	\$2,779,826.26		
2028	7,311,616.26		
2029	3,142,756.26		
2030	3,188,791.26		
2031	3,269,806.26		
2032	3,357,331.26		
2033	3,537,221.26		
2034	3,525,671.26		
2035	3,663,616.26		
2036	3,772,321.26		
2037	3,900,636.26		
2038	4,038,076.26		
2039	4,134,108.56		
2040	4,280,375.04		
2041	4,428,361.26		
2042	4,488,330.00		
2043	2,648,286.26		
2044	2,733,145.00		
2045	2,852,600.00		
2046	2,005,400.00		
2047	2,079,000.00		
2048	2,150,300.00		
2049	2,225,000.00		
2050	2,302,650.00		
2051	2,384,100.00		
2052	2,468,250.00		
2053	2,551,500.00		
2054	--		
2055	--		
2056	--		
Total	\$89,219,076.24		

SECURITY FOR THE BONDS

Ad Valorem Property Taxes

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

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

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

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

Statutory Lien on Ad Valorem Tax Revenues. Pursuant to Senate Bill 222 effective January 1, 2016, voter approved general obligation bonds which are secured by *ad valorem* tax collections, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act.

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

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

Debt Service Fund

As previously described herein (see “APPLICATION OF PROCEEDS OF BONDS – Debt Service Fund”), the County will establish the Debt Service Fund, into which will be deposited all taxes levied by the County for the payment by the District of the principal of and interest on the Bonds. The Debt Service Fund is pledged by the District for the payment by it of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The County will transfer amounts in the Debt Service Fund to the Paying Agent to the extent necessary to enable the District to pay the principal of and interest and premium (if any) on the Bonds as the same becomes due and payable.

Not a County Obligation

No part of any fund or account of the County is pledged or obligated to the payment of the Bonds. The Bonds are payable solely from the proceeds of an *ad valorem* property tax levied and collected by the County, for the payment by the District of principal of and interest on the Bonds. Although the County is obligated to collect the *ad valorem* property tax for the payment of the Bonds, the Bonds are not a debt (or a pledge of the full faith and credit) of the County.

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PROPERTY TAXATION

Property Tax Collection Procedures

Generally. In California, property which is subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The “secured roll” is that part of the assessment roll containing (1) state assessed public utilities’ property and (2) property the taxes on which are a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1-1/2% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county in which the property is located.

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

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

Disclaimer Regarding Property Tax Collection Procedures. The property tax collection procedures described above are subject to amendment based on legislation or executive order which may be enacted by the State legislature or declared by the Governor from time to time. The District cannot predict whether future amendments or orders will occur, and what impact, if

any, said future amendments or orders could have on the procedures relating to the levy and collection of property taxes, and related interest and penalties.

Taxation of State-Assessed Utility Property

The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization (“**SBE**”) and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as “unitary property”, a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuations

Assessed Valuation History. The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the “full value” of the property, as defined in Article XIII A of the California Constitution. The full value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the area, or to reflect declines in property value caused by substantial damage, destruction or other factors, including assessment appeals filed by property owners. For a discussion of how properties currently are assessed, see Appendix A under the heading “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS.” Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls. The table following shows a recent history of the District’s assessed valuation.

BELLEVUE UNION SCHOOL DISTRICT Assessed Valuation Fiscal Years 2017-18 through 2026-27

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2017-18	\$2,807,825,553	--	\$130,064,903	\$2,937,890,456	--%
2018-19	3,035,826,119	--	138,531,401	3,174,357,520	8.0
2019-20	3,188,736,640	--	143,584,392	3,332,321,032	5.0
2020-21	3,358,758,096	--	163,753,543	3,522,511,639	5.7
2021-22	3,481,253,757	--	161,412,791	3,642,666,548	3.4
2022-23	3,622,831,411	\$5,080,165 ⁽¹⁾	168,639,739	3,796,551,315	4.2
2023-24	3,885,429,970	4,855,494 ⁽¹⁾	190,402,031	4,080,687,495	7.5
2024-25	4,189,731,674	4,855,494	193,843,166	4,388,430,334	7.5
2025-26	4,531,710,118	4,532,450	205,648,859	4,741,891,427	8.1
2026-27	4,714,544,204	4,532,450	196,153,098	4,915,229,752	3.7

(1) Represents utility taxes levied against property used to transmit electricity owned by PG&E.
Source: *California Municipal Statistics, Inc.*

Bonding Capacity. As an elementary school district, the District may issue bonds in an amount up to 1.25% of the assessed valuation of taxable property within its boundaries, although a waiver can be provided by the State Board of Education to exceed said statutory limit, and the District has been granted a waiver increasing the limit up to 1.94% of assessed value. The District's gross bonding capacity (also commonly referred to as the "bonding limit" or "debt limit"), taking into account the waiver, is estimated at \$95.3 million and its net bonding capacity is approximately \$45.7 million (taking into account current outstanding debt before 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.

Factors Relating to Increases/Decreases in Assessed Value. Economic Conditions; Disasters. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and man-made or natural disasters which include but are not limited to earthquakes, fires/wildfires, floods, drought, mudslides and the consequences of climate change such as heat waves, droughts, sea level rise and floods, which could have an impact on assessed values. The State including the region in which the District is located has in recent years experienced significant natural disasters such as earthquakes, droughts, wildfires, mudslides and floods. Public health incidents such as the COVID-19 pandemic could also have direct and indirect impacts on economic conditions and property values.

The County as well as its neighboring counties has a history of experiencing significant wildfires (fires reaching over 5,000 acres) as recorded in California Department of Forestry and Fire Protection ("CAL FIRE") history. Notable wildfires in recent years include the Tubbs Fire of 2017 and the Camp Fire of 2018, both of which inflicted significant property damage and destruction within the County and surrounding regions. Other fires include the Kincade Fire of 2019 and the Glass Fire of 2020. As shown in the historical assessed value table above, assessed valuations in the District have continued to increase notwithstanding the fires. The District cannot predict the impact that future wildfires, if any, could have on its assessed valuations, or other economic activities in and around the District.

Future Conditions and Disasters Cannot be Predicted. The District cannot predict or make any representations regarding the effects that any natural or manmade disasters, including health disasters such as the COVID-19 pandemic, and the effects of climate change, and related conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

Parcels by Land Use

The following table shows a recent breakdown of local secured property assessed value and parcels within the District by land use.

BELLEVUE UNION SCHOOL DISTRICT Local Secured Property Assessed Valuation and Parcels by Land Use Fiscal Year 2026-27

	2026-27 <u>Assessed Valuation (1)</u>	% of <u>Total</u>	<u>No. of Parcels</u>	% of <u>Total</u>
<u>Non-Residential:</u>				
Agricultural/Rural	\$ 106,748,338	2.26%	143	1.91%
Commercial	688,959,598	14.61	179	2.39
Vacant Commercial	43,421,935	0.92	48	0.64
Industrial	536,811,889	11.39	273	3.64
Vacant Industrial	31,759,876	0.67	28	0.37
Recreational	10,137,705	0.22	2	0.03
Government/Social/Institutional	9,553,836	0.20	39	0.52
Miscellaneous	<u>9,240,727</u>	<u>0.20</u>	<u>39</u>	<u>0.52</u>
Subtotal Non-Residential	\$1,436,633,904	30.47%	751	10.02%
<u>Residential:</u>				
Single Family Residence	\$2,298,280,759	48.75%	4,440	59.26%
Condominium/Townhouse	84,955,961	1.80	236	3.15
Hotel/Motel	91,648,857	1.94	12	0.16
Mobile Home	36,830,917	0.78	716	9.56
Mobile Home Park	43,294,136	0.92	16	0.21
2-4 Residential Units	189,515,233	4.02	328	4.38
5+ Residential Units/Apartments	376,955,612	8.00	51	0.68
Vacant Residential	<u>156,428,825</u>	<u>3.32</u>	<u>942</u>	<u>12.57</u>
Subtotal Residential	\$3,277,910,300	69.53%	6,741	89.98%
Total	\$4,714,544,204	100.00%	7,492	100.00%

(1) Local Secured Assessed Valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Per Parcel Assessed Valuation of Single-Family Homes

The following table sets forth recent per-parcel assessed valuation of single-family homes in the District.

BELLEVUE UNION SCHOOL DISTRICT Per Parcel Assessed Valuation of Single-Family Homes Fiscal Year 2026-27

	<u>No. of Parcels</u>	<u>2026-27 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
Single Family Residential	4,440	\$2,298,280,759	\$517,631	\$494,817

<u>2026-27 Assessed Valuation</u>	<u>No. of Parcels (1)</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$49,999	45	1.014%	1.014%	\$ 1,748,431	0.076%	0.076%
\$50,000 - \$99,999	118	2.658	3.671	8,657,958	0.377	0.453
\$100,000 - \$149,999	94	2.117	5.788	11,662,895	0.507	0.960
\$150,000 - \$199,999	139	3.131	8.919	24,625,783	1.071	2.032
\$200,000 - \$249,999	188	4.234	13.153	42,345,237	1.842	3.874
\$250,000 - \$299,999	271	6.104	19.257	74,941,991	3.261	7.135
\$300,000 - \$349,999	306	6.892	26.149	99,829,521	4.344	11.479
\$350,000 - \$399,999	354	7.973	34.122	132,066,869	5.746	17.225
\$400,000 - \$449,999	346	7.793	41.914	146,906,409	6.392	23.617
\$450,000 - \$499,999	410	9.234	51.149	194,973,315	8.483	32.100
\$500,000 - \$549,999	351	7.905	59.054	184,403,120	8.024	40.124
\$550,000 - \$599,999	356	8.018	67.072	204,400,836	8.894	49.018
\$600,000 - \$649,999	334	7.523	74.595	208,121,725	9.056	58.073
\$650,000 - \$699,999	307	6.914	81.509	207,089,695	9.011	67.084
\$700,000 - \$749,999	215	4.842	86.351	155,462,367	6.764	73.848
\$750,000 - \$799,999	152	3.423	89.775	117,630,461	5.118	78.966
\$800,000 - \$849,999	121	2.725	92.500	100,035,260	4.353	83.319
\$850,000 - \$899,999	90	2.027	94.527	78,705,679	3.425	86.743
\$900,000 - \$949,999	49	1.104	95.631	45,250,673	1.969	88.712
\$950,000 - \$999,999	34	0.766	96.396	33,081,149	1.439	90.152
\$1,000,000 and greater	160	3.604	100.000	226,341,385	9.848	100.000
	4,440	100.000%		\$2,298,280,759	100.000%	

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

Reassessments and Appeals of Assessed Value

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

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

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

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

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

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

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

Typical Tax Rates

Below are recent historical typical tax rates in the tax rate area within the District.

BELLEVUE UNION SCHOOL DISTRICT
Typical Tax Rates per \$100 of Assessed Valuation
Tax Rate Area 58-000⁽¹⁾
Fiscal Years 2021-22 through 2025-26

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
General Tax Rate	\$1.0000	\$1.0000	\$1.0000	\$1.00000	\$1.00000
Warm Springs Dam	.00700	.0070	.0070	.00700	.00700
Sonoma Community College District	.03700	.0350	.0335	.03050	.02950
Santa Rosa Union High School District	.02850	.0295	.0560	.05500	.05200
Bellevue Union School District	.12450	.1145	.1095	.07500	.06950
Total Tax Rate	\$1.19700	\$1.1860	\$1.2060	\$1.16750	\$1.15800

(1) 2025-26 assessed valuation of TRA 58-000 is \$958,582,225 which is 20.22% of the District's total assessed valuation. Data for fiscal year 2026-27 is not yet available.

Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes on the secured roll credited to its fund, in the same manner as if the amount credited had been collected. The District participates in the Teeter Plan, and thus receives 100% of secured property

taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes. Currently, the County includes general obligation bond levies, including for general obligation bonds issued by the District, in its Teeter Plan.

So long as the Teeter Plan remains in effect, the District's receipt of revenues with respect to the levy of *ad valorem* property taxes will not be dependent upon actual collections of the *ad valorem* property taxes by the County. However, under the statute creating the Teeter Plan, the Board of Supervisors can under certain circumstances terminate the Teeter Plan in part or in its entirety with respect to the entire County and, in addition, the Board of Supervisors can terminate the Teeter Plan with respect to the District if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%. In the event that the Teeter Plan were terminated with regard to the secured tax roll, the amount of the levy of *ad valorem* property taxes in the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District. With respect to general obligation bonds, county assessors are authorized to levy taxes sufficient to pay debt service on bonds coming due, including at a rate that will provide for a reserve in the event of delinquencies. The District cannot represent the sufficiency of any such reserve to the extent necessary to cover delinquent taxes, to the extent the Teeter Plan were amended or discontinued.

The District cannot provide any assurances that the County will continue to maintain the Teeter Plan described above, 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. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of the spread of COVID-19 or other outbreak of disease or natural or manmade disaster.

Notwithstanding the operation of the Teeter Plan, historical secured tax levy collections and delinquencies in the District, with respect to the one percent general fund apportionment, are summarized in the following table.

**BELLEVUE UNION SCHOOL DISTRICT
Secured Tax Charges and Delinquencies⁽¹⁾
Fiscal Years 2020-21 through 2024-25**

Year	Secured Tax Charge⁽¹⁾	Amount Delinquent As of June 30	% Delinquent As of June 30
2020-21	\$5,214,606.39	\$51,263.07	0.98%
2021-22	5,406,653.14	50,530.04	0.93
2022-23	5,627,494.97	57,911.45	1.03
2023-24	6,045,055.64	65,458.72	1.08
2024-25	6,493,252.28	95,715.70	1.47

(1) 1% general fund apportionment. Data for fiscal year 2025-26 is not yet available.
Source: California Municipal Statistics, Inc.

Top Twenty Property Owners

The twenty taxpayers in the District with the greatest combined assessed valuation of taxable property on the most recent tax roll, and the assessed valuations thereof, are shown in the following table.

The more property (by assessed value) which is owned by a single taxpayer in the District, the greater amount of tax collections is exposed to weaknesses in the taxpayer's financial situation and ability or willingness to pay property taxes. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below.

BELLEVUE UNION SCHOOL DISTRICT Top Twenty Secured Property Taxpayers Fiscal Year 2026-27

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2026-27 Assessed Valuation</u>	<u>% of Total (1)</u>
1.	GG Yolanda Apartments LLC	Apartments	\$ 95,809,635	2.03%
2.	DS Santa Rosa LP	Shopping Center	89,129,715	1.89
3.	KW Petaluma Hill Road LLC	Apartments	64,154,733	1.36
4.	Dav-N Renaissance LLC	Apartments	50,478,456	1.07
5.	Condor SR Investments LLC	Auto Sales	43,286,672	0.92
6.	Santa Rosa Town Center LLC	Shopping Center	41,587,425	0.88
7.	Kawana Springs by Vintage LP	Apartments	39,081,671	0.83
8.	DCMF I 16 Harvest Park LLC	Residential Development	36,860,596	0.78
9.	Recology Sonoma Marin Corp	Industrial	35,687,527	0.76
10.	WLBK Investments LLC	Auto Sales	32,459,966	0.69
11.	Ghilotti Construction Co.	Warehouse	30,172,442	0.64
12.	COBT LLC	Hotel	29,727,124	0.63
13.	B10 Mountain A SF LP	Shopping Center	29,250,000	0.62
14.	Deangelis Family Partnership	Apartments	28,485,061	0.60
15.	Costco Wholesale Corp.	Commercial	26,528,706	0.56
16.	AGAP Santa Rosa LP	Public Storage	26,095,101	0.55
17.	Rohnert Park Hospitality LLC	Hotel	22,829,740	0.48
18.	Synergy Colgan Creek LLC	Townhomes	21,484,727	0.46
19.	Chilula Properties LLC	Undeveloped	19,067,475	0.40
20.	Industry West Commerce Center LLC	Warehouse	18,858,209	0.40
			<u>\$781,034,981</u>	<u>16.57%</u>

(1) 2026-27 total secured assessed valuation: \$4,714,544,204.

Source: California Municipal Statistics, Inc.

Debt Obligations

Set forth on the following page is a direct and overlapping debt report (the “**Debt Report**”) prepared by California Municipal Statistics, Inc. and dated October 1, 2026. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

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

BELLEVUE UNION SCHOOL DISTRICT Statement of Direct and Overlapping Bonded Debt Dated as of October 1, 2026

2026-27 Assessed Valuation: \$4,915,229,752

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable ⁽¹⁾</u>	<u>Debt 10/1/26</u>
Sonoma County Joint Community College District	3.693%	\$ 10,110,326
Santa Rosa High School District	10.422	36,766,836
Bellevue Union School District	100.000	49,556,523 ⁽²⁾
California Statewide Communities Development Authority 1915 Act Bonds	57.797 - 100.000	4,369,659
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$100,803,344
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Sonoma County General Fund Obligations	3.719%	\$ 964,151
Sonoma County Pension Obligation Bonds	3.719	4,942,551
Sonoma County Office of Education Certificates of Participation	3.719	63,318
Santa Rosa High School District Certificates of Participation	10.422	1,213,956
Bellevue Union School District Judgment Obligation Bonds	100.000	4,650,000
West County Transportation Agency	8.530	743,816 ⁽³⁾
City of Santa Rosa General Fund Obligations	8.335	761,402
TOTAL OVERLAPPING GENERAL FUND DEBT		\$13,339,194
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>	2.476 - 12.224%	\$2,619,005
 COMBINED TOTAL DEBT		\$116,761,543 ⁽⁴⁾

Ratios to 2026-27 Assessed Valuation:

Direct Debt (\$49,556,523)	1.01%
Total Direct and Overlapping Tax and Assessment Debt	2.05%
Combined Total Debt	2.38%

Ratio to Redevelopment Successor Agency Incremental Valuation (\$463,984,228):

Total Overlapping Tax Increment Debt	0.56%
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- (1) 2025-26 Ratios.
 (2) Excludes the Bonds described herein.
 (3) West County Transportation Agency 2017 Bonds (Transportation Facility Project). District has agreed to make certain payments to the Transportation Agency, which the Transportation Agency has pledged to use to pay the bonds.
 (4) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
 Source: California Municipal Statistics, Inc.

BOND INSURANCE

The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds and, if a commitment is issued to insure the Bonds, will determine prior to the sale of the Bonds whether to obtain such insurance.

TAX MATTERS

Tax Exemption

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

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

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

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

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The

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

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

Other Tax Considerations

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

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

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

Form of Opinion

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

CERTAIN LEGAL MATTERS

Legality for Investment

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

Absence of Material Litigation

Absence of Pending or Threatened Litigation Relating to the Bonds. No litigation is pending or threatened, nor is any audit or investigation premised on any assertion, concerning or contesting the validity of the Bonds or the District's ability to receive *ad valorem* property 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, nor is any audit or investigation premised on any assertion, questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Bonds or District officials who will sign certifications relating to the Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter (defined herein) at the time of the original delivery of the Bonds.

Absence of Other Types of Pending or Threatened Litigation. The District is subject to lawsuits and claims that have arisen and/or may arise in the normal course of operating the District. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under existing lawsuits and claims, if any, will not materially affect the financial position or operations of the District. The District cannot predict what types of claims may arise in the future.

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall LLP, San Mateo, California, as Bond Counsel and Disclosure Counsel to the District, Isom Advisors, a Division of Urban Futures, Inc., Walnut Creek, California, as municipal advisor to the District (the "**Municipal Advisor**"), and Norton Rose Fulbright US LLP, Los Angeles, California, as Underwriter's Counsel, is contingent upon issuance of the Bonds.

CYBER RISKS

The District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. The District's e-mail users may also be sent false e-mails by fraudsters and imposters for the purpose of obtaining District funds or other assets.

The District has never had a major cyber breach that resulted in a material financial loss. The District has implemented measures to safeguard its systems, including cyber

awareness and prevention training for staff coordinated in partnership with the County Office of Education and in connection with risk management oversight by the Office of Education. Furthermore, District insurance policies include coverage for cyber incidents.

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

CONTINUING DISCLOSURE

The District has covenanted for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District by not later than nine months following the end of the District's fiscal year (which currently would be by March 31 each year based upon the June 30 end of the District's fiscal year), commencing by March 31, 2027 with the report for the 2025-26 fiscal year (the "**Annual Report**"), and to provide notices of the occurrence of certain enumerated events. The Annual Report and any event notices will be filed by the District with the Municipal Securities Rulemaking Board (the "**MSRB**"). The specific nature of the information to be contained in an Annual Report or other notices is set forth below under the caption "APPENDIX E – Form of Continuing Disclosure Certificate." These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the "**Rule**").

The District has prior undertakings pursuant to the Rule. A review of filings and filing requirements in the previous five year period has been undertaken. No instances of material noncompliance have been identified in said period.

The District has engaged Isom Advisors, a Division of Urban Futures Inc., to serve as the District's dissemination agent in connection with the undertaking relating to the Bonds.

RATING

Moody's Investors Service ("**Moody's**") has assigned a rating of "A1" to the Bonds. The District has provided certain additional information and materials to Moody's (some of which has been determined not to be material to making an investment decision in the Bonds and does not appear in this Official Statement). Such rating reflects only the views of Moody's and explanations of the significance of such rating may be obtained only from Moody's. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by Moody's if, in Moody's judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

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

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

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

ADDITIONAL INFORMATION

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

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

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

EXECUTION

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

BELLEVUE UNION SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

*The information in this and other sections concerning the Bellevue Union School District (the “**District**”) of Sonoma County (the “**County**”), State of California (the “**State**”) operations and operating budget is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the General Fund of the District. The Bonds are payable solely from the proceeds of an ad valorem tax required to be levied by the County in an amount sufficient for the payment thereof. See “SECURITY FOR THE BONDS” in the front half of the Official Statement.*

GENERAL DISTRICT INFORMATION

General Information

The District was established in 1949 and provides education services to the southwest portion of the City of Santa Rosa and certain unincorporated areas in the County. The District covers an area of approximately 22 square miles, and operates 4 elementary schools (grades TK-6), and one early learning center (Pre-School ages 3-5). Enrollment is budgeted for approximately 1,687 students in fiscal year 2026-27 and draws from a diverse range of socioeconomic backgrounds.

See also APPENDIX C hereto for demographic and other statistical information regarding the City of Santa Rosa and the County.

Administration

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

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Irene Rosario	President	November 2028
Lisa Reyes	Vice President/Clerk	November 2026
Bryan Iturbe	Member	November 2028
Jamie Padilla	Member	November 2026
Adele Walker	Member	November 2028

Superintendent and Administrative Personnel. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Michael Kellison is currently the Superintendent of the District. Victoria Tuscano is serving as the Director of Business Services.

Employee Relations

In fiscal year 2026-27 the District has budgeted for 99 full time equivalent (“FTE”) certificated employees, 91 FTE classified employees and 14 management/supervisor/confidential FTE employees.

BARGAINING UNIT CONTRACTS Bellevue Union School District

Employee Group	Representation	Contract Expiration Date
Certificated	Bellevue Education Association	June 30, 2029*
Classified	California Schools Employees Association	October 31, 2029*

*Terms of renewal have been settled. Both contracts are in the process of being ratified by both parties, expected in October 2026.

Source: Bellevue Union School District

Recent Enrollment

The following table shows recent enrollment and Average Daily Attendance (“ADA”) history for the District.

ANNUAL ENROLLMENT Fiscal Years 2021-22 through 2026-27 Bellevue Union School District

Fiscal Year	Student Enrollment	% Change	ADA ⁽¹⁾	% Change
2021-22	1,485	--%	1,305	--%
2022-23	1,586	6.8	1,408	7.9
2023-24	1,609	1.5	1,465	4.0
2024-25	1,655	2.9	1,543	5.3
2025-26	1,668	0.8	1,577 ⁽²⁾	2.2
2026-27 ⁽³⁾	1,687	1.1	1,578	0.1

(1) Commencing in fiscal year 2019-20 and following, due to adjustments in ADA funding calculations triggered by the COVID-19 pandemic, ADA figures do not represent actual ADA but ADA for funding entitlement purposes. Commencing in fiscal year 2022-23, ADA for funding purposes is based on the greater of actual, prior year or average of prior three years ADA.

(2) Projected in the District's 2026-27 Adopted Budget

(3) Budgeted in the District's 2026-27 Adopted Budget.

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

Risk Management; Insurance; JPAs

The District participates in two joint ventures under joint powers agreements (“JPAs”), with the Redwood Empire Schools’ Insurance Group for property & liability, and workers’ compensation insurance coverage, and the West County Transportation Agency for pupil transportation services. The relationship between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPAs and the District are included in these statements. The audited financial statements are generally available from the respective entities.

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DISTRICT FINANCIAL INFORMATION

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

Education Funding Generally

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

From 1973-74 to 2012-13, State school districts operated under general purpose revenue limits established by the State Legislature. In general, revenue limits were calculated for each school district by multiplying (1) the ADA for such district by (2) a base revenue limit per unit of ADA. The revenue limit calculations were adjusted annually in accordance with a number of factors designated primarily to provide cost of living increases and to equalize revenues among all State school districts of the same type. Funding of a district's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Generally, the State apportionments amounted to the difference between the District's revenue limit and its local property tax revenues. Districts which had local property tax revenues that exceeded their revenue limit entitlements were deemed a "Basic Aid District" and received full funding from local property tax revenues, and were entitled to keep those tax revenues which exceeded their revenue limit funding entitlement. A district which was not a Basic Aid District was known as a "Revenue Limit District."

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

- A base grant for each local education agency per unit of ADA, which varies with respect to different grade spans. The base grant is \$2,375 more than the average revenue limit provided prior to LCFF implementation. The base grants will be adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.
- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional concentration grant of up to 65% of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.
- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

The LCFF was implemented for fiscal year 2013-14 and was phased in gradually. Beginning in fiscal year 2013-14, an annual transition adjustment was required to be calculated for each school district, equal to each district's proportionate share of the appropriations included in the State budget (based on the percentage of each district's students who are low-income, English learners, and foster youth ("**Targeted Students**")), to close the gap between the prior-year funding level and the target allocation at full implementation of LCFF. In each year, districts had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap. The legislation implementing LCFF also included a "hold harmless" provision which provided that a district or charter school would maintain total revenue limit and categorical funding at least equal to its 2012-13 level, unadjusted for changes in ADA or cost of living adjustments.

In 2021, legislation was passed that requires school districts operating a kindergarten program to also provide a transitional kindergarten ("**TK**") program for all 4-year-old children by fiscal year 2025–26. Funding levels used in the LCFF entitlement calculations for fiscal year 2026-27 are set forth in the following table.

**Fiscal Year 2026-27 Base Grant Funding* Under LCFF
by Grade Span**

Entitlement Factor	TK-3	4-6	7-8	9-12
A. 2025-26 Base Grant per ADA	\$10,256	\$10,411	\$10,719	\$12,423
B. 2026-27 Statutory COLA (A x 2.87%)	\$294	\$299	\$308	\$357
C. Additional LCFF Investment of 1.44%	\$148	\$150	\$154	\$179
D. 2026-27 Base Grants before Grade Span Adjustments (A+B+C)	\$10,698	\$10,860	\$11,181	\$12,959
E. Grade Span Adjustments (TK-3: D x 10.4%; 9-12: D x 2.6%)	\$1,113	n/a	n/a	\$337
F. 2026-27 Adjusted Base Grants per ADA (D+E)	\$11,811	\$10,860	\$11,181	\$13,296

*Add-ons to the Base Grant, as may be applicable, are: (1) Supplemental Grant: For the supplemental grant funding entitlement, for each grade span, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times Unduplicated Pupil Percentage, times 20%; (2) Concentration Grant: For the concentration grant funding entitlement, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times portion of Unduplicated Pupil Percentage that exceeds 55%, times 65%; and (3) Transitional Kindergarten Add-On: For the TK add-on funding, the amount is the rate of \$5,704 times the school district's current year TK ADA.

Source: California Department of Education.

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

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

When a school district's share of local property taxes exceeds its funding entitlement under LCFF, it is deemed a Basic Aid District and is entitled to keep its local property taxes in lieu of lower funding per ADA available under LCFF. The District is currently not a Basic Aid District, although it has been in Basic Aid status in recent years, returning to LCFF-funded status in fiscal year 2023-24.

District Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all State school districts.

District accounting is organized on the basis of fund groups, with each group consisting of a separate set of self-balancing accounts containing assets, liabilities, fund balances, revenues and expenditures. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30.

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

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include

(i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting, (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iv) required supplementary information.

Financial Statements

General. The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's June 30, 2025 Audited Financial Statements were prepared by Christy White, Inc., San Diego, California and are attached hereto as Appendix B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the District, 3150 Education Drive, Santa Rosa, California 95407. The District has not requested, and the auditor has not provided, any review or update of such financial statements in connection with inclusion in this Official Statement. Copies of such financial statements will be mailed to prospective investors and their representatives upon written request to the District. The District may impose a charge for copying, mailing and handling.

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General Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows the audited income and expense statements for the District for the fiscal years 2020-21 through 2024-25.

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2020-21 through 2024-25 (Audited)⁽¹⁾
Bellevue Union School District

<u>Revenues</u>	Audited 2020-21	Audited 2021-22	Audited 2022-23	Audited 2023-24	Audited 2024-25
LCFF Sources	\$18,503,223	\$19,397,529	\$21,468,283	\$22,993,380	\$24,260,075
Federal Revenues	3,180,187	1,559,555	3,780,870	4,777,896	1,432,374
Other State Revenues	2,571,362	5,316,154	9,524,850	6,914,373	7,235,382
Other Local Revenues	745,843	1,698,207	1,530,530	3,324,916	3,093,389
Total Revenues	25,000,615	27,971,445	36,304,533	38,010,565	36,021,220
 <u>Expenditures</u>					
Instruction	12,639,965	14,895,141	21,426,405	23,718,266	23,722,096
Instruction-Related Activities:					
Supervision of Instruction	319,788	293,955	537,683	635,706	380,786
Instructional Library, Media, Tech	5,922	--	--	--	--
School Site Administration	1,773,689	1,896,166	2,167,568	2,148,885	2,483,670
Pupil Services:					
Home-to-School Transport	1,570,882	1,569,994	1,671,857	1,872,408	1,816,200
Food Services	--	--	51,171	86,004	46,724
All Other Pupil Services	1,787,927	2,263,601	1,616,362	3,739,399	4,015,829
General Administration:					
Data Proc.	85,506	95,766	105,090	--	--
All Other General Administration	3,733,519	2,499,612	2,606,018	2,120,442	6,675,141
Plant Services	1,660,733	1,843,715	2,289,400	2,494,219	2,216,315
Facility Acquisition and Construction	--	--	--	--	--
Ancillary Services	12,735	8,571	5,445	88,171	71,428
Community Services	544,288	565,407	612,890	612,890	612,891
Transfers to other agencies	9,761	--	--	37,572	69,152
Other Outgo	--	--	--	--	--
Debt Service: Principal	--	--	--	1,311,740	1,163
Debt Service: Interest	--	--	--	(1,598,740)	157,573
Total Expenditures	24,144,715	25,931,928	33,089,889	37,266,962	42,268,968
 Excess of Revenues Over/(Under) Expenditures	 855,900	 2,039,517	 3,214,644	 743,603	 (6,247,748)
 <u>Other Financing Sources (Uses)</u>					
Operating Transfers in	226,226	869	2	--	9,174
Other Sources	--	--	--	--	4,650,000 ⁽²⁾
Operating Transfers out	(250,000)	--	--	--	--
Other Uses	--	--	--	--	--
Total Other Financing Sources (Uses)	(23,774)	869	2	--	4,659,174
 Net Change in Fund Balance	 832,126	 2,040,386	 3,214,646	 743,603	 (1,588,574)
Fund Balance, July 1 (Beginning)	4,960,878	5,858,219	7,898,605	11,113,251	11,856,854
As Restated ⁽³⁾	5,026,093	--	--	--	--
Fund Balance, June 30 (Ending)	\$5,858,219	\$7,898,605	\$11,113,251	\$11,856,854	\$10,268,280

(1) Columns may not add to totals due to rounding.

(2) Judgement obligation bonds.

(3) Beginning balance restated in 2020-21 Audited Financial Statement due to GASB No. 84 "Fiduciary Activities." It was determined that the District's ASB accounts were not fiduciary because they do not meet the criteria regarding administrative involvement.

Source: Bellevue Union School District - Audited Financial Statements.

District Budget and Interim Financial Reporting

Budgeting and Interim Reporting Procedures. State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the Sonoma County Superintendent of Schools (the "**County Superintendent**"). The County Superintendent is separate from the County, and is not an official of the County.

The County Superintendent must review and 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. If the budget is disapproved, it is returned to the district with recommendations for revision. The district is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than October 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

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

A State law adopted in 1991 ("**A.B. 1200**") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that is deemed unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal

year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

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

District's Budget Approval/Disapproval and Certification History. Each of the District's interim reports in the previous five fiscal years have been certified as positive, except for its second interim report for fiscal year 2023-24 which was certified as qualified. Copies of the District's budget, interim reports and certifications may be obtained upon request from the Bellevue Union School District, 3150 Education Drive, Santa Rosa, California 95407.

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General Fund for Fiscal Year 2025-26 (Unaudited Actuals) and Fiscal Year 2026-27 (Adopted Budget). The following table shows a summary of the general fund for fiscal year 2025-26 (unaudited actuals) and fiscal year 2026-27 (adopted budget).

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE⁽¹⁾
Fiscal Year 2025-26 (Unaudited Actuals)
Fiscal Year 2026-27 (Adopted Budget)
Bellevue Union School District

	Unaudited Actuals 2025-26	Adopted Budget 2026-27
Revenues		
LCFF Revenues	\$25,875,807	\$26,733,944
Federal Revenues	1,007,343	1,277,779
Other State Revenues	7,965,349	7,722,223
Other Local Revenues	2,756,470	2,639,737
Total Revenues	37,604,970	38,373,683
Expenditures		
Certificated Salaries	12,474,033	13,608,735
Classified Salaries	4,780,834	4,638,440
Employee Benefits	7,525,179	8,042,468
Books and Supplies	1,082,221	668,257
Contract Services & Operating Exp.	12,152,460	12,675,524
Capital Outlay	221,528	--
Other Outgo (excluding indirect costs)	81,438	40,463
Other Outgo – Transfers of Indirect Costs	--	--
Total Expenditures	38,317,693	39,673,887
Excess of Revenues Over/(Under) Expenditures	(712,724)	(1,300,204)
Other Financing Sources (Uses)		
Operating transfers in	--	--
Operating transfers out	--	--
Other sources/uses	--	--
Total Other Financing Sources (Uses)	--	--
Net change in fund balance	(712,724)	(1,300,204)
Fund Balance, July 1 (incl. Adjustment)	10,268,277	9,555,553
Fund Balance, June 30 ⁽²⁾	\$9,555,553	\$8,255,349

(1) Columns may not foot due to rounding.

(2) Financial planning documents account for reserves outside of the general fund. However, reserves are included in the general fund in the audited financial statements, as summarized in the prior table. As such, the data is not directly comparable.

Source: Bellevue Union School District.

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve which ranges from 1% to 5% depending on a school district's ADA. The percentage applicable to the

District is 3% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future. The District maintains an unrestricted reserve which meets the State's applicable minimum requirements

Under State law (Education Code Section 42127.01), there are certain restrictions on the amount of reserves that can be maintained by school districts under certain circumstances. This reserve cap requirement does not apply to small school districts (ADA of fewer than 2,501 students) or school districts funded as Basic Aid school districts. When applicable, the reserve cap requires that a school district's adopted or revised budget shall not contain a combined assigned or unassigned ending general fund balance of more than 10% of those funds. The applicability of the reserve cap is based on the balance in the State's Public School System Stabilization Account and is triggered in a fiscal year when the balance is equal to or exceeds 3% of the combined total of general fund revenues appropriated for school districts. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the requirements for up to two consecutive fiscal years within a three-year period if the school district provides documentation indicating that extraordinary fiscal circumstances, including, but not limited to, multiyear infrastructure or technology projects, substantiate the need for a combined assigned or unassigned ending general fund balance that is in excess of the reserve cap. The reserve cap was triggered for fiscal year 2026-27.

As noted, the reserve cap, when applicable, does not apply to small school districts, which includes the District.

Attendance - Revenue Limit and LCFF Funding

Funding Trends. As described herein, prior to fiscal year 2013-14, school districts in California derived most State funding based on a formula which considered a revenue limit per unit of ADA. With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent total LCFF funding trends, together with ADA.

AVERAGE DAILY ATTENDANCE AND STATE FUNDING UNDER LCFF Fiscal Years 2021-22 through 2026-27 Bellevue Union School District

Fiscal Year	ADA	Total LCFF Funding
2021-22	1,305	\$19,397,529
2022-23	1,408	21,468,283
2023-24	1,465	22,993,380
2024-25	1,543	24,260,075
2025-26 ⁽¹⁾	1,577	25,875,807
2026-27 ⁽²⁾	1,578	26,733,944

(1) Unaudited actuals.

(2) Budgeted as set forth in the District's fiscal year 2026-27 adopted budget.

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

Unduplicated Student Count. The unduplicated count of the District's students which are low-income, English learners and/or foster youth is approximately 86%. As such, the District qualifies for some supplemental funding but not for concentration grant funding under LCFF. See "- Education Funding Generally." It is unknown at this time if the federal government's recent

enforcement of immigration policies might have an impact on future enrollment and attendance, and therefore District funding under LCFF.

Revenue Sources

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

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

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

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes a district received, the less State equalization aid it was entitled to. Furthermore, if a school district's share of local property tax revenues exceeded the revenue limit, the school district was deemed a "Basic Aid" district, and entitled to keep the full share of local property taxes, even if they exceeded the revenue limit which would have been provided through State funding.

School districts which were "Basic Aid" prior to implementation of the LCFF, provided that the per pupil funding targets under LCFF, including economic recovery targets, are met or exceeded by local property tax revenues, are entitled to retain their status as Basic Aid and keep their full local property tax revenue entitlement. The threshold for Basic Aid status under the LCFF, however, is higher than under the prior funding formula, resulting in some district falling out of Basic Aid status as the result of the implementation of the LCFF. Accountability measures contained in the LCFF must be implemented by all districts, including Basic Aid districts. The District is not a Basic Aid district.

Federal Revenues. The federal government currently provides funding for several District programs, including special education programs, programs under Every Student Succeeds, the Individuals with Disabilities Education Act, and specialized programs such as Drug Free Schools. The District cannot predict if there will be suspensions, modifications, or eliminations to these funding sources.

In January 2025, the federal government announced possible cuts to federal funding for educational agencies. President Trump has also signed an executive order aimed at terminating the United States Department of Education. In a move which some pundits claim effectively terminates the United States Department of Education, the Supreme Court granted the Trump administration's request to temporarily pause an order by a lower federal judge that would have required the Department of Education to reinstate nearly 1,400 employees who were fired by

President Trump's executive order. Furthermore, on July 1, 2025, President Trump announced that the administration would withhold \$6.2 billion in grants already allocated to school districts to support English learners, \$811 million of which was allocated for schools in the State. However, subsequently in late July 2025, the federal administration announced it was releasing roughly \$1.3 billion in grant money for schools, of which approximately \$158 million was for schools in the State. The District continues to monitor the situation. Other than what is described in the foregoing sentences, the District cannot predict the types of possible federal funding cuts that may occur, the extent of such cuts, if any, and the impact on the District's finances or operations as a result of the termination of the Department of Education.

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

The District receives State aid from the California State Lottery (the "**Lottery**"), which was established by a constitutional amendment approved in the November 1984 general election. Lottery revenues must be used for the education of students and cannot be used for non-instructional purposes such as real property acquisition, facility construction, or the financing of research. Lottery revenues generally comprise approximately 2% of general fund revenues. Moreover, State Proposition 20 approved in March 2000 requires that 50% of the increase in Lottery revenues over fiscal year 1997-98 levels must be restricted to use on instruction material.

For additional discussion of State aid to school districts, see "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS - State Funding of Education."

Other Local Revenues. In addition to local property taxes, the District receives additional local revenues from items such as interest earnings and other local sources such as developer fees, redevelopment revenues in the form of property tax collections from the former Redevelopment Agency, gifts and donation revenues.

District Retirement Systems

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

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

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

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

STRS EMPLOYER CONTRIBUTION RATES
Effective Dates of July 1, 2021 through July 1, 2026

Effective Date	Employer Contribution Rate
July 1, 2021	16.92%
July 1, 2022	19.10
July 1, 2023	19.10
July 1, 2024	19.10
July 1, 2025	19.10
July 1, 2026	19.10

Source: STRS.

The State also continues to contribute to STRS, and its contribution rate in fiscal year 2026-27 is 8.328%.

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

STRS Contributions
Bellevue Union School District

Fiscal Year	Amount*
2021-22	\$1,403,641
2022-23	1,907,425
2023-24	2,151,396
2024-25	2,243,471
2025-26 ⁽¹⁾	3,366,603
2026-27 ⁽²⁾	3,734,065

*Increases attributed to increase in contribution rates and modified accounting reporting requirements, which include reporting the District's proportionate share of the plan's net pension liability. Fiscal years 2021-22 through 2024-25 do not include State on-behalf contributions.

(1) Unaudited actual. Includes State on-behalf contributions.

(2) Budgeted. Includes State on-behalf contributions.

Source: Bellevue Union School District.

The STRS defined benefit program continues to have an unfunded actuarial liability estimated at approximately \$75.0 billion, based on an actuarial value of assets basis, as of June 30, 2025, which is the date of the last actuarial valuation.

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

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

EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2021-22 through 2026-27

Fiscal Year	Employer Contribution Rate⁽¹⁾
2021-22	22.910%
2022-23	25.370
2023-24	26.680
2024-25	27.050
2025-26	26.810
2026-27	26.400

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

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

**PERS Contributions
Bellevue Union School District**

Fiscal Year	Amount
2021-22	\$779,786
2022-23	1,200,082
2023-24	1,574,990
2024-25	1,572,118
2025-26 ⁽¹⁾	1,266,377
2026-27 ⁽²⁾	1,216,368

(1) Unaudited actual

(2) Budgeted.

Source: Bellevue Union School District.

PERS continues to have an unfunded liability which, on a market value of assets basis, was approximately \$35.7 billion as of June 30, 2025, which is the date of the last actuarial valuation.

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

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

With respect to the STRS pension program, employees hired after January 1, 2013 will pay the greater of either (1) fifty percent of the normal cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by then-current members (i.e., employees in the STRS plan as of January 1, 2013). The member contribution rate could be

increased from this level through collective bargaining or may be adjusted based on other factors. Employers will pay at least the normal cost rate, after subtracting the member's contribution.

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

Additional Information. Additional information regarding the District's retirement programs is available in Note 10 to the District's audited financial statements attached hereto as APPENDIX B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811. More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

No Other Post-Employment Benefits

The District does not currently provide other post-employment benefits to retirees.

Existing Debt Obligations

General Obligation Bonds. In addition to the District's ongoing obligations with respect to retirement plans described above, the District has outstanding general obligation bonds, each of which is secured by *ad valorem* taxes upon all property subject to taxation by the District, as more particularly described below.

SUMMARY OF OUTSTANDING GENERAL OBLIGATION BOND DEBT Bellevue Union School District

Name of General Obligation Bond Issue	Issue Date	Maturity Date	Original Principal Amount	Principal Outstanding ⁽¹⁾ October 1, 2026
GO Bonds, Election of 2008, Series 2011A	09/13/2011	8/1/2035	\$378,528.45	\$378,528.45
GO Bonds, Election of 2008, Series 2011B	09/13/2011	8/1/2028	4,350,000.00	4,350,000.00
GO Bonds, Election of 2008, Series 2011C	09/13/2011	8/1/2041	774,039.75	404,268.10
GO Bonds, Election of 2014, Series B	06/23/2016	8/1/2036	7,800,000.00	6,605,000.00
2017 Refunding General Obligation Bonds	12/19/2017	8/1/2041	5,946,810.95	3,251,810.95
GO Bonds, Election of 2008, Series D	06/21/2018	8/1/2042	6,996,915.25	6,806,915.25
GO Bonds, Election of 2020, Series A	05/20/2020	8/1/2049	9,000,000.00	7,070,000.00
GO Bonds, Election of 2020, Series B	11/18/2021	8/1/2051	8,475,000.00	6,935,000.00
2022 Refunding GO Bonds (Cinderella)*	06/07/2022	8/1/2038	3,720,000.00	3,660,000.00
GO Bonds, Election of 2020, Series C	12/21/2023	8/1/2053	10,525,000.00	10,095,000.00
			Total Outstanding:	\$49,556,522.75

(1) Does not include accrued interest on capital appreciation bonds.

*Private Placement.

Source: The District; the Municipal Advisor.

Judgement Obligation Bonds. In November 2024, the District issued judgement obligation bonds of \$4,650,000 in order to pay two settlement amounts owed by the District. The bonds are payable from the District's general fund, have an annual interest rate of 6.63%, are payable semi-annually and have a final maturity date of December 1, 2044.

The annual requirements to amortize the judgement obligation bonds outstanding at June 30, 2025 are shown in the following table.

**OUTSTANDING JUDGEMENT OBLIGATION BOND DEBT
Bellevue Union School District**

Year Ending June 30	Principal	Interest	Total
2026	--	\$308,295	\$308,295
2027	\$130,000	303,986	433,986
2028	140,000	295,035	435,035
2029	145,000	285,587	430,587
2030	155,000	275,642	430,642
2031-2035	955,000	1,202,516	2,157,516
2036-2040	1,315,000	829,579	2,144,579
2041-2045	1,810,000	315,588	2,125,588
Total	\$4,650,000	\$3,816,228	\$8,466,228

Source: Bellevue Union School District.

Compensated Absences. Total unpaid employee compensated absences as of June 30, 2025 amounted to \$3,268,612. This amount is included as part of long-term liabilities in the government-wide financial statements.

Investment of District Funds

In accordance with Government Code Section 53600 *et seq.*, the Sonoma County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See "APPENDIX G - SONOMA COUNTY INVESTMENT POLICY AND SUMMARY OF INVESTMENT REPORT."

Effect of State Budget on Revenues

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

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below), the condition of the State economy (which affects total revenue available to the State general fund),

and the annual State budget process. The District cannot predict how education funding may further be changed in the future, or the state of the economy which in turn can impact the amounts of funds available from the State for education funding. See “STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS” below.

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STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

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

State Budgeting for Education Generally

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

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

The Budget Process

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

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

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

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

Available Public Resources

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

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

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

The 2026-27 State Budget

On June 29, 2026, the Governor signed the fiscal year 2026-27 State Budget (the “**2026-27 State Budget**”). The 2026-27 State Budget largely maintains the framework of the Governor’s May Revision to the Proposed 2026-27 State Budget, and is projected to provide for balanced State budgets in both fiscal years 2026-27 and 2027-28, while reducing projected structural deficits in fiscal years 2028-29 and 2029-30.

The 2026-27 State Budget reflects a decrease of \$19.1 billion in General Fund revenues and transfers from fiscal year 2025-26 (\$226.8 billion in fiscal year 2026-27 compared to \$245.8 billion in fiscal year 2025-26), a 7.8% decline driven primarily by a swing in miscellaneous “Other” revenue items (from \$8.6 billion to -\$1.3 billion) and a \$10.7 billion reduction in net transfers from the Budget Stabilization Account. The 2026-27 State Budget also reflects an increase in General Fund expenditures of \$6.2 billion from fiscal year 2025-26 (\$251.5 billion in fiscal year 2026-27 compared to \$245.3 billion in fiscal year 2025-26), primarily reflecting broad spending increases in K-12 education, higher education, and health and human services.

Regarding the State’s reserves and fund balances, the 2026-27 State Budget reverses two years of reserve drawdowns (approximately \$12.2 billion withdrawn from the Budget Stabilization Account, or “Rainy Day Fund,” over the 2024-25 and 2025-26 fiscal years) by including a \$3.6 billion deposit into the Rainy Day Fund in fiscal year 2026-27, bringing its balance to \$15.1 billion. Combined with \$4.5 billion in the Special Fund for Economic Uncertainties and \$9.2 billion in the Public School System Stabilization Account, the 2026-27 State Budget projects combined reserves of \$28.8 billion.

The State budget for fiscal year 2025-26 included numerous spending measures that, at the time, were projected to result in almost \$12 billion in ongoing savings. The 2026-27 State

Budget includes three additional revenue measures that are intended to solidify the State's fiscal structure:

- *Managed Care Organization (MCO) Tax* – A renewal of the MCO Tax effective January 1, 2027, projected to raise \$575 million in fiscal year 2026-27, growing to \$2.3 billion in fiscal years 2027-28 and 2028-29, and \$1.7 billion in fiscal year 2029-30, to support Medi-Cal and targeted provider rate increases.
- *Business Tax Credit Limitation* – An extension of temporary business tax credit limitation for an additional three years, which limits the amount by which carry-over business credits can reduce net tax liability. Beginning in 2030, the 2026-27 State Budget permanently limits the use of business tax credits to the greater of \$5 million or 70% of the tax liability. This is projected to increase State general fund revenues by \$1 billion in fiscal year 2026-27, \$3.3 billion in fiscal year 2027-28, \$4.7 billion in fiscal year 2028-29 and \$4.2 billion in fiscal year 2029-30.
- *Prewritten Software Tax* – An extension of the existing sales tax on tangible prewritten software to electronically delivered prewritten software, projected to increase General Fund revenue by \$450 million in fiscal year 2026-27 and \$900 million annually thereafter.

The 2026-27 State Budget projects total resources available in fiscal year 2025-26 of approximately \$302.5 billion, including revenues and transfers of approximately \$245.8 billion and a prior year balance of approximately \$56.7 billion, and total expenditures in fiscal year 2025-26 of approximately \$245.3 billion. The 2026-27 State Budget projects total resources available for fiscal year 2026-27 of approximately \$284.0 billion, inclusive of revenues and transfers of approximately \$226.8 billion and a prior year balance of approximately \$57.2 billion. The 2026-27 State Budget projects total expenditures in fiscal year 2026-27 of approximately \$251.5 billion, inclusive of non-Proposition 98 expenditures of approximately \$158.5 billion and Proposition 98 expenditures of approximately \$92.9 billion. The 2026-27 State Budget projects a General Fund balance of \$32.5 billion at the end of fiscal year 2026-27, comprising \$28.0 billion in the Reserve for Liquidation of Encumbrances, \$4.5 billion in the State's Special Fund for Economic Uncertainties, \$9.2 billion in the Public School System Stabilization Account, and \$15.1 billion in the Rainy Day Fund.

The 2026-27 State Budget includes total funding of \$151.4 billion for all TK-12 education programs, including \$91.1 billion from the State's General Fund and \$60.3 billion from other funds. The 2026-27 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, educator workforce, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2026-27 State Budget include:

Proposition 98 Minimum Guarantee. The 2026-27 State Budget reflects updated estimates of General Fund revenues, which result in adjustments to the Proposition 98 minimum guarantee. The revised minimum guarantee for TK-14 schools is estimated at \$124.9 billion for fiscal year 2024-25, \$125.3 billion for fiscal year 2025-26, and \$128.1 billion for fiscal year 2026-27, an increase of approximately \$29.2 billion over the three-year period relative to the 2024-25 Budget Act. The minimum guarantee remains in a "Test 1" for all three years, meaning it equals roughly 40% of General Fund revenues plus local property tax revenues, without adjustment for enrollment declines. The Proposition 98

calculation also requires an \$8.3 billion maintenance factor payment in fiscal year 2024-25, fully retiring the Proposition 98 maintenance factor balance. The 2026-27 State Budget maintains a \$3.9 billion settle-up amount in fiscal year 2025-26 to be repaid to TK-14 schools in the 2027 Budget Act if fiscal year 2025-26 revenues hold at current levels, and fully pays the \$1.9 billion settle-up owed for fiscal year 2024-25.

Proposition 98 Rainy Day Fund. The 2026-27 State Budget projects mandatory Proposition 98 Rainy Day Fund deposits of \$8.7 billion across the three-year budget window, plus a discretionary deposit of \$500 million in fiscal year 2025-26, bringing the fund's final balance to \$9.2 billion. The \$9.2 billion balance triggers school district reserve caps beginning in fiscal year 2026-27.

Rebench for Non-Local Educational Agency State Preschool Program. To streamline funding sources, the 2026-27 State Budget shifts non-local educational agencies California State Preschool Program ("**CSPP**") funding from non-Proposition 98 to Proposition 98 General Fund, rebenching the guarantee by shifting \$813 million from the General Fund to Proposition 98 General Fund and increasing the Proposition 98 Guarantee Test 1 percentage from 39.3% to 39.6%.

Local Control Funding Formula. The 2026-27 State Budget includes a statutory LCFF cost-of-living adjustment ("**COLA**") of 2.87%, which, when combined with population growth adjustments, results in approximately \$1.1 billion in additional discretionary funding for local educational agencies relative to the 2025-26 State Budget. An additional \$1.1 billion discretionary "super COLA" brings the total COLA to 4.31%, intended to help manage rising costs, offset declining-enrollment reductions and fund the new paid pregnancy disability leave mandate. The 2026-27 State Budget also includes an ongoing \$31.3 million increase for Necessary Small Schools funding.

Special Education. The 2026-27 State Budget provides a \$2.4 billion increase in special education funding, equalizing the per-student funding rate across all local educational agencies at \$1,340. It also includes \$80 million ongoing for the special extraordinary cost pool and low-incidence disabilities add-on, \$30 million one-time for the Supporting Inclusive Practices Project, \$25 million one-time for the Inclusive College Technical Assistance Center, and \$10 million one-time to support alternative pathways to a high school diploma for students with disabilities.

Student Support and Professional Development Discretionary Block Grant. The 2026-27 State Budget provides \$5 billion one-time Proposition 98 General Fund for the Student Support and Professional Development Discretionary Block Grant in order to address rising costs in addition to funding Statewide priorities including English Language Arts/English Language Development, Mathematics Framework professional development, TK-3 developmentally appropriate instruction training, teacher recruitment and retention, dual enrollment expansion, community school partnerships, and deferred facilities maintenance.

Paid Pregnancy Disability Leave. Beginning January 1, 2027, the 2026-27 State Budget requires all TK-14 schools to provide employees up to 14 weeks of paid pregnancy disability leave, with costs intended to be absorbable within the LCFF "super COLA" discretionary funding described above.

Community Schools. The 2026-27 State Budget provides \$1 billion ongoing Proposition 98 General Fund to expand the community schools model, plus \$50 million for middle/high school redesign, \$15 million and \$13 million for State and regional transformational assistance centers, and \$6 million for the Transforming Together behavioral health initiative. It also includes intent language to provide \$20 million ongoing beginning in fiscal year 2030-31 for county offices of education coordination services.

Literacy and Math Instruction. The 2026-27 State Budget includes a one-time \$350 million extension of the Literacy Coaches and Reading Specialists Grant Program through June 30, 2031, and a one-time \$50 million expansion of the Mathematics Professional Learning Partnership, extending its expiration beyond June 30, 2029.

Teacher Preparation and Professional Development. The 2026-27 State Budget includes nearly \$750 million in new investments, including \$408 million one-time for the Student Teacher Stipend Program plus a \$5,000 stipend for high-need field candidates, \$250 million one-time to continue educator residency programs through 2029-30, \$30 million one-time for the Statewide teacher residency technical assistance center, \$10 million one-time General Fund for the Golden State Teacher Grant Program, \$15 million one-time for the 21st Century California School Leadership Academy, \$10 million one-time for the Pathways to Bilingual Teaching Program, and \$10 million one-time for the Classified School Employee Teacher Credentialing Program. It also funds a \$5 million Statewide transcript review system and offsets the cost with a \$25 increase in the clear teaching credential renewal fee.

Supports for Immigrant Students. The 2026-27 State Budget provides \$100 million one-time for the California's New Americans in Schools program and \$75 million one-time to establish Dream Resource Centers at high schools.

Early Education. The 2026-27 State Budget includes \$250 million one-time for the Universal Prekindergarten Planning & Implementation Grant, \$51.4 million ongoing for CSPP cost-of-care increases, \$33.6 million ongoing to expand CSPP professional development days from 2 to 5, and \$20 million ongoing for the State's Quality Rating and Improvement System.

Other Significant Budget Adjustments. The 2026-27 State Budget includes \$757.3 million one-time for the Learning Recovery Emergency Block Grant, \$500 million one-time for school kitchen infrastructure and training, \$116 million one-time for students experiencing homelessness, \$100 million one-time to increase access to college and career pathways for high school students; \$40 million one-time for reading difficulties risk screening, and \$10 million one-time for Holocaust and genocide education. The 2026-27 State Budget also includes new charter school accountability requirements addressing fraud, oversight, and use of verified data in the renewal process through June 30, 2028.

For the full text of the 2026-27 State Budget, see the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Disclaimer Regarding State Budgets. The execution of State budgets may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2026-27 State Budget, or subsequent State budgets, or future changes (if any) in the budget due to shifts in the economy or other factors, will have on its own finances and operations. However, the Bonds described herein are secured by *ad valorem* property taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

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

Legal Challenges to State Funding of Education

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

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CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

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

Constitutionally Required Funding of Education

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

Article XIII A of the California Constitution

Basic Property Tax Levy. On June 6, 1978, 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* property tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* property taxes may be levied to pay debt service on (a) indebtedness approved by the voters prior to July 1, 1978, (b) (as a result of an amendment to Article XIII A approved by State voters on June 3, 1986) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (c) (as a result of an amendment to Article XIII A approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the District, but only if certain accountability measures are included in the proposition. 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.

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

among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

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

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

Article XIII B of the California Constitution

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

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

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

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

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

Unitary Property

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

Articles XIIC and XIID of the California Constitution

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

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

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

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

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

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

Proposition 98

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

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

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

Proposition 111

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

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

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

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

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

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

School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (a) 40.9% of State 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, schools will receive the greater of (a) the first test, (b) the second test, or (c) a third test, which will replace the second test in any year when growth in *per capita* State general fund revenues from the prior year is less than the annual growth in State *per capita* personal income (the “**third test**”). Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and *per capita* State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a “credit” to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

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

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

Proposition 1A and Proposition 22

On November 2, 2004, State voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (a) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (b) shift property taxes from local governments to schools or community colleges, (c) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature or (d) decrease Vehicle License Fee revenues without providing local governments with equal

replacement funding. Under Proposition 1A, beginning, in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (a) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (b) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

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

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

Proposition 30 and Proposition 55

The Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment, also known as “**Proposition 30**”, temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax was levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases for such period the marginal personal income tax rate by: (a) 1% for taxable income over \$250,000 but less than \$300,000 for single filers (over \$340,000 but less than \$408,000 for head of household filers and over \$500,000 but less than \$600,000 for joint filers), (b) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$408,000 but less than \$680,000 for head of household filers and over \$600,000 but less than \$1,000,000 for joint filers), and (c) 3% for taxable income over

\$500,000 for single filers (over \$680,000 for head of household filers and over \$1,000,000 for joint filers). Proposition 55 (described below) extended said increases to personal income rates through the end of 2030.

The revenues generated from the temporary tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See “Proposition 98” and “Proposition 111” above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the “EPA”). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

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

California Senate Bill 222

Senate Bill 222 (“**SB 222**”) was signed by the California Governor on July 13, 2015, and became effective on January 1, 2016. SB 222 amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter approved general obligation bonds which are secured by *ad valorem* property tax collections are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect of SB 222 is the treatment of general obligation bonds, such as the Bonds, as secured debt in bankruptcy due to the existence of a statutory lien.

Proposition 19

On November 3, 2020, State voters approved Proposition 19, a legislatively referred constitutional amendment (“**Proposition 19**”), which amends Article XIII A to (i) expand as of April 1, 2021 special rules that govern the transfer of a residential property’s tax base value to a replacement residence for homeowners that are over the age of 55, severely disabled, or whose property has been impacted by wildfire or natural disaster, when they buy a different home anywhere within the State, (ii) narrows as of February 16, 2021 existing special rules for the

valuation of inherited real property due to a transfer between family members, and (iii) allocates most resulting State revenues and savings (if any) to fire protection services and reimbursing local governments for taxation-related changes. The District cannot predict whether the implementation of Proposition 19 will increase, decrease or have no overall impact on the District's assessed values.

Proposition 2 (2024)

The Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair and Safety Bond Act of 2024, also known as "Proposition 2", was approved by State voters at the November 5, 2024 statewide election, and authorizes the sale and issuance of \$10 billion in State general obligation bonds for the repair, upgrade and construction of facilities at K-12 public schools (including charter schools), community colleges and career technical education programs, including the improvement of health and safety conditions and classroom upgrades.

Proposition 2 includes \$3.3 billion for the construction of new K-12 facilities and an additional \$4 billion for the modernization of existing K-12 facilities. Up to 10% of the allocation for new constructions and modernization will be reserved for school districts with an enrollment of fewer than 2,501 students. Of the \$4 billion assigned for modernization of existing K-12 facilities, up to \$115 million will be allocated for the remediation of lead in water at school facilities. Generally, K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. However, some districts that have lower assessed property values and meet certain other socio-economic criteria will be required to pay as low as 45% and 35% of new construction costs and modernization costs, respectively. 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). The State will award funds to technical education and charter school through an application process, and charter schools must be deemed financially sound before project approval.

Future Initiatives

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

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APPENDIX B

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT
FOR FISCAL YEAR ENDED JUNE 30, 2025**

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BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT

AUDIT REPORT
JUNE 30, 2025



BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
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JUNE 30, 2025

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FINANCIAL SECTION

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTSIndependent Auditors' Report

Governing Board
Bellevue Union Elementary School District
Santa Rosa, California

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bellevue Union Elementary School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Bellevue Union Elementary School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bellevue Union Elementary School District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter*Change in Accounting Principle*

As described in Note 1 to the financial statements, the Howell Mountain Elementary School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

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.

Responsibilities of Management for the Financial Statements, (continued)

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 Bellevue Union Elementary School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2026 on our consideration of the Bellevue Union Elementary School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bellevue Union Elementary School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bellevue Union Elementary School District's internal control over financial reporting and compliance.

Christy White, Inc.

San Diego, California
January 26, 2026

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

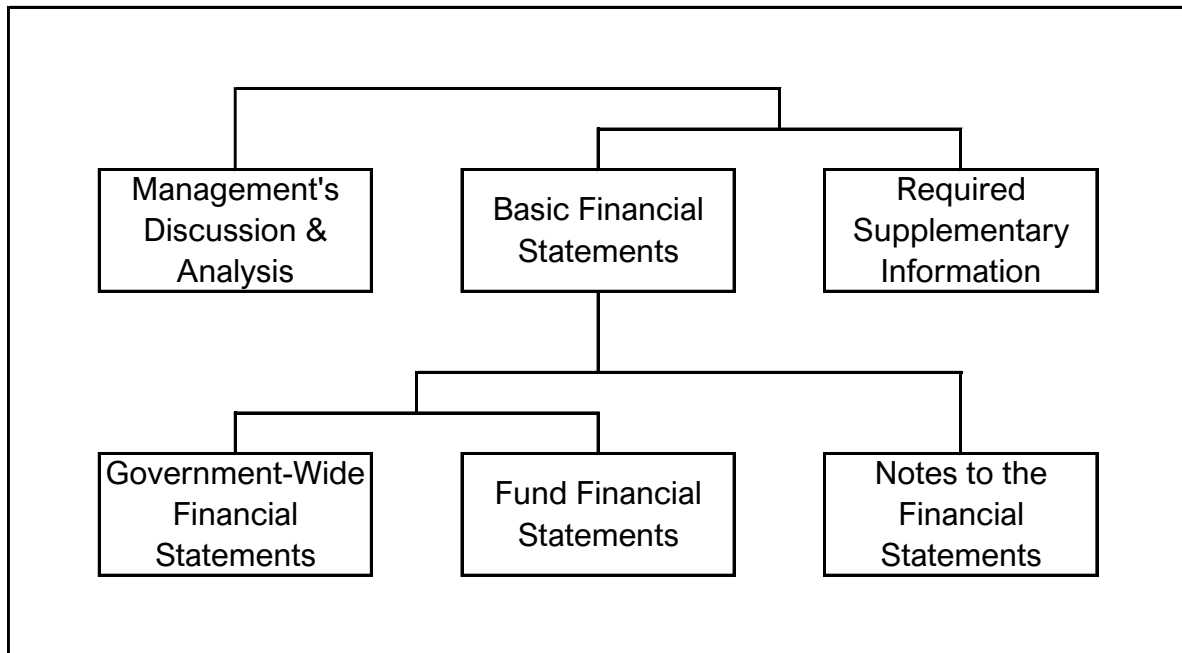
Our discussion and analysis of Bellevue Union Elementary School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

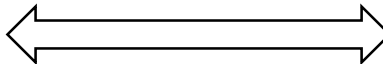
- The District's net position was \$9,412,428 at June 30, 2025. This was a decrease of \$5,567,514 from the prior year, after restatement.
- Overall revenues were \$43,469,087, which were exceeded by expenses of \$49,036,601.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financial Section



Summary



Detail

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

OVERVIEW OF FINANCIAL STATEMENTS (continued)

Components of the Financial Section (continued)

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

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

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

Government-Wide Statements

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

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

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was \$9,412,428 at June 30, 2025, as reflected in the table below. Of this amount, \$(12,014,949) was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2025	2024	Net Change
ASSETS			
Current and other assets	\$ 36,492,939	\$ 39,731,006	\$ (3,238,067)
Capital assets	58,269,796	57,209,495	1,060,301
Total Assets	94,762,735	96,940,501	(2,177,766)
DEFERRED OUTFLOWS OF RESOURCES	10,992,672	10,279,694	712,978
LIABILITIES			
Current liabilities	7,983,274	5,638,957	2,344,317
Long-term liabilities	86,595,409	81,909,078	4,686,331
Total Liabilities	94,578,683	87,548,035	7,030,648
DEFERRED INFLOWS OF RESOURCES	1,764,296	1,611,375	152,921
NET POSITION			
Net investment in capital assets	3,065,944	11,500,435	(8,434,491)
Restricted	18,361,433	19,683,070	(1,321,637)
Unrestricted	(12,014,949)	(13,122,720)	1,107,771
Total Net Position	\$ 9,412,428	\$ 18,060,785	\$ (8,648,357)

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

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

	Governmental Activities		
	2025	2024	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 228,439	\$ 312,951	\$ (84,512)
Operating grants and contributions	11,352,647	16,188,717	(4,836,070)
General revenues			
Property taxes	16,229,892	16,297,516	(67,624)
Unrestricted federal and state aid	13,043,094	12,914,097	128,997
Other	2,615,015	1,762,460	852,555
Total Revenues	43,469,087	47,475,741	(4,006,654)
EXPENSES			
Instruction	23,267,736	24,936,738	(1,669,002)
Instruction-related services	2,715,062	2,758,639	(43,577)
Pupil services	7,430,697	7,393,935	36,762
General administration	6,654,079	2,225,673	4,428,406
Plant services	2,544,366	3,919,345	(1,374,979)
Ancillary and community services	676,489	697,888	(21,399)
Debt service	3,124,118	2,301,579	822,539
Other outgo	339,374	296,497	42,877
Depreciation	2,284,680	1,929,504	355,176
Total Expenses	49,036,601	46,459,798	2,576,803
Change in net position	(5,567,514)	1,015,943	(6,583,457)
Net Position - Beginning, as Restated*	14,979,942	17,044,842	(2,064,900)
Net Position - Ending	\$ 9,412,428	\$ 18,060,785	\$ (8,648,357)

**Beginning net position was restated for the 2025 year only.*

The cost of all our governmental activities this year was \$49,036,601 (refer to the table above). The amount that our taxpayers ultimately financed for these activities through taxes was \$16,229,892 because a portion of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

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

	Net Cost of Services	
	2025	2024
Instruction	\$ 16,072,118	\$ 14,697,763
Instruction-related services	2,674,624	2,523,091
Pupil services	4,305,082	3,267,919
General administration	6,496,402	1,722,762
Plant services	2,459,001	3,435,124
Ancillary and community services	(9,157)	2,839
Debt service	3,124,118	2,301,579
Transfers to other agencies	48,647	77,549
Depreciation	2,284,680	1,929,504
Total	\$ 37,455,515	\$ 29,958,130

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$31,117,591 which is less than last year's ending fund balance of \$36,568,456. The District's General Fund had \$6,247,748 less in operating revenues than expenditures for the year ended June 30, 2025 and \$4,659,174 from other financing sources. The District's Building Fund had \$3,096,131 less in operating revenues than expenditures. The District's Bond Interest and Redemption Fund had \$1,247,464 less in operating revenues than expenditures.

CURRENT YEAR BUDGET 2024-2025

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

By the end of 2024-2025 the District had invested \$58,269,796 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2025	2024	Net Change
CAPITAL ASSETS			
Land	\$ 4,316,397	\$ 4,316,397	\$ -
Construction in progress	3,332,275	-	3,332,275
Land improvements	9,239,907	9,239,907	-
Buildings & improvements	67,684,379	67,684,379	-
Furniture & equipment	1,387,763	1,375,057	12,706
Less: Accumulated depreciation	(27,690,925)	(25,406,245)	(2,284,680)
Total	\$ 58,269,796	\$ 57,209,495	\$ 1,060,301

Long-Term Liabilities

At year-end, the District had \$86,595,409 in long-term liabilities, an increase of 1.89% from last year's restated balance – as shown in the table below. More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.

	Governmental Activities		
	2025	2024	Net Change
LONG-TERM LIABILITIES			
Total general obligation bonds	\$ 58,355,362	\$ 61,418,353	\$ (3,062,991)
Judgement obligation bonds	4,650,000	-	4,650,000
Compensated absences*	3,268,612	3,251,801	16,811
Net pension liability	22,138,633	22,057,135	81,498
Less: current portion of long-term liabilities	(1,817,198)	(1,737,368)	(79,830)
Total	\$ 86,595,409	\$ 84,989,921	\$ 1,605,488

**Compensated Absences for 2024 was restated in order to record the District's compensated absences in accordance with GASB Statement No. 101 which supersedes GASB Statement No. 16 for the year ended June 30, 2025.*

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Several economic and fiscal factors could influence the District's financial condition in the coming year, including continued enrollment declines, uncertain Federal and State revenues, high pension obligations, and a cooling California economy.

Long-Term Declining Enrollment

California's K–12 system continues to experience enrollment decline. Statewide enrollment fell another 0.5% in 2024–25 to about 5.8 million students, roughly 420,000 fewer than a decade ago. The Department of Finance projects an additional 586,000-student decline by 2033–34. Lower birth rates, high housing costs, and out-migration are key drivers, along with growing competition from charter and private schools. Because many costs—such as staffing and facilities—cannot easily adjust, revenue loss from declining Average Daily Attendance (ADA) creates structural fiscal challenges that require multi-year planning.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)

Revenue Uncertainties

- **Status of Proposition 98:** The 2025–26 State Budget sets the Proposition 98 guarantee at \$114.6 billion, slightly below earlier projections. To maintain K–12 funding commitments amid weaker tax receipts, the State relied on reserve drawdowns, internal borrowing, and limited deferrals. The outlook remains fragile since Proposition 98 revenues are highly sensitive to income-tax and capital-gains fluctuations. A market slowdown could trigger future adjustments. The Legislative Analyst's Office urges districts to budget cautiously and preserve flexibility given ongoing volatility.
- **Federal Funding Uncertainties:** Federal funding for K–12 education remains uncertain heading into 2025–26. Several large federal programs—including Title I, Title II, IDEA, and after-school and enrichment grants—face potential reductions or delays under current federal budget proposals and continuing appropriations negotiations. The U.S. Department of Education has also paused or delayed disbursement of certain previously approved formula and competitive grants, creating short-term cash-flow and planning challenges for districts. Analyses by nonpartisan agencies such as the Congressional Budget Office and the Learning Policy Institute note that up to \$5–6 billion in K-12 formula funds nationwide remain at risk of reduction or deferral if congressional appropriations are not finalized. While districts are expected to continue receiving baseline allocations during temporary funding resolutions, long-term federal support levels for education could decline modestly in real terms, requiring districts to plan for possible funding interruptions or reductions in future years.

Pension Liabilities and Employer Rates

The District participates in CalSTRS and CalPERS, both of which remain underfunded and continue to exert upward pressure on budgets. For 2025–26, the CalSTRS employer rate is 19.10%, and the CalPERS Schools Pool rate is 26.81%. These elevated rates—well above pre-2014 levels—will likely persist through the decade as both systems address unfunded liabilities. Districts must continue to account for escalating pension costs in long-range projections.

Economic and Market Conditions

California's economy has cooled following its post-pandemic rebound. High interest rates, weaker venture investment, and commercial-real-estate softness have slowed growth, especially in tech-dependent regions. The UCLA Anderson Forecast (Fall 2025) expects subdued growth into 2026, with unemployment near 5%. Inflation has eased, but interest-rate uncertainty continues to constrain housing and business investment. Because the State's tax base depends heavily on capital-gains income, stock-market volatility remains a major risk to General Fund and Proposition 98 revenues. Fiscal advisors therefore recommend that districts maintain prudent reserves and avoid long-term commitments based on one-time revenue gains.

Summary

Declining enrollment, volatile revenues, persistent pension costs, and broader economic uncertainty all contribute to a challenging fiscal environment for California school districts. The District's 2025–26 budget reflects these conditions through conservative revenue assumptions, strong reserves, and continued monitoring of State fiscal trends.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Business Department, Bellevue Union Elementary School District, 3150 Education Drive, Santa Rosa, CA 95407.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 33,378,891
Accounts receivable	3,114,048
Capital assets:	
Capital assets, not depreciated	7,648,672
Capital assets, net of accumulated depreciation	50,621,124
Total Assets	<u>94,762,735</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	10,699,116
Deferred amount on refunding	293,556
Total Deferred Outflows of Resources	<u>10,992,672</u>
LIABILITIES	
Accrued liabilities	5,531,192
Unearned revenue	634,884
Long-term liabilities, current portion	1,817,198
Long-term liabilities, non-current portion	86,595,409
Total Liabilities	<u>94,578,683</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	1,643,979
Deferred amount on refunding	120,317
Total Deferred Inflows of Resources	<u>1,764,296</u>
NET POSITION	
Net investment in capital assets	3,065,944
Restricted:	
Capital projects	3,589,360
Debt service	7,006,531
Educational programs	6,012,483
Food service	1,753,059
Unrestricted	(12,014,949)
Total Net Position	<u>\$ 9,412,428</u>

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Function/Programs	Expenses	Program Revenues		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenues and Changes in Net Position
GOVERNMENTAL ACTIVITIES				Governmental Activities
Instruction	\$ 23,267,736	\$ 114,254	\$ 7,081,364	\$ (16,072,118)
Instruction-related services				
Instructional supervision and administration	372,332	-	-	(372,332)
School site administration	2,342,730	7,553	32,885	(2,302,292)
Pupil services				
Home-to-school transportation	1,816,200	9,093	179,568	(1,627,539)
Food services	1,770,317	-	2,076,256	305,939
All other pupil services	3,844,180	84,453	776,245	(2,983,482)
General administration				
All other general administration	6,654,079	1,752	155,925	(6,496,402)
Plant services	2,544,366	-	85,365	(2,459,001)
Ancillary services	63,598	-	72,756	9,158
Community services	612,891	-	612,890	(1)
Interest on long-term debt	3,124,118	-	-	(3,124,118)
Other outgo	339,374	11,334	279,393	(48,647)
Depreciation (unallocated)	2,284,680	-	-	(2,284,680)
Total Governmental Activities	\$ 49,036,601	\$ 228,439	\$ 11,352,647	(37,455,515)
General revenues				
Taxes and subventions				
Property taxes, levied for general purposes				12,250,602
Property taxes, levied for debt service				3,786,151
Property taxes, levied for other specific purposes				193,139
Federal and state aid not restricted for specific purposes				13,043,094
Interest and investment earnings				1,517,409
Miscellaneous				1,097,606
Subtotal, General Revenue				31,888,001
CHANGE IN NET POSITION				(5,567,514)
Net Position - Beginning, as Restated				14,979,942
Net Position - Ending				\$ 9,412,428

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2025

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 11,863,807	\$ 8,104,013	\$ 7,797,259	\$ 5,613,812	\$ 33,378,891
Accounts receivable	2,454,593	161,533	-	497,922	3,114,048
Due from other funds	37,469	-	-	-	37,469
Total Assets	\$ 14,355,869	\$ 8,265,546	\$ 7,797,259	\$ 6,111,734	\$ 36,530,408
LIABILITIES					
Accrued liabilities	\$ 3,671,975	\$ 637,275	\$ -	\$ 431,214	\$ 4,740,464
Due to other funds	-	-	-	37,469	37,469
Unearned revenue	415,614	-	-	219,270	634,884
Total Liabilities	4,087,589	637,275	-	687,953	5,412,817
FUND BALANCES					
Nonspendable	2,500	-	-	1,000	3,500
Restricted	5,932,121	7,628,271	7,797,259	5,422,781	26,780,432
Assigned	3,128,134	-	-	-	3,128,134
Unassigned	1,205,525	-	-	-	1,205,525
Total Fund Balances	10,268,280	7,628,271	7,797,259	5,423,781	31,117,591
Total Liabilities and Fund Balances	\$ 14,355,869	\$ 8,265,546	\$ 7,797,259	\$ 6,111,734	\$ 36,530,408

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET
POSITION
JUNE 30, 2025

Total Fund Balance - Governmental Funds **\$ 31,117,591**

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

Capital assets:

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

Capital assets	\$ 85,960,721	
Accumulated depreciation	<u>(27,690,925)</u>	58,269,796

Deferred amount on refunding:

In governmental funds, the net effect of refunding bonds is recognized when debt is issued, whereas this amount is deferred and amortized in the government-wide financial statements:

173,239

Unmatured interest on long-term debt:

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

(790,728)

Long-term liabilities:

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

Total general obligation bonds	\$ 58,355,362	
Judgement obligation bonds	4,650,000	
Compensated absences	3,268,612	
Net pension liability	<u>22,138,633</u>	(88,412,607)

Deferred outflows and inflows of resources relating to pensions:

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

Deferred outflows of resources related to pensions	\$ 10,699,116	
Deferred inflows of resources related to pensions	<u>(1,643,979)</u>	9,055,137

Total Net Position - Governmental Activities	\$	<u>9,412,428</u>
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BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
LCFF sources	\$ 24,260,075	\$ -	\$ -	\$ -	\$ 24,260,075
Federal sources	1,432,374	-	-	1,329,253	2,761,627
Other state sources	7,235,382	-	11,271	1,972,834	9,219,487
Other local sources	3,093,389	492,944	4,863,506	345,219	8,795,058
Total Revenues	36,021,220	492,944	4,874,777	3,647,306	45,036,247
EXPENDITURES					
Current					
Instruction	23,722,096	-	-	1,305,240	25,027,336
Instruction-related services					
Instructional supervision and administration	380,786	-	-	-	380,786
School site administration	2,483,670	-	-	-	2,483,670
Pupil services					
Home-to-school transportation	1,816,200	-	-	-	1,816,200
Food services	46,724	-	-	1,687,778	1,734,502
All other pupil services	4,015,829	-	-	-	4,015,829
General administration					
All other general administration	6,675,141	-	-	37,469	6,712,610
Plant services	2,216,315	-	-	13,692	2,230,007
Facilities acquisition and construction	-	3,589,075	-	-	3,589,075
Ancillary services	71,428	-	-	-	71,428
Community services	612,891	-	-	-	612,891
Transfers to other agencies	69,152	-	-	112,649	181,801
Debt service					
Principal	1,163	-	3,443,837	-	3,445,000
Interest and other	157,573	-	2,678,404	-	2,835,977
Total Expenditures	42,268,968	3,589,075	6,122,241	3,156,828	55,137,112
Excess (Deficiency) of Revenues					
Over Expenditures	(6,247,748)	(3,096,131)	(1,247,464)	490,478	(10,100,865)
Other Financing Sources (Uses)					
Transfers in	9,174	-	-	-	9,174
Other sources	4,650,000	-	-	-	4,650,000
Transfers out	-	-	-	(9,174)	(9,174)
Net Financing Sources (Uses)	4,659,174	-	-	(9,174)	4,650,000
NET CHANGE IN FUND BALANCE	(1,588,574)	(3,096,131)	(1,247,464)	481,304	(5,450,865)
Fund Balance - Beginning	11,856,854	10,724,402	9,044,723	4,942,477	36,568,456
Fund Balance - Ending	\$ 10,268,280	\$ 7,628,271	\$ 7,797,259	\$ 5,423,781	\$ 31,117,591

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

Net Change in Fund Balances - Governmental Funds \$ (5,450,865)

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

Capital outlay:

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

Expenditures for capital outlay:	\$	3,344,981	
Depreciation expense:		(2,284,680)	1,060,301

Debt service:

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 3,445,000

Debt proceeds:

In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount, were: (4,650,000)

Deferred amounts on refunding:

In governmental funds, deferred amounts on refunding are recognized in the period they are incurred. In the government-wide statements, the deferred amounts on refunding are amortized over the life of the debt. The net effect of the deferred amounts on refunding during the period was: (12,016)

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was: (51,689)

(continued on the next page)

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES, continued
FOR THE YEAR ENDED JUNE 30, 2025**

Accreted interest on long-term debt:

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

(519,891)

Compensated absences:

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

(16,811)

Pensions:

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

490,575

Amortization of debt issuance premium or discount:

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

137,882

Change in Net Position of Governmental Activities

\$ (5,567,514)

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

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

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

B. Component Units

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

C. Basis of Presentation

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

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

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

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Major Governmental Funds

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

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. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code Section 17462*) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code Section 41003*).

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

Non-Major Governmental Funds

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

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 38090–38093*). The Cafeteria Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code Sections 38091 and 38100*).

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

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

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

County School Facilities Fund: This fund is established pursuant to *Education Code Section 17070.43* to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), or the 2004 State School Facilities Fund (Proposition 55) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code Section 17070 et seq.*).

D. Basis of Accounting – Measurement Focus

Government-Wide Financial Statements

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

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

Governmental Funds

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

Revenues – Exchange and Non-Exchange Transactions

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

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

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

Unearned Revenue

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

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

Expenses/Expenditures

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Cash and Cash Equivalents

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

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

Inventories

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

Capital Assets

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

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

Depreciation is computed using the straight-line method over an estimated useful life of 5 to 50 years depending on the asset class.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Interfund Balances

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

Compensated Absences

In accordance with GASB Statement No. 101, Compensated Absences, accumulated unpaid employee vacation and sick leave benefits are accrued as a liability in the government-wide financial statements as the benefits are earned, provided they accumulate and are more likely than not to be used or paid. The measurement of this liability includes estimated salary amounts and the employer's share of related taxes and benefits, as applicable, that are directly related to these compensated absences.

For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. For accumulated sick leave benefits, a liability is recognized for the portion that employees have earned and that are more likely than not to be used or paid. The District's policy for sick leave recognition aligns with this criterion, accruing the liability based on historical usage patterns and other relevant factors.

Accrued Liabilities and Long-Term Obligations

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

Premiums and Discounts

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

Deferred Outflows/Deferred Inflows of Resources

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

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Pensions

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

Fund Balance

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

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

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

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

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

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Balance (continued)

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

F. Interfund Activity

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

G. Estimates

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

H. Budgetary Data

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

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

I. Property Tax

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. New Accounting Pronouncements

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023. The District has implemented this Statement as of June 30, 2025.

GASB Statement No. 102 – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This statement is effective for periods beginning after June 15, 2024. The District has implemented this Statement as of June 30, 2025.

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

GASB Statement No. 104 – In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The statement is effective for periods beginning after June 15, 2025. The District has not yet determined the impact on the financial statements.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	Governmental Activities
Investment in county treasury	\$ 33,319,953
Fair value adjustment	(11,713)
Cash on hand and in banks	67,151
Cash with fiscal agent	3,500
Total	\$ 33,378,891

B. Policies and Practices

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

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 2 – CASH AND INVESTMENTS (continued)

C. General Authorizations

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

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

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of \$33,308,240. The average weighted maturity for this pool is 732 days.

E. Credit Risk

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 2 – CASH AND INVESTMENTS (continued)

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2025, the District's bank balance was not exposed to custodial credit risk.

G. Fair Value

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

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

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

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

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

The District's fair value measurements at June 30, 2025 were as follows:

	<u>Uncategorized</u>
Investment in county treasury	<u>\$ 33,308,240</u>
Total	<u>\$ 33,308,240</u>

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025 consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	Governmental Activities
Federal Government				
Categorical aid	\$ 641,359	\$ -	\$ 295,520	\$ 936,879
State Government				
Apportionment	393,930	-	-	393,930
Categorical aid	100,438	-	159,747	260,185
Lottery	243,502	-	-	243,502
Local Government				
Other local sources	1,075,364	161,533	42,655	1,279,552
Total	\$ 2,454,593	\$ 161,533	\$ 497,922	\$ 3,114,048

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 01, 2024	Additions	Deletions	Balance June 30, 2025
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 4,316,397	\$ -	\$ -	\$ 4,316,397
Construction in progress	-	3,332,275	-	3,332,275
Total capital assets not being depreciated	4,316,397	3,332,275	-	7,648,672
Capital assets being depreciated				
Land improvements	9,239,907	-	-	9,239,907
Buildings & improvements	67,684,379	-	-	67,684,379
Furniture & equipment	1,375,057	12,706	-	1,387,763
Total capital assets being depreciated	78,299,343	12,706	-	78,312,049
Less: Accumulated depreciation				
Land improvements	5,542,063	518,844	-	6,060,907
Buildings & improvements	18,842,081	1,698,176	-	20,540,257
Furniture & equipment	1,022,101	67,660	-	1,089,761
Total accumulated depreciation	25,406,245	2,284,680	-	27,690,925
Total capital assets being depreciated, net	52,893,098	(2,271,974)	-	50,621,124
Governmental Activities				
Capital Assets, net	\$ 57,209,495	\$ 1,060,301	\$ -	\$ 58,269,796

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 5 – INTERFUND TRANSACTIONS

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

Individual interfund receivable and payable balances at June 30, 2025 were as follows:

	Due To Other Funds	Due From Other Funds	
		General Fund	Total
Non-Major Governmental Funds		37,469	37,469
Total		\$ 37,469	\$ 37,469

Due from the Child Development Fund to the General Fund for 24/25 indirect cost charge.	\$ 942
Due from the Cafeteria Fund to the General Fund for 24/25 indirect cost charge.	34,060
Due from the Capital Facilities Fund to the General fund for 3% development fees.	2,467
Total	\$ 37,469

B. Operating Transfers

During the year ended June 30, 2025, the Cafeteria Fund transferred \$9,174 to the General Fund for indirect costs.

NOTE 6 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2025 consisted of the following:

	General Fund	Building Fund	Non-Major Governmental Funds	District-Wide	Governmental Activities
Payroll	\$ 417,989	\$ -	\$ 7,514	\$ -	\$ 425,503
Construction	-	637,275	-	-	637,275
Vendors payable	2,473,734	-	423,700	-	2,897,434
Unmatured interest	-	-	-	790,728	790,728
Due to grantor government	780,252	-	-	-	780,252
Total	\$ 3,671,975	\$ 637,275	\$ 431,214	\$ 790,728	\$ 5,531,192

NOTE 7 – UNEARNED REVENUE

Unearned revenue at June 30, 2025 consisted of the following:

	General Fund	Non-Major Governmental Funds	Governmental Activities
Federal sources	\$ 243,048	\$ 37,971	\$ 281,019
State categorical sources	172,566	181,299	353,865
Total	\$ 415,614	\$ 219,270	\$ 634,884

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 8 – LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the year ended June 30, 2025 consisted of the following:

	Restated Balance July 01, 2024	Additions	Deductions	Balance June 30, 2025	Balance Due In One Year
Governmental Activities					
General obligation bonds	\$ 58,040,646	\$ 519,891	\$ 3,445,000	\$ 55,115,537	\$ 1,210,000
Unamortized premium	3,377,707	-	137,882	3,239,825	137,882
Total general obligation bonds	61,418,353	519,891	3,582,882	58,355,362	1,347,882
Judgement obligation bonds	-	4,650,000	-	4,650,000	-
Compensated absences*	3,251,801	16,811	-	3,268,612	469,316
Net pension liability	22,057,135	81,498	-	22,138,633	-
Total	\$ 86,727,289	\$ 5,268,200	\$ 3,582,882	\$ 88,412,607	\$ 1,817,198

*The change in the compensated absences liability is presented as a net change.

- Payments for general obligation bonds are made in the Bond Interest and Redemption Fund.
- Payments for the Judgment Obligation Bonds are made in the General Fund.

A. Compensated Absences

The restated beginning total unpaid employee compensated absences was \$3,251,801 and increased by a net amount of \$16,811 during the year ended June 30, 2025. The ending compensated absences at June 30, 2025 amounted to \$3,268,612. This amount is included as part of long-term liabilities in the government-wide financial statements.

B. General Obligation Bonds

The outstanding general obligation debt of the District at June 30, 2025 is:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 01, 2024	Additions	Deductions	Bonds Outstanding June 30, 2025
2000 CAB	2000	2024	5.4% - 6.3%	\$ 2,976,210	\$ 2,320,000	\$ -	\$ 2,320,000	\$ -
2011 Series A	2012	2036	0.11%	378,528	1,512,225	175,536	-	1,687,761
2011 Series B	2012	2029	5.00%	4,350,000	4,350,000	-	-	4,350,000
2011 Series C	2012	2042	6.94% - 7.25%	774,040	942,073	66,609	-	1,008,682
2014 Series B	2016	2046	2.00% - 4.00%	7,800,000	7,165,000	-	160,000	7,005,000
2017 Refunding	2018	2042	2.00% - 4.06%	5,946,811	5,057,987	-	485,000	4,572,987
2008, Series D	2018	2043	3.00% - 4.31%	6,996,915	7,993,361	37,854	-	8,031,215
2020, Series A	2020	2050	3.125% - 5.00%	9,000,000	7,070,000	-	30,000	7,040,000
2020, Series B	2022	2052	0.23% - 4.00%	8,475,000	7,385,000	239,892	-	7,624,892
2022 Refunding	2022	2045	2.7% - 3.7%	3,770,000	3,720,000	-	-	3,720,000
2020, Series C	2024	2054	5.00%	10,525,000	10,525,000	-	450,000	10,075,000
					\$ 58,040,646	\$ 519,891	\$ 3,445,000	\$ 55,115,537

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 8 – LONG-TERM LIABILITIES (continued)

B. General Obligation Bonds (continued)

The annual requirements to amortize all general obligation bonds outstanding at June 30, 2025 were as follows:

Year Ended June 30,	General obligation bonds		
	Principal	Interest	Total
2026	\$ 1,210,000	\$ 1,872,516	\$ 3,082,516
2027	875,000	1,831,056	2,706,056
2028	965,000	1,795,721	2,760,721
2029	5,535,000	1,644,686	7,179,686
2030	1,630,000	1,480,774	3,110,774
2031 - 2035	6,445,843	10,335,389	16,781,232
2036 - 2040	7,963,823	11,448,027	19,411,850
2041 - 2045	10,246,858	8,262,083	18,508,941
2046 - 2050	8,150,000	2,977,325	11,127,325
2051 - 2055	8,620,000	882,675	9,502,675
Accretion	3,474,013	(3,474,013)	-
Total	\$ 55,115,537	\$ 39,056,239	\$ 94,171,776

C. Judgement Obligation Bonds

The outstanding judgement obligation debt of the District at June 30, 2025 is:

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Outstanding July 01, 2024	Additions	Deductions	Outstanding June 30, 2025
Series 2024	2024	2044	6.63%	\$4,650,000	\$ -	\$ 4,650,000	\$ -	\$ 4,650,000
					\$ -	\$ 4,650,000	\$ -	\$ 4,650,000

The annual requirements to amortize the judgement obligation bonds outstanding at June 30, 2025 were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ -	\$ 308,295	\$ 308,295
2027	130,000	303,986	433,986
2028	140,000	295,035	435,035
2029	145,000	285,587	430,587
2030	155,000	275,642	430,642
2031 - 2035	955,000	1,202,516	2,157,516
2036 - 2040	1,315,000	829,579	2,144,579
2041 - 2045	1,810,000	315,588	2,125,588
	\$4,650,000	\$3,816,228	\$8,466,228

D. Net Pension Liability

The District's beginning net pension liability was \$22,057,135 and increased by \$81,498 during the year ended June 30, 2025. The ending net pension liability at June 30, 2025 was \$22,138,633. See Note 10 for additional information regarding the net pension liability.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 9 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2025:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable					
Revolving cash	\$ 2,500	\$ -	\$ -	\$ 1,000	\$ 3,500
Total non-spendable	2,500	-	-	1,000	3,500
Restricted					
Educational programs	5,932,121	-	-	80,362	6,012,483
Food service	-	-	-	1,753,059	1,753,059
Capital projects	-	7,628,271	-	3,589,360	11,217,631
Debt service	-	-	7,797,259	-	7,797,259
Total restricted	5,932,121	7,628,271	7,797,259	5,422,781	26,780,432
Assigned					
Other Assignments	3,128,134	-	-	-	3,128,134
Total assigned	3,128,134	-	-	-	3,128,134
Unassigned	1,205,525	-	-	-	1,205,525
Total	\$ 10,268,280	\$ 7,628,271	\$ 7,797,259	\$ 5,423,781	\$ 31,117,591

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to no less than 3 percent of General Fund expenditures and other financing uses.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS

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

	Net pension liability	Deferred outflows related to pensions	Deferred inflows related to pensions	Pension expense
CalSTRS Pension	\$ 11,482,854	\$ 6,122,786	\$ 1,483,346	\$ 1,307,259
CalPERS Pension	10,655,779	4,576,330	160,633	2,017,755
Total	\$ 22,138,633	\$ 10,699,116	\$ 1,643,979	\$ 3,325,014

A. California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate annual comprehensive financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, P.O. Box 15275, Sacramento, CA 95851-0275.

Benefits Provided

The CalSTRS defined benefit plan has two benefit formulas:

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

Contributions

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2025, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2025 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were \$2,243,471 for the year ended June 30, 2025.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS (continued)

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

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately \$1,063,793 to CalSTRS.

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

At June 30, 2025, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	11,482,854
State's proportionate share of the net pension liability associated with the District		5,268,455
Total	\$	16,751,309

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023 and rolling forward the total pension liability to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District's proportion was 0.017 percent, which increased 0.001 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$1,307,259. In addition, the District recognized pension expense and revenue of \$(503,367) for support provided by the State. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	\$ -	\$ 46,333
Differences between expected and actual experience	1,298,859	502,139
Changes in assumptions	50,265	784,239
Changes in proportion and differences between District contributions and proportionate share of contributions	2,530,191	150,635
District contributions subsequent to the measurement date	2,243,471	-
Total	\$ 6,122,786	\$ 1,483,346

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – 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)

The \$2,243,471 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2026	\$ 811,866	\$ 1,263,888
2027	811,865	(671,296)
2028	786,732	329,630
2029	605,614	299,368
2030	516,677	130,622
2031	346,561	131,134
Total	\$ 3,879,315	\$ 1,483,346

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2021 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS (continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance–PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2024 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, 2024, are summarized in the following table:

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

*Real return is net of assumed 2.75% inflation.

Discount Rate

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

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

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	\$ 20,424,241	\$ 11,482,854	\$ 4,016,426

Pension Plan Fiduciary Net Position

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS)

Plan Description

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

Benefits Provided

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

Contributions

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

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2025 was 27.05% of annual payroll. Contributions to the plan from the District were \$1,572,118 for the year ended June 30, 2025.

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

At June 30, 2025, the District reported a liability of \$10,655,779 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023 and rolling forward the total pension liability to June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District's proportion was 0.030 percent, which increased 0.003 percent from its proportion measured as of June 30, 2023.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS (continued)

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

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

For the year ended June 30, 2025, the District recognized pension expense of \$2,017,755. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ 413,915	\$ -
Differences between expected and actual experience	893,331	76,263
Changes in assumptions	235,529	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,461,437	84,370
District contributions subsequent to the measurement date	1,572,118	-
Total	<u>\$ 4,576,330</u>	<u>\$ 160,633</u>

The \$1,572,118 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2026	\$ 1,218,192	\$ 160,633
2027	1,416,687	-
2028	500,302	-
2029	(130,969)	-
Total	<u>\$ 3,004,212</u>	<u>\$ 160,633</u>

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS (continued)

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

Actuarial Assumptions (continued)

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period from 2000 through 2019.

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

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

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

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

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 10 – PENSION PLANS (continued)

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

Discount Rate

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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ 15,829,248	\$ 10,655,779	\$ 6,382,081

Pension Plan Fiduciary Net Position

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

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2025.

B. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2025.

C. Construction Commitments

As of June 30, 2025, the District had commitments with respect to unfinished capital projects totaling \$890,128.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2025

NOTE 12 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District participates in two joint ventures under joint powers authorities (JPAs), the Redwood Empire Schools Insurance Group and the West County Transportation Agency. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPAs and the District are included in these statements. The audited financial statements are generally available from the respective entities.

NOTE 13 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

A. Pension Plans

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 10. At June 30, 2025, total deferred outflows related to pensions was \$10,699,116 and total deferred inflows related to pensions was \$1,643,979.

B. Refunded Debt

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognized deferred outflows or inflows of resources in the District-wide financial statements. The deferred outflow of resources pertains to the difference in the carrying value of the refunded debt and its reacquisition price (deferred amount on refunding). Previous financial reporting standards require this to be presented as part of the District's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the new debt, whichever is shorter. At June 30, 2025, total deferred outflows related to refunding was \$293,556 and total deferred inflows related to refunding was \$120,317.

NOTE 14 – RESTATEMENT OF NET POSITION

The beginning net position of the Governmental Activities has been restated due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB 101 establishes recognition and measurement guidance for liabilities related to compensated absences, requiring that the liability be recognized when leave is attributable to services already rendered and it is probable that the leave will be used or paid. This standard supersedes certain provisions of GASB Statement No. 16.

The cumulative effect of applying GASB 101 required a restatement of the beginning net position, as follows:

	Governmental Activities
Net Position - Beginning, as Previously Reported	\$ 18,060,785
Restatement	(3,080,843)
Net Position - Beginning, as Restated	<u>\$ 14,979,942</u>

REQUIRED SUPPLEMENTARY INFORMATION

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variances -
	Original	Final	(Budgetary Basis)	Final to Actual
REVENUES				
LCFF sources	\$ 24,177,052	\$ 23,750,679	\$ 24,260,075	\$ 509,396
Federal sources	1,113,596	2,099,931	1,432,374	(667,557)
Other state sources	6,418,170	6,929,785	7,235,382	305,597
Other local sources	2,246,186	2,523,152	3,093,389	570,237
Total Revenues	33,955,004	35,303,547	36,021,220	717,673
EXPENDITURES				
Certificated salaries	12,340,408	12,374,149	12,405,354	(31,205)
Classified salaries	5,266,797	5,424,472	5,376,347	48,125
Employee benefits	7,231,761	7,577,276	7,669,409	(92,133)
Books and supplies	1,542,565	1,790,864	684,598	1,106,266
Services and other operating expenditures	12,233,068	15,218,040	11,504,877	3,713,163
Capital outlay	-	78,000	17,518	60,482
Other outgo				
Excluding transfers of indirect costs	-	1,163	70,315	(69,152)
Transfers of indirect costs	-	-	(35,002)	35,002
Total Expenditures	38,614,599	42,463,964	37,693,416	4,770,548
Excess (Deficiency) of Revenues				
Over Expenditures	(4,659,595)	(7,160,417)	(1,672,196)	5,488,221
Other Financing Sources (Uses)				
Transfers in	-	9,174	9,174	-
Net Financing Sources (Uses)	-	9,174	9,174	-
NET CHANGE IN FUND BALANCE				
Fund Balance - Beginning	(4,659,595)	(7,151,243)	(1,663,022)	5,488,221
Fund Balance - Ending	11,856,850	11,856,850	11,856,850	-
	\$ 7,197,255	\$ 4,705,607	\$ 10,193,828	\$ 5,488,221

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

- Actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Deferred Maintenance Fund, in accordance with the fund type definitions promulgated by GASB Statement No. 54. In addition, audit adjustments are not reflected in the schedule above.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
District's proportion of the net pension liability	0.017%	0.016%	0.014%	0.015%	0.013%	0.013%	0.015%	0.016%	0.017%	0.014%
District's proportionate share of the net pension liability	\$ 11,482,854	\$ 12,400,054	\$ 9,813,773	\$ 6,772,649	\$ 12,884,987	\$ 12,177,634	\$ 13,887,934	\$ 14,920,138	\$ 13,436,669	\$ 9,545,903
State's proportionate share of the net pension liability associated with the District	5,268,455	5,941,321	4,914,767	3,407,805	6,642,159	6,643,766	7,951,530	8,826,700	7,650,382	5,048,716
Total	\$ 16,751,309	\$ 18,341,375	\$ 14,728,540	\$ 10,180,454	\$ 19,527,146	\$ 18,821,400	\$ 21,839,464	\$ 23,746,838	\$ 21,087,051	\$ 14,594,619
District's covered payroll	\$ 11,379,193	\$ 9,903,230	\$ 8,266,427	\$ 7,916,199	\$ 7,301,066	\$ 7,248,546	\$ 8,171,302	\$ 8,604,873	\$ 8,102,865	\$ 7,166,888
District's proportionate share of the net pension liability as a percentage of its covered payroll	100.91%	125.21%	118.72%	85.55%	176.48%	168.00%	169.96%	173.39%	165.83%	133.19%
Plan fiduciary net position as a percentage of the total pension liability	83.55%	80.62%	81.20%	87.21%	71.82%	72.56%	70.99%	69.46%	70.04%	74.02%

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
District's proportion of the net pension liability	0.030%	0.027%	0.022%	0.023%	0.020%	0.020%	0.024%	0.025%	0.025%	0.021%
District's proportionate share of the net pension liability	\$ 10,655,779	\$ 9,657,081	\$ 7,525,604	\$ 4,725,623	\$ 6,187,311	\$ 5,958,753	\$ 6,502,793	\$ 5,982,092	\$ 4,290,132	\$ 3,051,014
District's covered payroll	\$ 5,935,815	\$ 4,698,866	\$ 3,427,716	\$ 3,048,588	\$ 2,971,723	\$ 3,006,856	\$ 3,214,696	\$ 3,183,783	\$ 2,613,482	\$ 1,885,925
District's proportionate share of the net pension liability as a percentage of its covered payroll	179.52%	205.52%	219.55%	155.01%	208.21%	198.17%	202.28%	187.89%	164.15%	161.78%
Plan fiduciary net position as a percentage of the total pension liability	72.29%	69.96%	69.76%	80.97%	70.00%	70.05%	70.85%	71.87%	73.90%	79.43%

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Contractually required contribution	\$ 2,243,471	\$ 2,151,396	\$ 1,907,425	\$ 1,403,641	\$ 1,288,486	\$ 1,233,869	\$ 1,170,608	\$ 1,129,777	\$ 1,124,578	\$ 879,212
Contributions in relation to the contractually required contribution*	(2,243,471)	(2,151,396)	(1,907,425)	(1,403,641)	(1,288,486)	(1,233,869)	(1,170,608)	(1,129,777)	(1,124,578)	(879,212)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 11,788,104	\$ 11,379,193	\$ 9,903,230	\$ 8,266,427	\$ 7,916,199	\$ 7,301,066	\$ 7,248,546	\$ 8,171,302	\$ 8,604,873	\$ 8,102,865
Contributions as a percentage of covered payroll	19.03%	18.91%	19.26%	16.98%	16.28%	16.90%	16.15%	13.83%	13.07%	10.85%

*Amounts do not include on-behalf contributions

See accompanying notes to required supplementary information.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually required contribution	\$ 1,572,118	\$ 1,574,990	\$ 1,200,082	\$ 779,786	\$ 633,758	\$ 576,644	\$ 512,971	\$ 499,999	\$ 442,771	\$ 309,043
Contributions in relation to the contractually required contribution*	(1,572,118)	(1,574,990)	(1,200,082)	(779,786)	(633,758)	(576,644)	(512,971)	(499,999)	(442,771)	(309,043)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 5,812,011	\$ 5,935,815	\$ 4,698,866	\$ 3,427,716	\$ 3,048,588	\$ 2,971,723	\$ 3,006,856	\$ 3,214,696	\$ 3,183,783	\$ 2,613,482
Contributions as a percentage of covered payroll	27.05%	26.53%	25.54%	22.75%	20.79%	19.40%	17.06%	15.55%	13.91%	11.82%

*Amounts do not include on-behalf contributions

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

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

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

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Changes in Benefit Terms

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

Changes in Assumptions

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

Schedule of District Contributions

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

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2025, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	Actual	Excess
General Fund			
Certificated salaries	\$ 12,374,149	\$ 12,405,354	\$ 31,205
Employee benefits	\$ 7,577,276	\$ 7,669,409	\$ 92,133
Other outgo			
Excluding transfers of indirect costs	\$ 1,163	\$ 70,315	\$ 69,152

SUPPLEMENTARY INFORMATION

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster	AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF EDUCATION:			
<i>Passed through California Department of Education:</i>			
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	\$ 279,634
Title II, Part A, Supporting Effective Instruction Local Grants	84.367	14341	77,602
Title III			
Title III, English Learner Student Program	84.365	14346	76,978
Title III, Immigrant Education Program	84.365	15146	19,749
Subtotal Title III			<u>96,727</u>
Special Education Cluster			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	494,091
IDEA Preschool Grants, Part B, Section 619 (Age 3-4-5)	84.173	13430	37,063
Subtotal Special Education Cluster			<u>531,154</u>
COVID-19 Emergency Acts Funding/Education Stabilization Fund Discretionary Grants:			
Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425	15559	384,695
After School Education and Safety (ASES) Rate Increase: ESSER III State Reserve	84.425	15652	102,809
Subtotal Education Stabilization Fund Discretionary Grants			<u>487,504</u>
Total U. S. Department of Education			<u><u>1,472,621</u></u>
U. S. DEPARTMENT OF AGRICULTURE:			
<i>Passed through California Department of Education:</i>			
Child Nutrition Cluster [1]			
School Breakfast Program - Needy	10.553	13526	410,499
National School Lunch Program	10.555	13391	842,407
USDA Commodities	10.555	*	65,717
Subtotal Child Nutrition Cluster			<u>1,318,623</u>
NSLP Equipment Assistance Grants	10.579	14906	13,692
Total U. S. Department of Agriculture			<u>1,332,315</u>
Total Federal Expenditures			<u><u>\$ 2,804,936</u></u>

[1] - Major Program

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
FOR THE YEAR ENDED JUNE 30, 2025**

	Second Period Report	Annual Report
SCHOOL DISTRICT		
TK/K through Third		
Regular ADA	921.37	928.14
Extended Year Special Education	1.31	1.31
Special Education - Nonpublic Schools	7.16	7.80
Extended Year Special Education - Nonpublic Schools	0.51	0.51
Total TK/K through Third	930.35	937.76
Fourth through Sixth		
Regular ADA	600.28	600.65
Extended Year Special Education	0.43	0.43
Special Education - Nonpublic Schools	3.66	3.85
Extended Year Special Education - Nonpublic Schools	0.23	0.23
Total Fourth through Sixth	604.60	605.16
TOTAL SCHOOL DISTRICT	1,534.95	1,542.92

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2025**

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

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

	2026 (Budget)	2025	2024	2023
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	\$ 35,869,449	\$ 36,030,394	\$ 38,297,565	\$ 36,708,752
Expenditures And Other Financing Uses	35,167,000	37,693,416	37,553,962	33,089,889
Net change in Fund Balance	\$ 702,449	\$ (1,663,022)	\$ 743,603	\$ 3,618,863
Ending Fund Balance	\$ 10,896,277	\$ 10,193,828	\$ 11,856,850	\$ 11,517,464
Available Reserves*	\$ 1,056,000	\$ 1,205,525	\$ 5,398,637	\$ 5,881,405
Available Reserves As A Percentage Of Outgo	3.00%	3.20%	14.38%	17.77%
Long-term Liabilities	\$ 86,595,409	\$ 88,412,607	\$ 83,646,446	\$ 69,987,623
Average Daily Attendance At P-2	1,571	1,535	1,459	1,397

The General Fund ending fund balance has decreased by \$1,323,636 over the past two years. However, the fiscal year 2025-26 budget projects an increase of \$702,449. For a District this size, the State recommends available reserves of at least 3% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in two of the past three years and anticipates incurring an operating surplus during the 2025-26 fiscal year. Total long-term obligations have increased by \$18,424,984 over the past two years.

Average daily attendance has increased by 138 ADA over the past two years. A further increase of 36 ADA is anticipated during the 2025-26 fiscal year.

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

**The actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Deferred Maintenance Fund, in accordance with the fund type definitions promulgated by GASB Statement No. 54. In addition, audit adjustments are not reflected in the schedule above.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund
June 30, 2025, annual financial and budget report fund balance	\$ 10,193,828	\$ 80,362	\$ 1,792,566	\$ 4	\$ 6,700,884
Adjustments and reclassifications:					
Increase (decrease) in total fund balances:					
Accounts payable adjustment	74,448	(219,328)	(38,507)	-	927,387
Unearned revenue adjustment	-	219,328	-	-	-
Fund balance transfer (GASB 54)	4	-	-	(4)	-
Net adjustments and reclassifications	74,452	-	(38,507)	(4)	927,387
June 30, 2025, audited financial statement fund balance	<u>\$ 10,268,280</u>	<u>\$ 80,362</u>	<u>\$ 1,754,059</u>	<u>\$ -</u>	<u>\$ 7,628,271</u>

See accompanying note to supplementary information.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2025**

There are no charter schools within the District boundaries.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2025**

	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Non-Major Governmental Funds
ASSETS					
Cash and investments	\$ 646,012	\$ 1,375,974	\$ 3,591,820	\$ 6	\$ 5,613,812
Accounts receivable	-	497,921	-	1	497,922
Total Assets	\$ 646,012	\$ 1,873,895	\$ 3,591,820	\$ 7	\$ 6,111,734
LIABILITIES					
Accrued liabilities	\$ 383,409	\$ 47,805	\$ -	\$ -	\$ 431,214
Due to other funds	942	34,060	2,467	-	37,469
Unearned revenue	181,299	37,971	-	-	219,270
Total Liabilities	565,650	119,836	2,467	-	687,953
FUND BALANCES					
Non-spendable	-	1,000	-	-	1,000
Restricted	80,362	1,753,059	3,589,353	7	5,422,781
Total Fund Balances	80,362	1,754,059	3,589,353	7	5,423,781
Total Liabilities and Fund Balances	\$ 646,012	\$ 1,873,895	\$ 3,591,820	\$ 7	\$ 6,111,734

See accompanying note to supplementary information.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025**

	Child Development Fund	Cafeteria Fund	Capital Facilities Fund	County School Facilities Fund	Non-Major Governmental Funds
REVENUES					
Federal sources	\$ -	\$ 1,329,253	\$ -	\$ -	\$ 1,329,253
Other state sources	1,306,182	666,652	-	-	1,972,834
Other local sources	27,558	54,923	262,737	1	345,219
Total Revenues	1,333,740	2,050,828	262,737	1	3,647,306
EXPENDITURES					
Current					
Instruction	1,305,240	-	-	-	1,305,240
Pupil services					
Food services	-	1,687,778	-	-	1,687,778
General administration					
All other general administration	942	34,060	2,467	-	37,469
Plant services	-	13,692	-	-	13,692
Transfers to other agencies	-	-	112,649	-	112,649
Total Expenditures	1,306,182	1,735,530	115,116	-	3,156,828
Excess (Deficiency) of Revenues Over Expenditures	27,558	315,298	147,621	1	490,478
Other Financing Sources (Uses)					
Transfers out	-	(9,174)	-	-	(9,174)
Net Financing Sources (Uses)	-	(9,174)	-	-	(9,174)
NET CHANGE IN FUND BALANCE	27,558	306,124	147,621	1	481,304
Fund Balance - Beginning	52,804	1,447,935	3,441,732	6	4,942,477
Fund Balance - Ending	\$ 80,362	\$ 1,754,059	\$ 3,589,353	\$ 7	\$ 5,423,781

See accompanying note to supplementary information.

BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2025

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

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

The following schedule provides reconciliation between revenues reported on the Statement of Revenue, Expenditures, and Changes in Fund Balance, and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues in a prior year that have been expended by June 30, 2025 or Federal funds that have been recorded as revenues in the current year and were not expended by June 30, 2025.

	AL	
	Number	Amount
Total Federal Revenues reported in the		
Statement of Revenues, Expenditures, and		
Changes in Fund Balance		\$ 2,761,627
Elementary and Secondary School Emergency Relief III	84.425U	40,246
Pandemic EBT Local Administrative Grant	10.649	3,063
Total Expenditures reported in the Schedule of		
Expenditures of Federal Awards		<u>\$ 2,804,936</u>

The District has not elected to use the de minimis indirect cost rate of up to 15 percent.

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

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

Schedule of Financial Trends and Analysis

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

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

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

Schedule of Charter Schools

This schedule lists all Charter Schools chartered by the District, and displays information for each Charter School on whether or not the Charter School is included in the District audit.

Combining Statements – Non-Major Funds

These statements provide information on the District's non-major funds.
See accompanying note to supplementary information.

OTHER INFORMATION

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2025**

The Bellevue Union Elementary School District was established in 1949. The District is in Santa Rosa, California. There was no change in District boundaries during the year. The District operates four elementary schools.

GOVERNING BOARD

Member	Office	Term Expires
Jamie Padilla	President	December 2026
Irene Rosario	Vice President/Clerk	December 2028
Lisa Reyes	Trustee	December 2026
Adele Walker	Trustee	December 2028
Nikigiovonie Rogers	Trustee	December 2028

DISTRICT ADMINISTRATORS

Michael Kellison
Superintendent

OTHER INDEPENDENT AUDITORS' REPORTS

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

Independent Auditors' Report

Governing Board
Bellevue Union Elementary School District
Santa Rosa, 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 Bellevue Union Elementary School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Bellevue Union Elementary School District's basic financial statements, and have issued our report thereon dated January 26, 2026.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Findings #2025-001 and #2025-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Bellevue Union Elementary School District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Bellevue Union Elementary School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Bellevue Union Elementary School 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
January 26, 2026

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

Governing Board
Bellevue Union Elementary School District
Santa Rosa, California

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

We have audited Bellevue Union Elementary 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 Bellevue Union Elementary School District's major federal programs for the year ended June 30, 2025. Bellevue Union Elementary 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, Bellevue Union Elementary 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, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit for Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bellevue Union Elementary School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Bellevue Union Elementary 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 Bellevue Union Elementary School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

Report on Internal Control Over Compliance (continued)

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

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

Christy White, Inc.

San Diego, California
January 26, 2026

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

Governing Board
Bellevue Union Elementary School District
Santa Rosa, California

Report on State Compliance***Opinion on State Compliance***

We have audited Bellevue Union Elementary School District's compliance with the requirements specified in the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to Bellevue Union Elementary School District's state program requirements as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report for the year ended June 30, 2025.

In our opinion, Bellevue Union Elementary School District complied, in all material respects, with the laws and regulations of the applicable laws and regulations of the applicable state programs for the year ended June 30, 2025.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2024-2025 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Bellevue Union Elementary School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Bellevue Union Elementary School District's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bellevue Union Elementary School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of Bellevue Union Elementary School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Bellevue Union Elementary School District's internal control over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine Bellevue Union Elementary School District's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	PROCEDURES PERFORMED
Local Education Agencies Other Than Charter Schools	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Independent Study	No
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools or Programs	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

(Continued on the following page)

Auditor's Responsibilities for the Audit of State Compliance (continued)

PROGRAM NAME	PROCEDURES PERFORMED
School Districts, County Offices of Education, and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not Applicable
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Kindergarten Continuance	Yes
Charter Schools	
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

We did not perform testing for independent study as the ADA reported did not meet the threshold for testing.

The term "Not Applicable" is used above to mean either the District did not offer the program during the current fiscal year, the District did not participate in the program during the current fiscal year, or the program applies to a different type of local education agency.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying schedule of findings and questioned costs as item #2025-003. Our opinion on state compliance is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Bellevue Union Elementary School District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Bellevue Union Elementary School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
January 26, 2026

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2025**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>Yes</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	<u>No</u>
Identification of major programs:	

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>	
10.553 & 10.555	Child Nutrition Cluster	
Dollar threshold used to distinguish between Type A and Type B programs:	\$	<u>750,000</u>
Auditee qualified as low-risk auditee?		<u>Yes</u>

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with <i>2024-25 Guide for Annual Audits of California K-12 Local Education Agencies ?</i>	<u>Yes</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025**

FIVE DIGIT CODE

20000

30000

AB 3627 FINDING TYPE

Inventory of Equipment

Internal Control

FINDING #2025-001: INTERNAL CONTROL OVER FINANCIAL REPORTING (30000)

Criteria: Management is responsible for the design, implementation, and maintenance of internal controls to ensure the financial statements are free from material misstatement, whether due to error or fraud. Such internal controls should include a secondary review of all closing journal entries made in the preparation of the District's financial statements. The District should ensure that all applicable accounting principles are adhered to when preparing the financial statements.

Condition: During our substantive testing of balances reported in the District's financial statements, we noted several material errors in the financial statements that required adjustment. The errors impacted the following balances reported in the financial statements:

- Accounts Payable – General Fund, Child Development Fund and Building Fund
- Revenues, expenditures, and cash in banks – Student Activity Fund

These errors resulted in the District not preparing financial statements in accordance with generally accepted accounting principles.

Cause: The conditions appear to be due to deficiencies in processes related to the preparation of the District's financial statements, caused by general oversight and turnover in management and staffing.

Effect: Audit adjustments were required due to material misstatements within the unaudited financial statements prepared by the District. These adjustments are outlined in the Reconciliation of Annual Financial and Budget Report with the Audited Financial Statements.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend management evaluate the internal control structure and consider changes as necessary that will ensure that the financial statements are free from potential misstatements and allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. For cash accounts, these processes should include timely and accurate preparation of monthly reconciliations. Additionally, we recommend that the District implement procedures to require a secondary review of all journal entries prior to posting to reduce the risk of errors and unauthorized adjustments.

Corrective Action Plan: The District will enhance internal controls over financial reporting by implementing procedures to ensure financial statements are prepared in accordance with generally accepted accounting principles and are free from material misstatement. These procedures will include timely preparation and management review of monthly cash reconciliations, as well as a documented secondary review of all journal entries prior to posting. Management will also formalize oversight of the financial statement preparation process to ensure errors are prevented or identified and corrected in a timely manner, particularly in light of staffing changes.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
FINANCIAL STATEMENT FINDINGS, continued
FOR THE YEAR ENDED JUNE 30, 2025**

FINDING #2025-002: INTERNAL CONTROL OVER PERSONNEL FILES (30000)

Criteria: Federal law (Immigration Reform and Control Act of 1986) requires employers to complete and retain Form I-9, Employment Eligibility Verification, for each employee hired after November 6, 1986. Additionally, sound internal control practices require districts to maintain complete personnel files to support payroll processing and ensure compliance with applicable laws and regulations.

Condition: During our review of payroll and personnel records, we noted that the District did not obtain or retain completed Form I-9 documentation for 5 of 25 employees selected for testing. As a result, the District could not demonstrate that employment eligibility verification was completed for all employees included in payroll.

Cause: The District lacks adequate internal controls and formalized procedures to ensure that Form I-9 documentation is obtained, reviewed, and retained for all newly hired employees prior to placement on payroll.

Effect: Failure to maintain completed Form I-9 forms increases the risk of noncompliance with federal employment eligibility requirements and exposes the District to potential penalties, fines, and legal consequences. Additionally, this deficiency weakens internal controls over payroll and personnel administration.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that the District strengthen internal controls over payroll and personnel by establishing and enforcing written procedures to ensure that Form I-9 documentation is properly completed and retained for all employees at the time of hire. Management should also consider performing a review of existing personnel files to confirm that required documentation is complete and maintained in accordance with federal requirements.

Corrective Action Plan: The District will strengthen internal controls over personnel records by establishing and enforcing written hiring procedures that require completion, review, and retention of Form I-9 documentation for all employees prior to placement on payroll. Management will assign responsibility for verifying compliance at the time of hire and will perform a review of existing personnel files to identify and correct any missing or incomplete documentation. These procedures will be monitored on an ongoing basis to ensure continued compliance with federal employment eligibility requirements.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

FIVE DIGIT CODE

50000

AB 3627 FINDING TYPE

Federal Compliance

There were no federal award findings or questioned costs for the year ended June 30, 2025.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

FIVE DIGIT CODE

10000
40000
42000
43000
60000
61000
62000
70000
71000
72000

AB 3627 FINDING TYPE

Attendance
State Compliance
Charter School Facilities Programs
Apprenticeship: Related and Supplemental Instruction
Miscellaneous
Classroom Teacher Salaries
Local Control Accountability Plan
Instructional Materials
Teacher Misassignments
School Accountability Report Card

FINDING #2025-003: CLASSROOM TEACHER SALARIES (61000)

Criteria: As set forth in Education Code section 41372, an elementary school district must expend a minimum of 60% of the District's current expenses of education towards salaries and benefits of classroom teachers.

Condition: For the year ended June 30, 2025, the District did not meet the minimum percentage requirement of 60%. As shown in the SACS Form CEA, the District spent only 58.34% of current education expenses on classroom teacher salaries and benefits for the year ended June 30, 2025.

Effect: The District's current expense of education for the year ended June 30, 2025, was \$26,266,784.95 and the total salaries and benefits for classroom teachers was \$15,325,352.63. The District was below the minimum required percentage of 60% by 1.66%, which calculates out to a deficiency of \$436,028.63.

Cause: Administrative oversight.

Questioned Costs: The questioned costs are the deficiency of \$436,028.63.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that the District monitor their expenses towards salaries and benefits of classroom teachers against their total current education expenses in future year to ensure compliance with the minimum requirement. The District should also consider requesting an exemption from the County Superintendent if certain criteria outlined under Education Code 41372 can be demonstrated.

Corrective Action Plan: The District will strengthen monitoring and oversight of classroom teacher salary and benefit expenditures by implementing periodic reviews of SACS Form CEA throughout the fiscal year to ensure compliance with the minimum expenditure requirement established by Education Code section 41372. Management will assign responsibility for tracking current education expenses and classroom teacher compensation on an ongoing basis and will adjust budgetary or staffing decisions as necessary to achieve compliance. Additionally, the District will evaluate eligibility for, and pursue if appropriate, an exemption from the minimum percentage requirement to address circumstances that may impact compliance.

**BELLEVUE UNION ELEMENTARY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025**

There were no findings or questioned costs for the year ended June 30, 2024.

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APPENDIX C

GENERAL DEMOGRAPHIC INFORMATION ABOUT THE CITY OF SANTA ROSA AND SONOMA COUNTY

*The following information concerning the City of Santa Rosa (the “**City**”) and Sonoma County (the “**County**”) is included only for the purpose of supplying general information regarding the area of the District. The Bonds are not a debt of the City, the County, the State of California (the “**State**”) or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.*

General

The City. The City is located in the central portion of the County, covers an area of about 35 square miles. The City is centered at the crossroads of U.S. Highway 101 and State Route 12. Incorporated in 1868, the City became a charter city in 1872. The City operates under the council-manager form of government, with a City Council comprised of seven members elected to serve overlapping four-year terms. On November 6, 2018, the City transitioned from at-large to district-based elections. The City Council, which acts as the City's legislative and policy-making body, also selects the City Manager. As the City's chief administrator, the City Manager is responsible for implementing the policies established by the City Council.

The County. One of the State's original 27 counties (incorporated in 1850), the County is the northernmost of the nine greater San Francisco Bay Area counties. Bordered on the north and east by Mendocino, Lake, and Napa counties and to the west and south by the Pacific Ocean, Marin County, and San Pablo Bay, its area encompasses 1,598 square miles.

Geographically, the County is divided almost equally into mountainous regions, rolling hills and valley land. Three narrow valleys, separated by mountains, run northwest to southeast. Elevations range from sea level to 4,262 feet at Mt. Saint Helena, where Sonoma, Napa, and Lake counties converge.

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Population

The most recent estimate of the County's population at January 1, 2026 was 484,022 persons, according to the State Department of Finance. The City has an estimated population of 179,798 persons at January 1, 2026. The table below shows population estimates for the cities in the County for the last five years, as of January 1.

SONOMA COUNTY
Population Estimates
Calendar Years 2022 through 2026
(As of January 1st)

<u>Area</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Cloverdale	8,863	8,790	8,767	8,729	8,719
Cotati	7,405	7,362	7,348	7,325	7,264
Healdsburg	11,107	11,047	11,126	11,156	11,205
Petaluma	58,550	58,389	58,903	59,395	59,160
Rohnert Park	43,709	43,744	44,107	44,318	44,191
Santa Rosa	175,731	175,257	176,940	178,786	179,798
Sebastopol	7,426	7,348	7,339	7,407	7,350
Sonoma	10,732	10,618	10,606	10,575	10,528
Windsor	25,818	25,568	25,556	25,650	25,498
Unincorporated	131,273	130,750	131,268	131,423	130,309
County Total	480,614	478,873	481,960	484,764	484,022

Source: State Department of Finance estimates (as of January 1).

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Employment and Industry

The District is included in the Santa Rosa-Petaluma Metropolitan Statistical Area (“**MSA**”), which consists of the County. The unemployment rate in the County was 4.3% in July 2026, up from a revised 4.2% in June 2026, and below the year-ago estimate of 4.7%. This compares with an unadjusted unemployment rate of 5.3% for the State and 4.4% for the nation during the same period.

The table below provides information about employment rates and employment by industry type for the Santa Rosa-Petaluma MSA for calendar years 2021 through 2025.

SANTA ROSA-PETALUMA MSA
(Sonoma County)
Annual Averages Civilian Labor Force, Employment and Unemployment,
Employment by Industry
(March 2025 Benchmark)

	2021	2022	2023	2024	2025
Civilian Labor Force ⁽¹⁾	241,500	245,000	246,900	247,300	248,700
Employment	228,000	237,100	238,100	237,200	237,700
Unemployment	13,500	7,900	8,900	10,200	11,000
Unemployment Rate	5.6%	3.2%	3.6%	4.1%	4.4%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	5,900	6,100	6,300	6,100	5,700
Mining, Logging, Construction	16,300	16,600	16,600	16,500	16,300
Manufacturing	22,900	23,600	22,700	21,100	19,900
Wholesale Trade	7,500	7,300	6,700	6,400	6,000
Retail Trade	23,100	23,100	23,000	22,500	22,100
Transportation, Warehousing and Utilities	4,400	4,600	4,400	4,500	4,500
Information	2,500	2,600	2,500	2,600	2,500
Financial Activities	7,600	7,800	7,100	6,800	6,800
Professional and Business Services	23,700	24,500	24,400	24,200	24,600
Educational and Health Services	34,000	35,000	36,400	37,900	40,200
Leisure and Hospitality	21,100	25,100	25,700	25,600	25,600
Other Services	6,400	7,200	7,600	7,900	7,900
Federal Government	1,300	1,200	1,300	1,400	1,300
State Government	2,900	3,000	3,000	3,000	2,700
Local Government	21,100	22,100	22,900	23,800	23,800
Total all Industries ⁽³⁾	200,500	209,800	210,600	210,100	209,800

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Major Employers

The following table shows the major employers in the County as of September 2026, in alphabetical order without regard to the number of employees.

SONOMA COUNTY Major Employers (Listed Alphabetically)

Employer Name	Location	Industry
Aabalat Fine & Rare Wines	Penngrove	Wines-Retail
Amy's Kitchen Inc	Santa Rosa	Frozen Food Processors (mfrs)
Amy's Kitchen Inc	Petaluma	Frozen Food Processors (mfrs)
Army National Guard Recruiter	Santa Rosa	Government Offices-State
Clover Sonoma	Petaluma	Dry Condensed/Evprtd Dairy Prod (mfrs)
COAST Guard Training Ctr	Petaluma	Federal Government-National Security
County-Sonoma Trnsprtn-Pubc	Santa Rosa	Fire Departments
Fairmont Sonoma Msn Inn & Spa	Sonoma	Hotels & Motels
First Security Svc	Rohnert Park	Security Guard & Patrol Service
Ghilotti Construction Co	Santa Rosa	Road Building Contractors
H2Hotel	Healdsburg	Hotels & Motels
La Torilla Factory	Santa Rosa	Factory Outlets
Macy's	Santa Rosa	Department Stores
Medtronic	Santa Rosa	Physicians & Surgeons Equip & Supls-Mfrs
Petaluma Valley Hospital	Petaluma	Hospitals
Protransport-1	Rohnert Park	Transportation Services
Providence Santa Rosa Meml Hsp	Santa Rosa	Hospitals
Redwood Empire Recycling	Santa Rosa	Recycling Centers (whls)
Santa Rosa Police Dept	Santa Rosa	Police Departments
Solairus Aviation LLC	Petaluma	Aircraft Charter Rental & Leasing Svc
Sonoma County Office of Edu	Santa Rosa	County Government-Education Programs
Stockham Construction Inc	Cotati	General Contractors
Sutter Santa Rosa Regl Hosp	Santa Rosa	Hospitals
Walmart	Windsor	Department Stores
Walmart	Rohnert Park	Department Stores

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2026 2nd edition.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total estimated effective buying income and estimated median household effective buying income for the City, the County, the State, and the United States for the years 2023 through 2027.

**CITY OF SANTA ROSA, SONOMA COUNTY,
STATE OF CALIFORNIA & UNITED STATES
Estimated Effective Buying Income
Calendar Years 2023 through 2027**

Year	Area	Total Estimated Effective Buying Income (000's Omitted)	Estimated Median Household Effective Buying Income
2023	City of Santa Rosa	\$6,856,337	\$80,795
	Sonoma County	20,942,065	84,761
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Santa Rosa	\$7,023,193	\$83,276
	Sonoma County	21,955,860	88,920
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Santa Rosa	\$6,974,055	\$81,427
	Sonoma County	21,732,264	87,095
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687
2026	City of Santa Rosa	\$8,230,581	\$91,463
	Sonoma County	24,595,379	95,658
	California	1,730,654,738	90,403
	United States	13,932,177,817	75,433
2027	City of Santa Rosa	\$8,641,109	\$93,434
	Sonoma County	25,192,109	97,124
	California	981,231,666	91,733
	United States	7,757,960,399	76,807

Source: Claritas, LLC.

Commercial Activity

A summary of historic taxable sales within the City and County during the past five years for which data is available are shown in the following tables.

Total taxable sales during the first quarter of calendar year 2026 in the City were reported to be \$869,412,852, a 0.7% increase over the total taxable sales of \$863,110,789 reported during the first quarter of calendar year 2025.

**CITY OF SANTA ROSA
Taxable Transactions
(Dollars in Thousands)
Calendar Years 2021 through 2025**

	Retail Stores		Total All Outlets	
	Numbers of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2021	3,340	\$3,089,986	6,126	\$3,759,439
2022	3,317	3,270,633	6,102	4,009,354
2023	3,213	3,177,697	5,940	3,921,999
2024	3,146	3,076,077	5,945	3,829,613
2025	3,122	3,039,095	5,857	3,760,736

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first quarter of calendar year 2026 in the County were reported to be \$2,654,956,244, a 1.9% increase over the total taxable sales of \$2,606,187,714 reported during the first quarter of calendar year 2025.

**SONOMA COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)**

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2021	10,288	\$8,032,232	20,305	\$11,395,414
2022	10,094	8,448,454	20,216	12,277,868
2023	9,754	8,212,171	19,685	11,906,680
2024	9,658	8,032,047	19,714	11,669,998
2025	9,675	8,006,519	19,606	11,680,114

Source: State Department of Tax and Fee Administration.

Transportation

All modes of commercial transportation are available in the County. The Petaluma River is capable of handling water barge freight from the San Francisco Bay to Petaluma. Northwestern Pacific Railroad provides rail transportation with the County with connections to major rail interchanges. The Sonoma County Airport, located just outside the City of Santa Rosa, handles commercial and private air traffic, with several airlines providing regional air transportation. Seven private airfields serve the County as well. In addition, highways serve the County; the major freeway is U.S. Highway 101 which runs from Marin and San Francisco Counties in the south to Mendocino County in the north. State Highway 12 is the major east-west thoroughfare from Bodega Bay on the western coastline to Sonoma on the east.

Education

The County is divided into 40 school districts for kindergarten through twelfth-grade (K-12) educational services. There are 31 elementary, 3 high school, and 6 unified districts. Unified districts operate both elementary and secondary schools for the students residing within their boundaries.

Although many districts are small in size, 7,932 students attend the 181 public schools that are located in Sonoma County. There are 111 elementary, 28 middle/junior high, and 19 high schools, as well as 14 alternative schools and 7 independent study schools. Fifty-six of the County's public schools are charter schools. Seventy-nine schools have been named California Distinguished Schools and ten have been recognized as National Blue Ribbon Schools.

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF JONES HALL LLP]

[Closing Date]

Board of Trustees
Bellevue Union School District
3150 Education Drive
Santa Rosa, California 95407

OPINION: \$_____ Bellevue Union School District
 (Sonoma County, California)
 General Obligation Bonds, 2024 Election, Series A

Members of the Board of Trustees:

We have acted as bond counsel to the Bellevue Union School District (the "District") in connection with the issuance by the District of \$_____ principal amount of Bellevue Union School District (Sonoma County, California) General Obligation Bonds, 2024 Election, Series A, dated the date hereof (the "Bonds") under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and Resolution No. 0009-2026 adopted by the Board of Trustees of the District (the "Board") on September 8, 2026 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Bond Resolution and in the certified proceedings and other certifications furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, under existing law, as follows:

1. The District is a duly created and validly existing school district with the power to issue the Bonds, and to perform its obligations under the Bond Resolution and the Bonds.
2. The Bond Resolution has been duly adopted by the Board, and constitutes a valid and binding obligation of the District enforceable upon the District in accordance with its terms.
3. The Bonds have been duly authorized, executed and delivered by the District, and are valid and binding general obligations of the District.
4. The Board of Supervisors of Sonoma County is required under the laws of the State of California to levy an *ad valorem* tax upon the property in the District which is subject to taxation, unlimited as to rate or amount, for the payment of principal and interest on the Bonds.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ _____
BELLEVUE UNION SCHOOL DISTRICT
(Sonoma County, California)
General Obligation Bonds
2024 Election, Series A

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the Bellevue Union School District (the “District”) in connection with the execution and delivery of the captioned bonds (the “Bonds”). The Bonds are being executed and delivered pursuant to a resolution adopted by the Board of Trustees of the District on September 8, 2026 (the “Bond Resolution”). The Bank of New York Mellon Trust Company, N.A., Pittsburgh, Pennsylvania, as agent for the Treasurer-Tax Collector of Sonoma County, is initially acting as paying agent for the Bonds (the “Paying Agent”).

The District hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Bond Resolution, 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*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

“*Annual Report Date*” means the date not later than nine months after the end of each fiscal year of the District (currently June 30th).

“*Dissemination Agent*” means, initially, Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a).

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Bonds.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., Pittsburgh, Pennsylvania, as agent for Sonoma County, or any successor thereto.

“Participating Underwriter” means Raymond James & Associates, Inc., the original Underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing not later than March 31, 2027 with the report for the 2025-26 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4; provided that the filing of the Official Statement with the MSRB will serve as the first Annual Report. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) to the MSRB, a notice in an electronic format as prescribed by the MSRB, with a copy to the Paying Agent and Participating Underwriter.

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

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

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

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, the following information with respect to the most recently completed fiscal year, as follows:

- (i) total assessed valuation of taxable properties in the District;
- (ii) total assessed valuation of taxable properties of the top twenty taxpayers in the District;
- (iii) property tax collection delinquencies for the District, but only if *ad valorem* taxes for general obligation bonds are not collected on the County's Teeter Plan and such information is available from the County at the time of filing the Annual Report; and
- (iv) the District's most recently adopted budget available at the time of filing the Annual Report.

(c) In addition to any of the information expressly required to be provided under paragraphs (a) and (b) of this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.

- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, and, if the Listed Event is described in subsections (a)(2), (a)(6), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13) or (a)(14) above, the District determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities law, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of

U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

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

Section 7. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

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

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

- (a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;
- (b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds,

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

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

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

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

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

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

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

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and

duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

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

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

Date: _____, 2026

BELLEVUE UNION SCHOOL DISTRICT

By: _____

Name: _____

Title: _____

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APPENDIX F

DTC AND THE BOOK-ENTRY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, Direct Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (in this Appendix, the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

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

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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APPENDIX G

SONOMA COUNTY INVESTMENT POLICY AND INVESTMENT REPORT

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COUNTY OF SONOMA



STATEMENT OF INVESTMENT POLICY

Effective 01-01-2026

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COUNTY OF SONOMA

STATEMENT OF INVESTMENT POLICY

Under the authority delegated to the County Treasurer by the Board of Supervisors to invest and reinvest all of the funds in the County Treasury and, in accordance with the California Government Code, the following sets forth the investment policy of the County of Sonoma:

1. POLICY STATEMENT

The purpose of this Investment Policy (Policy) is to establish cash management and investment guidelines for the County Treasurer, who is responsible for the stewardship of the Sonoma County Pooled Investment Fund (Pooled Investment Fund). Each transaction and the entire portfolio must comply with California Government Code Section 53601, et. seq., Section 53635, et. seq., and this policy. All portfolio activities will be judged by the standards of the Policy and ranking of investment objectives.

2. STANDARDS OF CARE

The County Treasurer is the Trustee of the Pooled Investment Fund and, therefore, a fiduciary subject to the prudent investor standard as per Gov Code Sections 27000.3 and 53600.3. These sections declare that each Treasurer or Governing body authorized to make investment decisions on behalf of local agencies, to be a fiduciary subject to the prudent investor standard.

The standard requires that “when investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, the County Treasurer or the Board of Supervisors, as applicable, 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. With the limitations of this section and considering individual investments as part of an overall investment strategy, investments may be acquired as authorized by law.” This standard shall be applied in the context of managing the overall portfolio.

The County Treasurer, employees involved in the investment process and the members of the Treasury Oversight Committee (Oversight Committee) shall refrain from all personal business activity that could conflict with the management of the investment program.

3. INVESTMENT OBJECTIVES

The Pooled Investment Fund shall be prudently invested in order to earn a reasonable return, while awaiting application for governmental purposes. The specific objectives for the Pooled Investment Fund are ranked in order of importance:

- [a] **SAFETY OF CAPITAL** - The preservation of capital is the primary objective. Each transaction shall seek to ensure that capital losses are avoided, whether they be from securities default or erosion of market value.

- [b] **LIQUIDITY** - As a second objective, the Pooled Investment Fund should remain sufficiently flexible to ensure the County Treasurer meets all operating requirements, which may be reasonably anticipated in any depositor's fund.
- [c] **RATE OF RETURN** - As the third objective, the Pooled Investment Fund should be designed to attain a reasonable rate of return through budgetary and economic cycles, consistent within the context and principals [a] and [b] of this Section, Safety and Liquidity, and within appropriate risk limitations, diversification, prudent investment principles and cash flow characteristics identified herein.

Social and Environmental Consideration: Whenever possible and consistent with the above statutory objectives, investment opportunities will be evaluated for social and environmental impacts. The intent of this consideration is to create positive impacts by investing in socially and environmentally responsible agencies and corporations as defined by priorities set by the Board of Supervisors.

4. CASH FLOW ANALYSIS

In order to comply with the requirement to certify that the Pooled Investment Fund can meet expected cash disbursements for the ensuing six months in each Quarterly Report, the County Treasurer shall require Investment staff to prepare and maintain projections of estimated cash flows. Investment staff will use these projections as part of the analysis to determine the construction of the Pooled Investment Fund.

5. IMPLEMENTATION

In order to provide direction to those responsible for management of the Pooled Investment Fund, the County Treasurer has established this Policy and presented it to the Treasury Oversight Committee. The County Board of Supervisors shall approve this Policy and any changes to it. The County Treasurer shall provide this policy to the legislative body of local agencies that participate in the Pooled Investment Fund.

The Policy defines investible funds; authorized instruments; credit quality required; maximum maturities; diversification and concentrations; collateral requirements; qualifications of broker-dealers and financial institutions doing business with, or on behalf of, the County; limits on gifts and honoraria; the reporting requirements; the Treasury Oversight Committee; the manner of appropriating costs; and the criteria to request withdrawal of funds.

6. PARTICIPANTS

- [a] **STATUTORY PARTICIPANTS** - General Participants are those government agencies within the County of Sonoma for which the Sonoma County Treasurer is statutorily designated as the Custodian of Funds.
- [b] **VOLUNTARY PARTICIPANTS** - Other local agencies, such as Special Districts and Cities for which the Treasurer is not the statutory designated Custodian of Funds, may participate in the Pooled Investment Fund. Such participation is subject to the consent of the County Treasurer and must be in accordance with the California Government Code

Section 53684, et seq. The agency must approve in writing the Pooled Investment Fund as an authorized investment and be provided with this Investment Policy.

7. AUTHORIZED PERSONS

The Sonoma County Board of Supervisors, by resolution, has delegated investment responsibility for the Sonoma County Investment Program to the Auditor-Controller-Treasurer-Tax Collector. Daily management responsibility of the investment program has been assigned to the Assistant Auditor-Controller-Treasurer-Tax Collector designated as the Chief Deputy Investment Officer. The Treasury Manager and the Investment and Debt Officer are also authorized to initiate investment transactions.

8. AUTHORIZED INVESTMENTS

Authorized investments shall match the general categories established by the California Government Code Section 53635, et. seq., and further defined by California Government Code Section 53601, et. seq. Authorized investments may also be further limited by this Investment Policy. Authorized investments shall also include, in accordance with California Government Code Section 16429.1, investments into the State Local Agency Investment Fund (LAIF). No investment shall be made in any security with a maturity greater than five years, unless the Board of Supervisors has granted express authority to make that investment. As stipulated in Government Code Section 53601, the maturity shall be measured as the time from the settlement date to final maturity, provided that the settlement date does not exceed 45 days from the trade or transaction date. As the California Government Code is amended, this Policy shall likewise become amended.

9. DIVERSIFICATION

The Pooled Investment Fund shall hold a diversified portfolio of securities. Diversification shall be across various investment categories, including but not limited to: security sector (type), issuer, maturity and credit rating. The purpose of diversification is to reduce portfolio risk arising from overconcentration in any category of investment. Given that the United States Treasury and Agency issuers are the largest issuers and holdings of the Investment Pool, diversification across these issuers should be considered to the extent possible within the context of the other degrees of diversification. The main Investment Pool Objectives of Safety and Liquidity will be considered superior to diversification of assets.

10. PROHIBITED INVESTMENTS

- (1) No investments shall be made that are prohibited by law.
- (2) No investments shall be authorized that have the possibility of returning a zero or negative yield if held to maturity. As per Government Code Section 53601.6 this shall include inverse floaters, range notes, and interest only strips derived from a pool of mortgages. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to California Government Code 53601.1.

- (3) Notwithstanding the prohibition in paragraph (2), investments in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, shall be permitted in the event of, and for the duration of, a period of negative market interest rates. These instruments may be held until their maturity dates. This section shall remain in effect only until January 1, 2031, and as of that date is repealed; unless Section 53601.6(b)(2) is repealed or changed prior to that date, in which case this section will be repealed as of the date in Section 53601.6(b)(2).

11. CREDIT RATINGS & DOWNGRADES

Minimum Credit Ratings for various investment types are listed in the table in Appendix 1. For clarity, when a minimum credit is listed, it includes all modifiers to the credit rating. For example, if a rating category is listed as “A”, then any tier of that “A” rating, such as “A+”, “A-”, “A1”, “A2”, or “A3” would meet the criterion. The controlling credit rating is the highest credit rating issued by a National Recognized Statistic Rating Organization (NRSRO) at time of purchase (trade date) of the asset.

In the event of a downgrade of the credit-rating of a security held by the Investment Pool to a rating below the minimum criteria for purchase, Treasury staff will report the downgrade to the Auditor-Controller-Treasurer-Tax Collector promptly. Sale of the security is not mandatory, but an evaluation of the current situation of the issuer in the context of the market price, time to maturity and impact on the Pool will be considered in deciding whether to sell or hold the security. Any such security will be periodically re-evaluated, and as needed, as conditions change, until the security either matures or is sold.

12. TRADING OR EARLY SALE OF SECURITIES

It is expected that all securities purchased will be held to maturity. However, in an effort to minimize market or credit risks or to increase the total return of the portfolio, securities may be sold prior to maturity, with any gain or loss on sale being distributed to participants in the calendar quarter of the settlement of the transaction. All sales that will generate a realized loss will be discussed with the Auditor-Controller-Treasurer-Tax Collector prior to execution.

13. MAXIMUM MATURITY

The maximum maturities of permissible investments are described in Appendix A of this Investment Policy. In accordance with Government Code Section 53601, any maximum maturity limit in excess of five years needs to be approved by the County Board of Supervisors. The Sonoma County Board of Supervisors has approved investments in notes backed the Sonoma County Energy Independence Program (SCEIP) with maturities up to 20 years (Resolution 11-0137). SCEIP notes having maturities up to 20 years may be purchased for the County’s Pooled Investment Fund and/or Sonoma County Water Agency.

14. COMMERCIAL PAPER

All commercial paper issuers must maintain an “A-1” rating by Standard & Poor’s Corporation, a “P-1” rating by Moody’s Investor Service, or a “F-1” rating by Fitch Financial Services, issued by corporations operating within the United States, and having total assets in excess of five hundred million dollars (500,000,000.00). As used in this policy, “corporation” includes a limited

liability company. No more than 10% of the total assets of the investments held by a local agency may be invested in any one issuer's Commercial Paper.

15. *REPURCHASE AND REVERSE REPURCHASE AGREEMENTS / SECURITIES LENDING AGREEMENTS*

Under California Government Code Section 53601(j) and Section 53635, the County Treasurer may enter into repurchase agreements and reverse repurchase agreements / securities lending agreements. The maximum maturity of repurchase agreements shall be one year. The maximum maturity of a reverse repurchase agreement shall be 92 days, and the proceeds of reverse repurchase agreements / securities lending agreements may not be invested beyond the expiration of the agreement. The reverse repurchase agreements / securities lending agreements must be "matched to maturity."

16. *MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS*

A Mutual Fund managed by an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by Government Code Section 53601, subdivisions (a) to (k), inclusive, or subdivisions (m) to (o) and with assets under management in excess of five hundred million dollars (\$500,000,000.00). No more than 10% of the agency's funds may be invested in any one Mutual Fund.

17. *JOINT POWERS AGREEMENT*

With approval of the Board of Supervisors, the Treasurer is allowed to enter into a Joint Powers Agreement with governments whose policies are consistent with or more restrictive than Sonoma County's Statement of Investment Policy. Furthermore, the Treasurer is allowed to invest in an Investment Pool sponsored by a Joint Powers Agree as a participant, provided that the Investment Policy of such Investment Pool is consistent with or more restrictive than this Sonoma County Statement of Investment Policy, and complies with California Government Code.

18. *COLLATERAL*

Repurchase agreements executed with approved broker-dealers must be collateralized with either: (1) U.S. Treasuries or Agencies with a market value of 102% for collateral marked to market daily; or (2) money market instruments which are on the approved list of the County and which meet the qualifications of the Policy, with a market value of 102%. Use of mortgage-backed securities for collateral is not permitted. For purposes of investing the daily excess bank balance, the collateral provided by the County's depository bank can include mortgage-backed securities valued at 100%.

19. *CRITERIA FOR THE SELECTION OF BROKER/DEALERS AND FINANCIAL INSTITUTIONS*

All transactions initiated on behalf of the Pooled Investment Fund and Sonoma County shall be executed through either (1) government security dealers reporting as Primary Dealers to the Market Reports Division of the Federal Reserve Bank of New York, (2) financial institutions that directly issue their own securities which have been placed on the Approved List of Broker/Dealers and (3) Financial Institutions or broker/dealers in the State of California approved by the County Treasurer

based on the reputation and expertise of the company and individuals employed. All brokers/dealers and financial institutions must have a strong industry reputation and open lines of credit with other dealers. Further, these firms shall have an investment grade rating from at least one national rating service, if applicable.

In compliance with Government Code Sections 27133(c) and (d), broker/dealers and financial institutions which have exceeded the political contribution limits within a four year period to the County Treasurer or any member of the governing board of a local agency or any candidate for those offices, are prohibited from the Approved List of Broker/Dealers and Financial Institutions.

Each broker/dealer or financial institution will be sent a copy of this Policy and a list of those persons authorized to execute investment transactions. Each firm shall acknowledge receipt of such materials to qualify for the Approved List of Broker/Dealers and Financial Institutions.

Each broker/dealer and financial institution authorized to do business with Sonoma County shall, at least annually, supply the County Treasurer with updated financial statements.

20. *WITHDRAWAL REQUESTS*

[a] **STATUTORY PARTICIPANTS** - The County Treasurer will honor all requests to withdraw funds for normal cash flow purposes that are approved by the Sonoma County Auditor-Controller at a Book Value. Any requests to withdraw funds for purposes other than cash flow, such as for external investing, shall be subject to the consent of the County Treasurer. In accordance with California Government Code Section 27136, et seq., such requests for withdrawals must first be made in writing to the County Treasurer. These requests are subject to the County Treasurer's consideration of the stability and predictability of the Pooled Investment Fund, and any potential adverse effect on the interests of the other depositors in the Pooled Investment Fund. In no event will withdrawal requests be redeemed at greater than Book Value.

[b] **VOLUNTARY PARTICIPANTS** - For outside participants who utilize Government Code Section 53684, where the County Treasurer does not serve as the agency's treasurer, withdrawal requests for regular cash flow purposes, which are predictable redemptions that have been communicated to the Treasurer, will be paid at Book Value. For all other withdrawal requests, the participant shall submit the request for withdrawal to the County Treasurer. These requests are subject to the County Treasurer's consideration of the stability and predictability of the Pooled Investment Fund, and any potential adverse effect on the interests of other depositors in the Pooled Investment Fund. In no event will withdrawal requests be redeemed at greater than Book Value. If the Treasurer deems appropriate, the deposits may be returned at any time.

21. *DELIVERY & SAFEKEEPING*

Delivery of all securities shall be either to the County Treasurer or to a third party custodian. No securities shall be held in the safekeeping of a broker / dealer unless it is collateral for a reverse repurchase agreement.

22. *APPORTIONMENT OF INTEREST & COSTS*

Earnings, consisting of interest, amortization, accretion, gains, losses or other income attributed to the Investment Pool shall be apportioned to all Pooled Investment Fund participants quarterly,

based upon the ratio of the average daily balance of each individual fund to the average daily balance of all funds in the Pooled Investment Fund. The amount of earnings apportioned shall be determined using the accrual method of accounting, whereby earnings will be apportioned for the quarter in which it was actually earned. The Treasurer shall deduct from the gross earnings those administrative costs relating to the investing, depositing, and handling of funds, including salaries and other compensation, banking costs, equipment costs, supplies, the cost of information services, audit and any other costs as provided by Section 27013 of the Government Code.

23. TREASURY OVERSIGHT COMMITTEE

In accordance with Government Code Section 27131, the Board of Supervisors has established a Treasury Oversight Committee. The Treasury Oversight Committee will render unbiased and objective opinions on matters involving the Treasurer's investment of public funds. Specifically, the law requires that the Treasury Oversight Committee meet to: (1) Review the Investment Policy Statement and proposed changes prior to submission to the Board of Supervisors for adoption; (2) Review the Treasurer's investment portfolio reports and the compliance of the portfolio with law and this Investment Policy; and (3) cause an annual audit to be conducted of the Treasury in accordance with Government Code Section 27134.

All meetings of the Treasury Oversight Committee are to be open to the public and subject to the Ralph M. Brown Act.

By law, the Treasury Oversight Committee is not allowed to direct individual investment decisions, nor select individual investment advisors, brokers or dealers, or impinge on the day-to-day operations of the County Treasury.

24. REVIEW, MONITORING AND REPORTING OF THE PORTFOLIO

Quarterly, the County Treasurer will provide the Board of Supervisors a report on the Pooled Investment Fund. The report will list the type of investments, name of issuer, maturity date, par amount and dollar amount of the investment. For the total Pooled Investment Fund, the report will list average maturity, the market value and the credit rating. Additionally, the report will show any funds under the management of contracting parties, a statement of compliance to the Investment Policy and a statement of the Pooled Investment Fund's ability to meet the expected expenditure requirements for the next six months. The Quarterly Report is provided to the Treasury Oversight Committee at regularly scheduled meetings and is also made available on the County's Treasury Division webpage for any local agency participant or any member of the public.

Annually, the County Treasurer shall provide to the Treasury Oversight Committee a Statement of Investment Policy. Additionally, the County Treasurer will render a copy of the Statement of Investment Policy to the Board of Supervisors and to the legislative body of the local agencies that participate in the Pooled Investment Fund.

25. LIMITS ON HONORARIA, GIFTS AND GRATUITIES

In accordance with California Government Code Section 27133 (d), et seq., this Policy hereby establishes limits for the County Treasurer, individuals responsible for management of the portfolios, and members of the Treasury Oversight Committee. Any individual who receives an aggregate total of gifts, honoraria and gratuities in excess of \$50 in a calendar 12 month time

period from a broker/dealer, bank or service provider to the Pooled Investment Fund must report the gifts, dates and firms to the County Treasurer and complete the appropriate state forms.

No individual may receive aggregate gifts, honoraria and gratuities in a calendar twelve (12) month time period in excess of the limits established by the Fair Political Practices Commission (FPPC). Any violation must be reported to the FPPC on an annual basis.

26. AUDITS

The Treasury Oversight Committee shall initiate an annual audit to ensure the County's Investment Portfolio is in compliance with its policy and state law.

27. EXCEPTION TO POLICY

The County Treasurer, except as prohibited by state law, can make exceptions to the investment purchasing limits when deemed to be in the best interest of all of the Pooled Investment Fund participants. All exceptions will be reported in the quarterly report. Any State of California legislative action that further restricts allowable maturities, investment type, or percentage allocations will become effective immediately.

28. INVESTMENT OF BOND PROCEEDS

The County Treasurer shall invest bond proceeds using the standards of the County of Sonoma's Investment Policy. The bond proceeds will be invested in securities permitted by the bond documents. If the bond documents are silent, the bond proceeds will be invested in securities permitted by the County of Sonoma's Investment Policy.

29. DISASTER RECOVERY PLAN

The County Treasurer's Disaster Recovery Plan includes contact information for the Treasury staff and key county personnel, as well as contact information for authorized banks and brokers. Copies of the plan have been distributed to the investment staff: Assistant Auditor-Controller-Treasurer-Tax Collector (Chief Deputy Investment Officer), Treasury Manager, and Investment and Debt Officer.

In the event we are unable to conduct normal business operations, the investment staff shall interact with one another by home phone, cell phone, or e-mail to decide on an alternate location from which to conduct daily operations. If unable to contact one another, the investment staff shall establish contact with one another through the County Office of Emergency Services.

Appendix A: Investment Criteria Table

Investment Type	Maximum Maturity*	Maximum % of Pool	Minimum Rating	Code Section
U.S Treasury Securities	5 years	100	--	§53601(b)
U.S Agency Securities	5 years	100	--	§53601(f)
Obligations Issued or Unconditionally Guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank	5 years	30	AA	§53601(q)
Bonds and Notes issued by the State of California	5 years	100	--	§53601(c)
Bonds and Notes issued by Sonoma County or Sonoma County agencies, departments, boards, authorities or districts	5 years	100	--	§53601(a)
Bonds and Notes issued by California agencies, departments, boards, authorities or districts outside of Sonoma County	5 years	100	--	§53601(e)
Bonds and Notes issued by any other State of the United States, including those issued by said State's agencies, departments, boards or authorities	5 years	100	--	§53601(d)
Commercial Paper (See Section 14)	397 days	40	A-1/F-1 /P-1	§53601(h) §53635(a)
Negotiable Certificates of Deposit	5 years	30	--	§53601(i)
Repurchase Agreements (See Section 15)	1 year	100	--	§53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements (See Section 15)	92 days	20	--	§53601(j)
Medium Term Corporate Notes	5 years	30	A	§53601(k)
Mutual Funds & Money Market Mutual Funds (See Section 16)	--	20	Aaa & AAAm	§53601(l)
Mortgage Pass-Through Securities, Collateralized Mortgage Obligations, and Asset Backed Securities	5 years	20	AA	§53601(o)
Joint Powers Agreement (See Section 17)	--	100	--	§6509.7 §53601(p)
Local Agency Investment Fund (LAIF)	--	As limited by LAIF	--	§16429.1
Collateralized Time Deposits	5 years	N/A	--	§53649 et seq.

*The Maximum Maturity for all investments is 5 years unless further restricted by this table, or explicitly allowed to exceed 5 years.

GLOSSARY OF TERMS

ACCRUED INTEREST

Interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

AGENCY ISSUES

Securities Issued by federal agencies, those chartered by the federal government or government sponsored enterprises, that are considered to be backed by the federal government.

ASSET BACKED SECURITIES

A financial security backed by a loan, lease or receivables against asset other than real estate or mortgaged backed securities.

BASIS POINT

One basis point is equal to 1/100 of one percent. For example, if interest rates increase from 4.25% to 4.50%, the difference is referred to as a 25-basis-point increase.

BOOK VALUE

The value of a held security as carried in the records of an investor. May differ from current market value of the security. Sonoma County uses accrual cost-basis to determine book value.

BROKER/DEALER

Any person engaged in the business of effecting transactions in securities in this state for the account of others or for her/his own account. Broker/dealer also includes a person engaged in the regular business of issuing or guaranteeing options with regard to securities not of her/his own issue.

CERTIFICATE OF DEPOSIT

An instrument representing a receipt from a bank for a deposit at a specified rate of interest for specified period of time.

COLLATERALIZATION

Process by which a borrower pledges securities, property or other deposits for the purpose securing the repayment of a loan and/or security.

COMMERCIAL PAPER

Short-term, unsecured promissory notes issued in either registered or bearer form and usually backed by a line of credit with a bank.

COUPON RATE

The annual rate of interest payable on a security expressed as a percentage of the principal amount.

CREDIT RISK

The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

CURRENT YIELD

The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

CUSIPS

CUSIP is an acronym for Committee on Uniform Security Identification Procedures. CUSIP numbers are identification numbers assigned each maturity of a security issue and usually printed on the face of each individual security in the issue. The CUSIP numbers are intended to facilitate identification and clearance of securities.

DISCOUNT

The amount by which the par value of a security exceeds the price paid for the security.

EARNINGS APPORTIONMENT

The quarterly interest distribution to the Pooled Investment Fund Participants where the actual investment costs incurred by the Treasurer are deducted from the interest earnings of the Pooled Investment Fund.

FAIR VALUE

The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

FEDERAL FUNDS

Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend Fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

FEDERAL FUNDS RATE

Interest rate at which banks lend federal funds to each other.

FLOATING RATE NOTE

A debt security whose interest rate is reset periodically (monthly, quarterly, annually) and is based on a market index (e.g. Treasury bills, SOFR, etc.).

GOVERNMENT OBLIGATIONS

Securities issued by the U.S. Treasury and Federal Agencies. U.S. Treasuries are direct obligations of the Federal Government. Agencies are not direct obligations, but involve Federal sponsorship or guarantees.

INTEREST

The amount earned while owning a debt security, generally calculated as a percentage of the principal amount.

LOCAL AGENCY INVESTMENT FUND (LAIF)

The State of California investment pool in which money of local agencies is pooled as a method for managing and investing local funds.

LOCAL AGENCY OBLIGATION

An indebtedness issued by a local agency, department, board or authority within the State of California.

MARKET VALUE

The price at which a security is trading and could presumably be purchased or sold. Sonoma County expresses the Market Value of the Pooled Investment Fund as a percentage of the Book Value (where 100% would indicate that the Book and Market Values are equal).

MATURITY

The date upon which the principal of a security becomes due and payable to the holder.

MEDIUM TERM NOTE

Notes and bonds that are debt obligations of corporations. This is a California Code designation that is not equivalent to financial market usage.

MONEY MARKET MUTUAL FUND

A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty.

NATIONAL RECOGNIZED STATISTICAL RATING ORGANIZATION

A category of credit rating agencies, called nationally recognized statistical rating organizations (NRSROs) was created by the Securities and Exchange Commission (SEC) in the mid-1970s when it was decided to use their credit ratings to assess the riskiness of securities for regulatory purposes. The SEC maintains a list of NRSROs at the following website:

<https://www.sec.gov/about/divisions-offices/office-credit-ratings/current-nrsros>

PAR

The stated maturity value, or face value, of a security.

PAR VALUE

The stated or face value of a security expressed as a specific dollar amount marked on the face of the security; the amount of money due at maturity. Par value should not be confused with market value.

PREMIUM

The amount by which the price paid for a security exceeds the security's par value.

REPURCHASE AGREEMENT OR REPO

An agreement consisting of two simultaneous transactions whereby the investor purchases securities from a bank or dealer and the bank or dealer agrees to repurchase the securities at the same price on a certain future date. The interest rate on a Repo is that which the dealer pays the investor for the use of his funds. Reverse repurchase agreements are the mirror image of the Repos when the bank or dealer purchases securities from the investor under an agreement to sell them back to the investor.

Sonoma County Energy Independence Program (SCEIP)

SCEIP offers financing to Sonoma County property owners, through the issuance of bonds, for property assessed clean energy (PACE), waster conservation, wildfire safety, and seismic improvements. SCEIP bonds are backed by property assessment liens and the Sonoma County Investment Pool and Sonoma County Water Agency are authorized by the Board of Supervisors to purchase SCEIP bonds, which have maturities of up to 20 years.

SECURITIES LENDING

A transaction wherein the Treasurer's Pooled Investment 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.

SETTLEMENT DATE

The date on which the purchase or sale of securities is executed. For example, in a purchase transaction, the day securities are physically delivered or wired to the buyer in exchange for cash is the settlement date.

TRADE DATE

The date and time corresponding to an investor's commitment to buy or sell a security.

VOLUNTARY PARTICIPANT

Local agencies that are not required to deposit their funds with the County Treasurer.

WEIGHTED AVERAGE MATURITY

The remaining average maturity of all securities held in a portfolio.

**QUARTERLY REPORT AND CERTIFICATION
OF THE COUNTY TREASURER
For Quarter Ending June 30, 2026**

Government Code requires the County Treasurer to render a Quarterly Report to the County Administrator, the Board of Supervisors, the County Auditor, the Treasury Oversight Committee, and the participants of the Treasury Pool.

The Quarterly Report shall state compliance of the portfolio to the County Investment Policy and denote the ability of the pool to meet expenditures for the next six months or provide an explanation as to why sufficient money shall or may not be available.

COMPLIANCE CERTIFICATION

I certify that the investments of the Sonoma County Investment Pool are in compliance with the County Investment Policy.

I further certify that the pool has sufficient cash flow available to meet anticipated expenditure requirements for the next six months.

Erick Roeser
Treasurer
County of Sonoma

Sonoma County Quarterly Report & Certification of Investments

Section 1: Sonoma County Pooled Investment Fund Summary Statistics

Investment Pool as of:	Jun 30, 2026	Mar 31, 2026
Book Value	\$3,566,909,526	\$3,507,202,429
Market Value	\$3,549,757,499	\$3,502,702,209
Market Value/Book Value	99.52%	99.87%
Weighted Avg Maturity	841 Days	807 Days
Quarterly Return (gross)	4.219%	4.214%
Apportionment Rate (net)	4.115%	4.087%
Earnings Apportioned	\$38,006,010	\$36,332,244
Average Daily Book Value	\$3,693,867,783	\$3,555,615,630
Other Funds		
Tobacco Endowment	\$4,956,455	\$5,190,727
Water Agency - Book	\$34,683,462	\$33,989,042
Water Agency - Market	\$34,683,462	\$33,989,042
Water Agency - Mkt/Book	100.00%	100.00%
Water Agency - WAM	2312 Days	2273 Days
Total All Funds - Book	\$3,606,549,443	\$3,546,382,199

Figure 1: Key Metrics

The Sonoma County Investment Pool returned 4.219% (annualized) before expenses, which is a increase of 0.5 bps from the prior quarter. The Pool increased by approximately \$60 million, as measured by book value, primarily due the receipt of Property Taxes. The ratio of the market value to book value declined below to 99.5%, continuing to reflect the increase in yields as a result of higher oil prices caused by the conflict in the Middle East. The weighted average maturity of investments increased by 34 days reflecting a change in the Pool's composition as Pool inflows were invested in longer maturity securities to take advantage of increased yields. The amount of earnings apportioned to participants increased by \$1.7 million to approximately \$38.0 million, which primarily reflects the Pool's larger average asset base during the quarter, as the impact of higher market yields during the quarter has yet to be felt.

Other funds overseen by the Sonoma County Treasurer's Office increased by approximately \$0.5 million, as measured by book value, primarily as a result of retained earnings.

Market prices are from US Bank, the custodian for the assets held in the Sonoma County Investment Pool.

Section 2: Certification of Pool’s Ability to Meet Expenditures over the Next Six Months

It is projected that approximately \$2.4 billion of expenditures will be funded over the next six months. The Sonoma County Investment Pool has \$710 million of securities maturing over the next six months. These, along with projected receipts from all sources of approximately \$1.83 billion, and an initial cash balance of approximately \$96 million, are projected to be sufficient to meet anticipated expenditures. The month-by-month expected Expenditures, Receipts, and Maturities along with the projected running free cash balance are shown in Figure 2, while the maturity profile, and cumulative maturities are shown below in Figure 3:

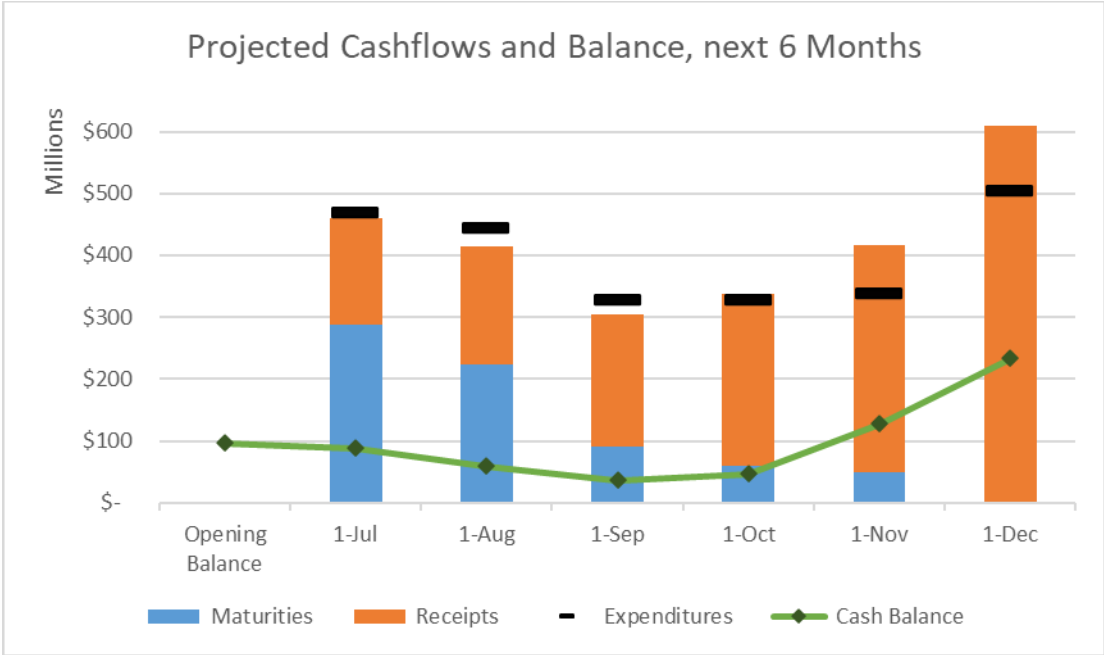


Figure 2: Projected Cashflows and Cash Balances.

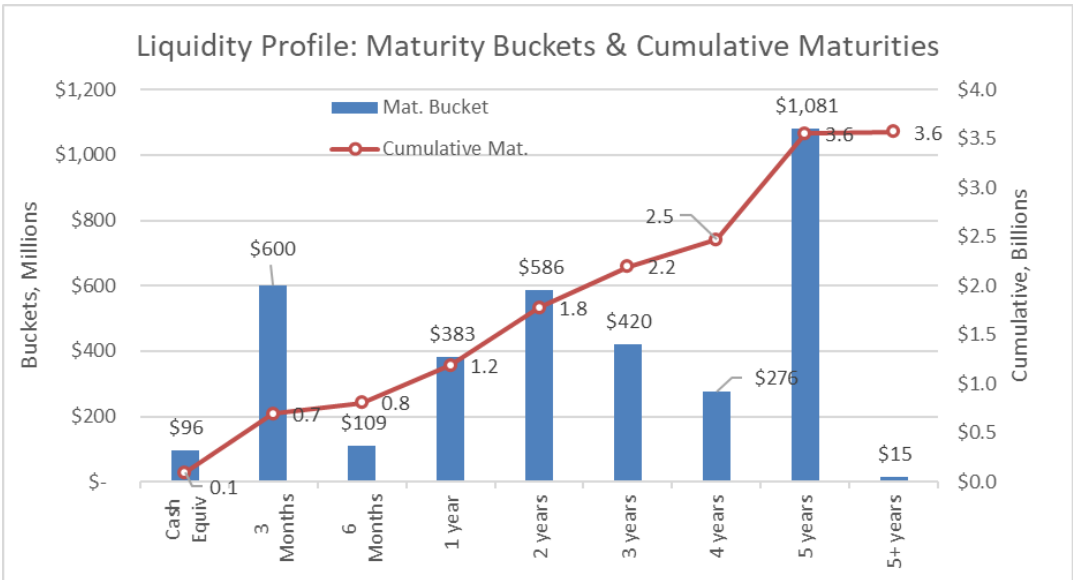


Figure 3: Liquidity & Maturity Profile

Sonoma County Quarterly Report & Certification of Investments

Section 3: Investment Pool Characteristics

The current quarter-end characteristics of the Pool are shown in Figure 4. This information is also shown graphically in Section 6, Figure 8.

Investment Type	Book Value	Market Value	% Pool	Limit	WAM	Yield
US Treasury Securities	\$379,382,407	\$377,631,588	10.6%	--	2.34	4.00%
US Agency Bonds	\$1,328,659,555	\$1,315,441,761	37.2%	--	3.73	4.07%
Supranational Bonds	\$233,351,764	\$231,946,294	6.5%	30%	1.15	3.81%
Corporate Bonds	\$984,043,889	\$983,486,575	27.6%	30%	1.70	4.66%
Certificates of Deposit	\$378,200,000	\$378,108,525	10.6%	30%	0.21	4.22%
Commercial Paper	\$37,981,730	\$37,948,096	1.1%	40%	0.28	3.78%
Municipal Bonds	\$110,974,569	\$110,879,047	3.1%	--	0.79	3.65%
LAIF	\$15,000,012	\$15,000,012	0.4%	*	0.74	3.83%
JPA Funds	\$44,231,168	\$44,231,168	1.2%	20%	0.00	3.77%
Money Market Funds	\$503	\$503	0.0%	20%	0.00	3.52%
CASH	\$37,032,634	\$37,032,634	1.0%	--	0.00	0.00%
SCEIP Notes	\$18,051,296	\$18,051,296	0.5%	--	12.89	3.08%
Pool Totals (Wtd Avg)	\$3,566,909,526	\$3,549,757,499			2.30	4.15%

*Limits are as established by LAIF; currently \$75 million.

Figure 4: Book & Market Value, Weighted Average Maturity (WAM) in years and Yield.

The concentrations of the 20 largest issuers in the Pool are shown in Figure 5. Approximately 76% of portfolio holdings are held by the 20 largest issuers. US Treasuries and securities issued by US Agencies comprise approximately 48% of the Pool's investments.

Top 10 Issuers	%	Issuers 11-20	%
U.S. TREASURY	10.6%	EQUITABLE FINANCIAL LIFE	2.4%
FEDERAL NATIONAL MTG ASSN	9.3%	INTL BANK RECON & DEV	2.3%
FEDERAL HOME LOAN BANK	8.4%	FEDERAL AG MTG ACCEPT CORP	2.2%
FEDERAL FARM CREDIT BANK	8.1%	GUARDIAN LIFE	2.1%
FEDERAL HOME LOAN MTG CORP	7.8%	NEW YORK LIFE	2.0%
NATIXIS BANK NY	2.8%	STANDARD CHARTERED BANK NY	2.0%
BANCO SANTANDER NY	2.7%	PRINCIPAL LIFE	1.8%
CREDIT AGRICOLE NY	2.6%	INTL FINANCE CORP	1.7%
INTER AMERICAN DEV BANK	2.5%	BMW CAPITAL USA	1.1%
METLIFE INC	2.5%	COREBRIDGE FUNDING	1.1%

Figure 5: Largest Holdings by Issuer

Sonoma County Quarterly Report & Certification of Investments

Section 4: Impact Investments

To the extent possible, within the State's Government Code Section 53601, the Pool will invest in assets that fund activities that improve the Environment, advance Social and Educational goals, and support our local community, provided that such investments are compliant with State Statute and the adopted Investment Policy, as well as meet the three primary goals of the Pool: 1. Safety of Principal, 2. Provide Liquidity to our Participants, and 3. Achieve a reasonable return consistent with a prudent application of these criteria.

Currently, the Pool will consider investments in 1. Climate-friendly bonds (aka Green or Sustainable bonds), 2. Bonds that have a stated use that seeks to advance social goals, 3. Bonds that support education, 4. Bonds that are issued by Development Banks, and 5. Bonds issued by local, Sonoma County issuers. Currently, approximately 10% of the Pool meets these criteria. The full breakdown is presented in Figure 6:

ESG Holdings	Amount	Percent
Designated Green Bonds	\$44,408,755	1.3%
Designated Social Bonds	\$221,069,889	6.3%
Development Bonds	\$68,397,821	1.9%
Education Bonds	\$23,671,667	0.7%
TOTAL	\$357,548,132	10.2%
Locally Focused Bonds	(included above)	
Total	\$23,455,069	0.7%
Local Green	\$19,152,235	0.5%
Local Schools	\$4,302,834	0.1%

Figure 6: Classification of Impact Investments

Additionally, the Pool does not invest in Fossil Fuel Producers.

Third party measurement of the Environmental, Social & Governance scores of our corporate holdings by MSCI, CSR Hub, and S&P/Robeco show the following averages for our holdings:

MSCI ranking	A
CSR average	91/100
S&P Robeco	80/100

Section 5: Pool Participants

Pool participants are grouped below by type of entity, with the largest group of Pool Participants being Other Government Funds (36.7%) followed by School Districts (37.3%). The County's General Fund reflects approximately 10.1% of the Pool:

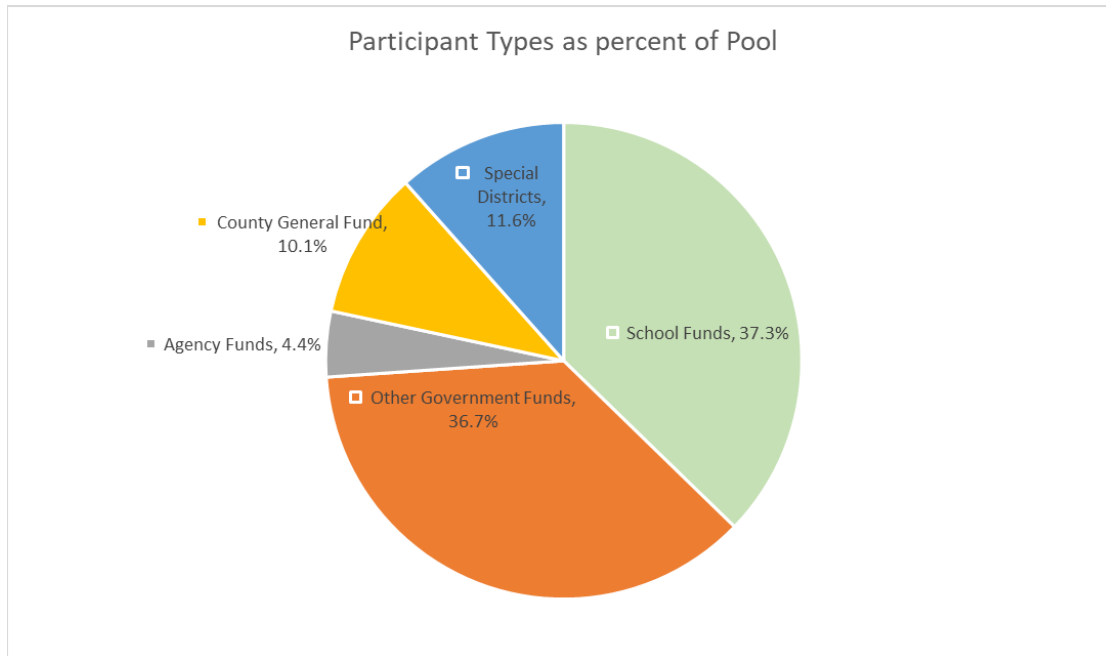


Figure 7: Breakdown of Pool participants by type of entity

Section 6: Detailed Charts

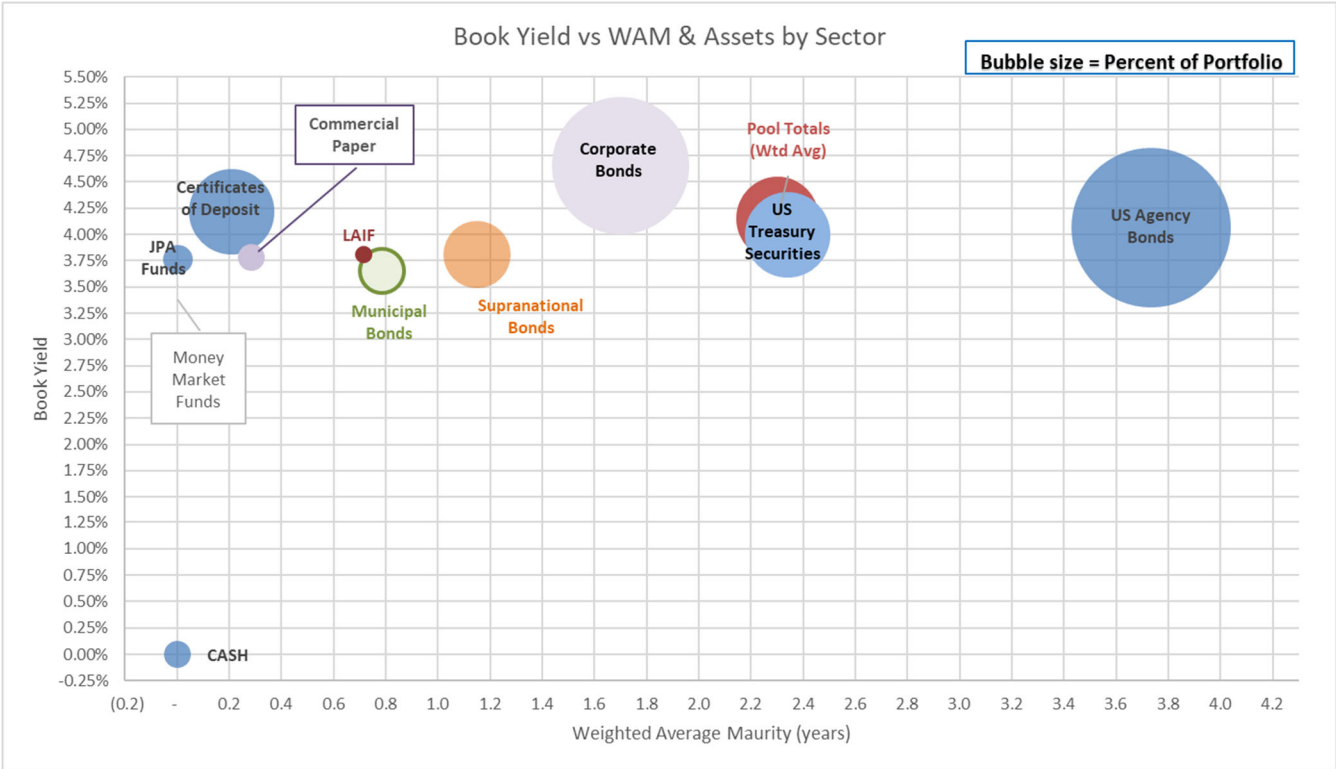


Figure 8: Book yield vs Weighted Average Maturity by Sector (except SCEIP: 12.9yrs, 3.08%)

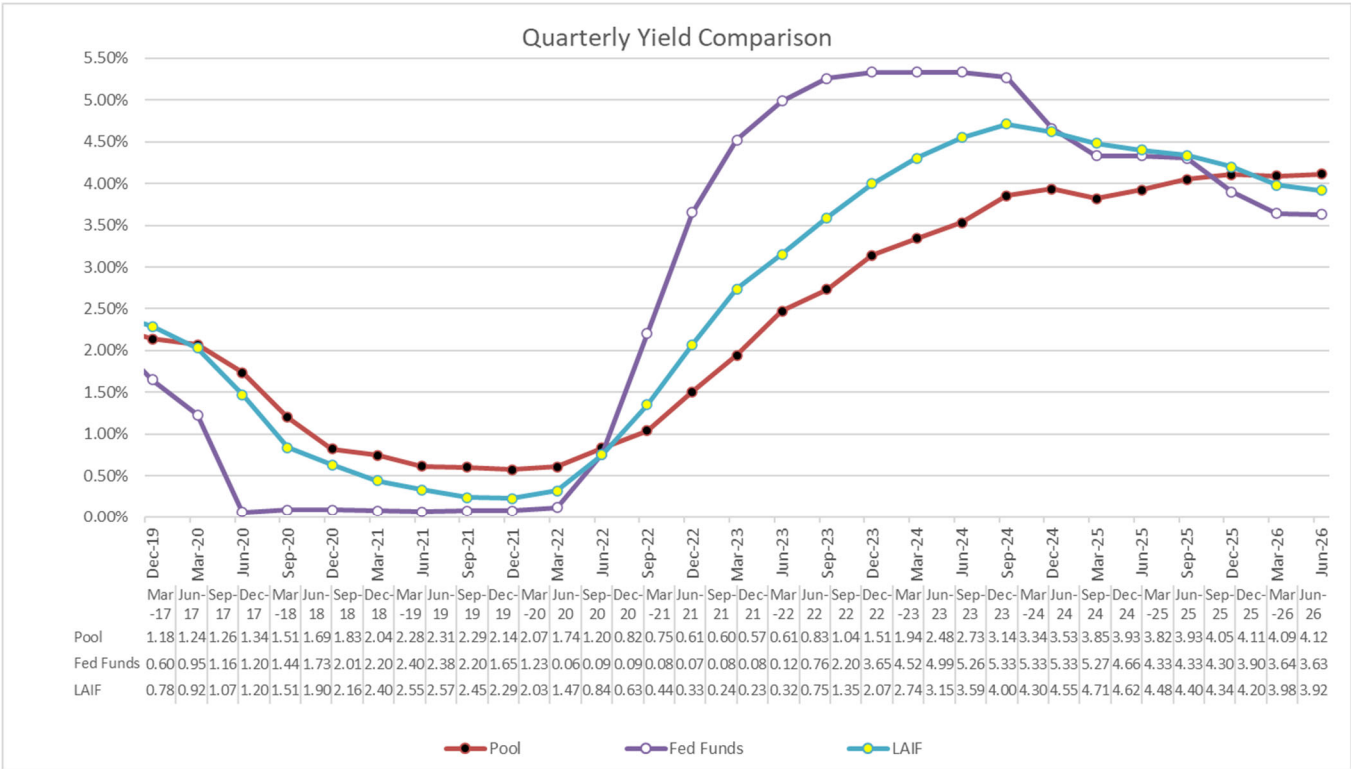


Figure 9: Historical yield

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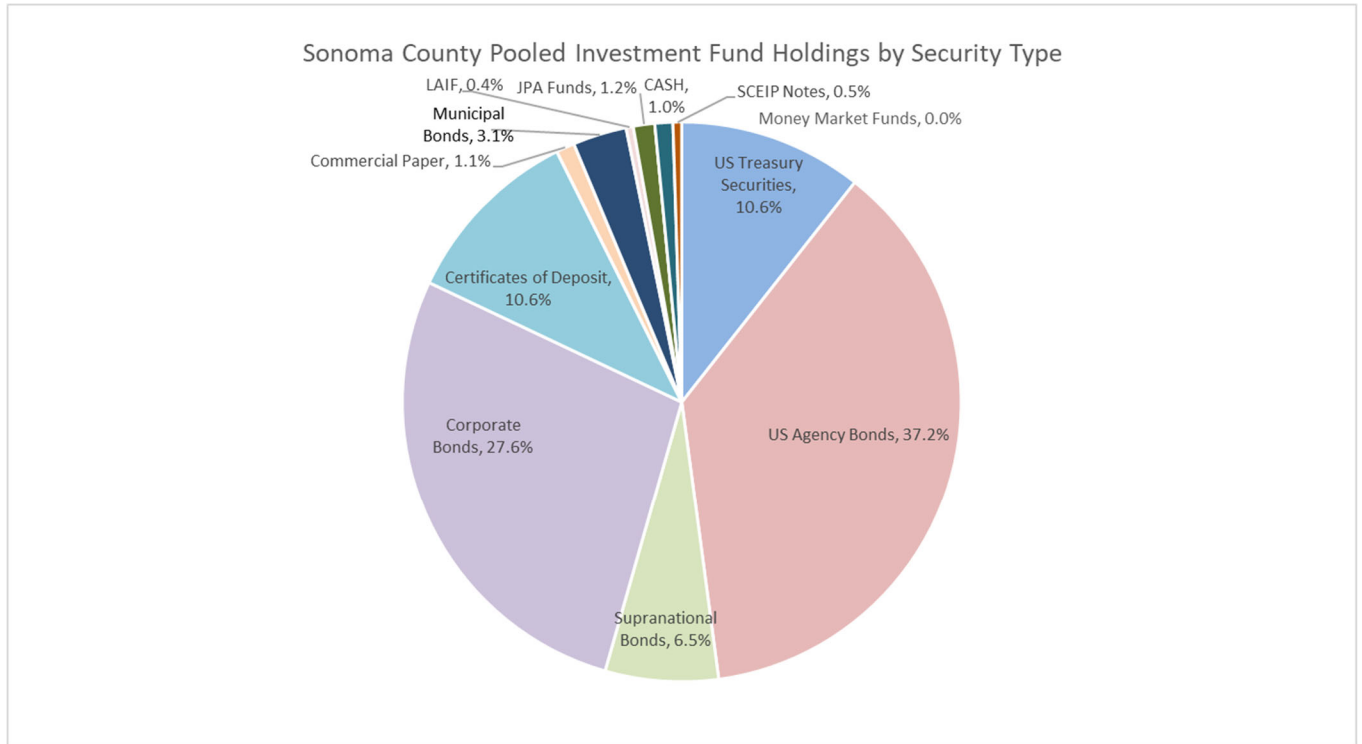


Figure 10: Holdings by Investment Sector

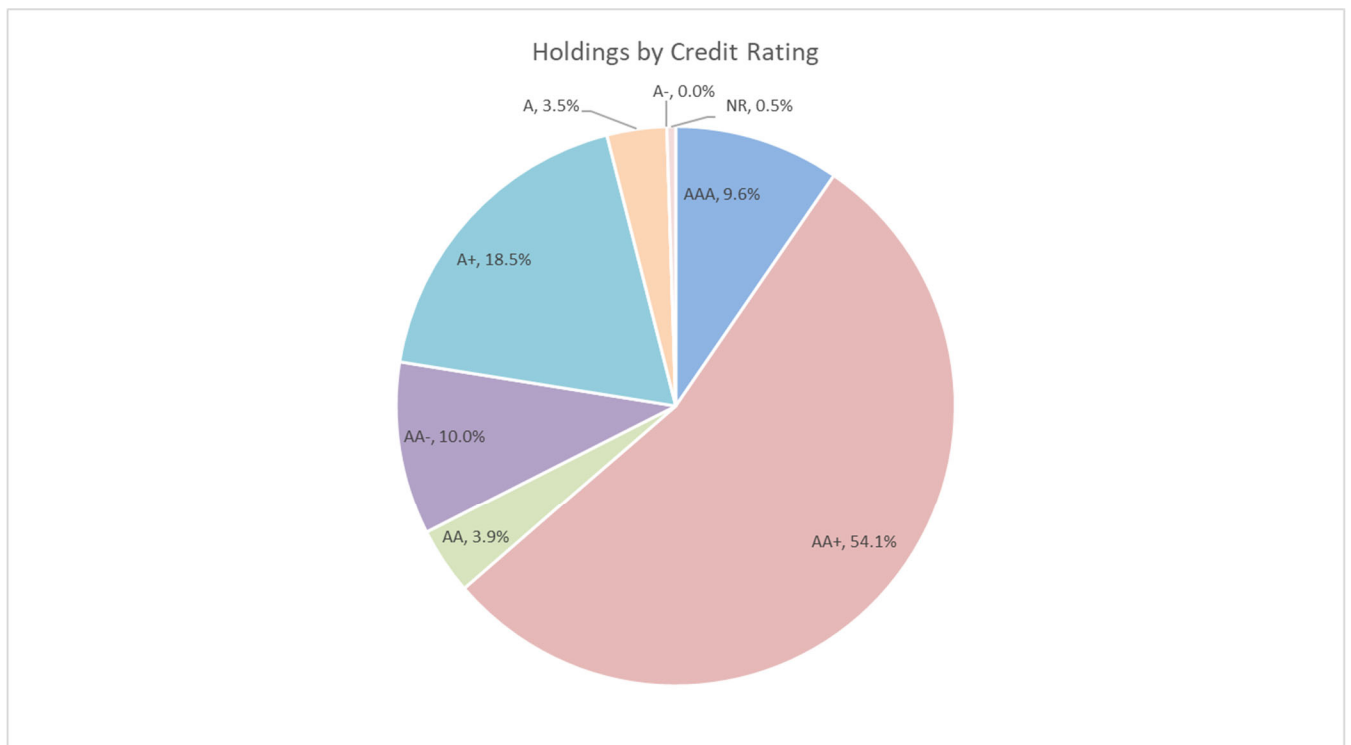


Figure 11: Holdings by Credit Rating

Section 7: Interest Rate Changes

US Treasury interest rates rose during the quarter as the Fed held the target federal funds range at 3.50%-3.75% during the quarter. The conflict with Iran cooled to a cease-fire, although sporadic hostilities continues, and shipping traffic from the Persian Gulf continued to be mostly blocked by Iran. Commodity prices have come off their highs, but US Treasury interest rates continue to be elevated. Rates rose as the market has started to price in hikes by the Fed. Rates were roughly 30 basis points higher from the 6-month point out the curve. Figure 12 compares where interest rates ended the current quarter with the previous quarter and one-year earlier.

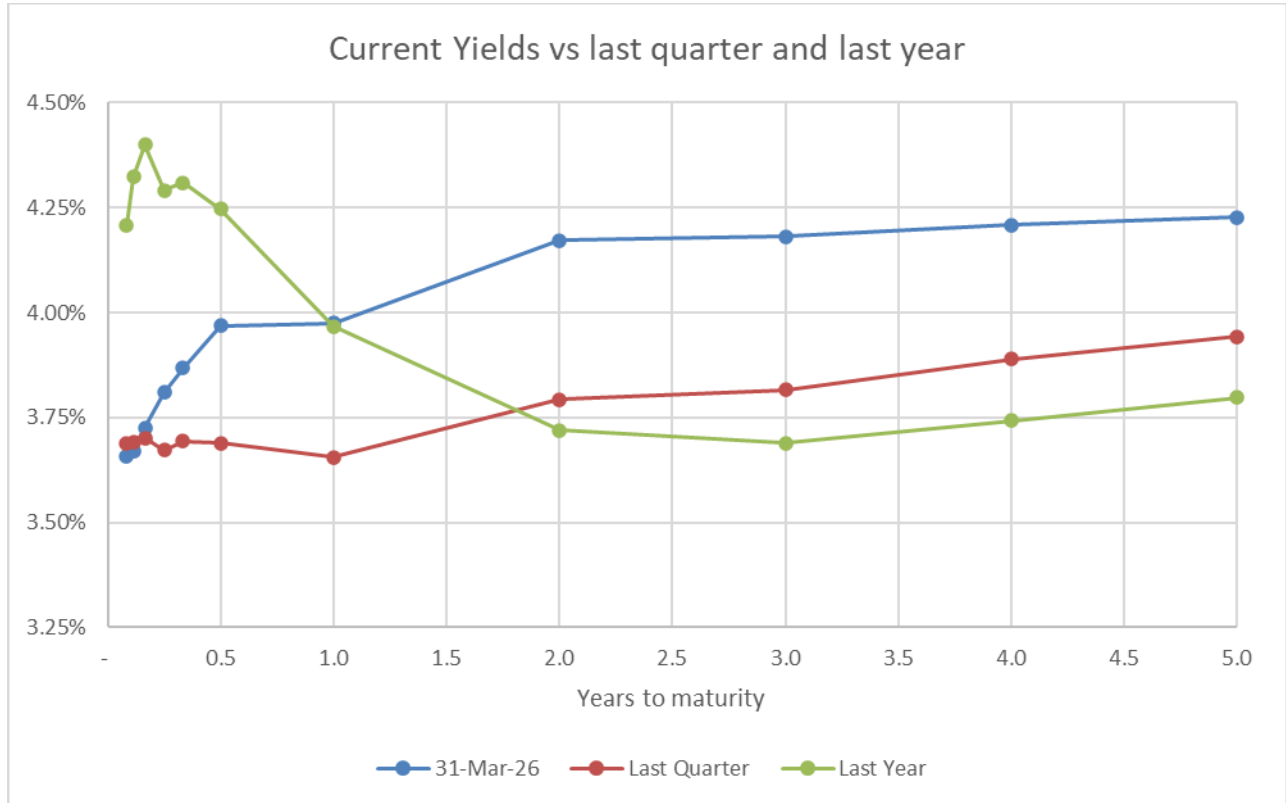


Figure 12: Interest rate history

Sonoma County Quarterly Report & Certification of Investments

Section 8: Compliance with State Statutes and Sonoma County Investment Policy

Figure 13 below shows that the Investment Pool complies with the Sonoma County Investment Policy and State Statute. Additionally, the following statements apply:

Prohibited Investments: There are no investments in (1) securities that have a zero or negative yield to maturity or (2) inverse floaters, range notes or mortgage-backed interest only strips

Reverse Repurchase Agreements: The pool has no reverse repurchase agreements.

Investment Type	Max. Maturity	Max. % of Pool	Min. Rating	Code Section	Comp.
U.S Treasury Securities	5 years	100	--	§53601(b)	Yes
U.S Agency Securities	5 years	100	--	§53601(f)	Yes
Obligations Issued or Unconditionally Guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank	5 years	30	AA	§53601(q)	Yes
Bonds and Notes issued by the State of California	5 years	100	--	§53601(c)	Yes
Bonds and Notes issued by Sonoma County or Sonoma County agencies, departments, boards, authorities or districts	5 years	100	--	§53601(a)	Yes
Bonds and Notes issued by California agencies, departments, boards, authorities or districts outside of Sonoma County	5 years	100	--	§53601(e)	Yes
Bonds and Notes issued by any other State of the United States, including those issued by said State's agencies, departments, boards or authorities	5 years	100	--	§53601(d)	Yes
Commercial Paper (See Section 14)	270 days	40	A-1/F-1/P-1	§53601(h) §53635(a)	Yes
Negotiable Certificates of Deposit	5 years	30	--	§53601(i)	Yes
Repurchase Agreements (See Section 15)	1 year	100	--	§53601(j)	Yes
Reverse Repurchase Agreements and Securities Lending Agreements (See Section 15)	92 days	20	--	§53601(j)	Yes
Medium Term Corporate Notes	5 years	30	A	§53601(k)	Yes
Mutual Funds & Money Market Mutual Funds (See Section 16)	--	20	Aaa & AAAM	§53601(l)	Yes
Mortgage Pass-Through Securities, Collateralized Mortgage Obligations, and Asset Backed Securities	5 years	20	AA	§53601(o)	Yes
Joint Powers Agreement (See Section 17)	--	20	--	§6509.7 §53601(p)	Yes
Local Agency Investment Fund (LAIF)	--	As limited by LAIF	--	§16429.1	Yes
Collateralized Time Deposits	5 years	N/A	--	§53649 et seq.	Yes

Sonoma County Quarterly Report & Certification of Investments

Appendix A:

A detailed listing of all investments in the Pooled Investment Fund.

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
CASH IN BANK					39,814,354	\$ 39,814,354	\$ 39,814,354	AAA	Aaa
BANK ITEMS IN TRANSIT					(2,846,231)	\$ (2,846,231)	\$ (2,846,231)	AAA	Aaa
CASH IN VAULT					64,511	\$ 64,511	\$ 64,511	AAA	Aaa
Sub Total Cash Items		1	1.04%	0.00%	37,032,634	\$ 37,032,634	\$ 37,032,634		
LOCAL AGENCY INVEST FUND				3.830	15,000,012	\$ 15,000,012	\$ 15,000,012	NR	NR
Sub Total LAIF		269	0.42%	3.83%	15,000,012	\$ 15,000,012	\$ 15,000,012		
CAMP JPA FUND				3.770	20,132,923	\$ 20,132,923	\$ 20,132,923	AAA	Aaa
CAL TRUST JPA				3.748	14,064,789	\$ 14,064,789	\$ 14,064,789	AAA	Aaa
CALFIT JPA FUND				3.780	10,033,456	\$ 10,033,456	\$ 10,033,456	AAA	NR
Sub Total JPA Funds		1	1.24%	3.77%	44,231,168	\$ 44,231,168	\$ 44,231,168		
Dreyfus Treasury Securities				3.516	503	\$ 503	\$ 503	NR	Aaa
Sub Total Money Market Funds		1	0.00%	3.52%	503	\$ 503	\$ 503		
BANCO SANTANDER NY	4.240%	7/2/2026	7/1/2025	4.240	25,000,000	\$ 25,000,000	\$ 25,000,500	A+	A1
BANCO SANTANDER NY	4.260%	8/4/2026	7/3/2025	4.260	25,000,000	\$ 25,000,000	\$ 25,008,250	A+	A1
BANCO SANTANDER NY	4.310%	8/5/2026	7/7/2025	4.310	25,000,000	\$ 25,000,000	\$ 25,009,750	A+	A1
BANCO SANTANDER NY	4.110%	5/4/2027	4/15/2026	4.110	20,000,000	\$ 20,000,000	\$ 19,971,800	A+	A1
BEYERISHCE LANDESBANK NY	4.330%	7/1/2026	6/25/2025	4.330	25,000,000	\$ 25,000,000	\$ 25,000,250	NR	Aa2
BEYERISHCE LANDESBANK NY	3.990%	2/5/2027	5/12/2026	3.990	8,100,000	\$ 8,100,000	\$ 8,091,333	NR	Aa2
CREDIT AGRICOLE NY	4.370%	7/1/2026	5/29/2025	4.370	25,000,000	\$ 25,000,000	\$ 25,000,500	A+	A1
CREDIT AGRICOLE NY	4.200%	7/8/2026	7/1/2025	4.200	25,000,000	\$ 25,000,000	\$ 25,002,250	A+	A1
CREDIT AGRICOLE NY	4.190%	8/3/2026	7/2/2025	4.190	23,000,000	\$ 23,000,000	\$ 23,008,740	A+	A1
CREDIT AGRICOLE NY	4.040%	5/5/2027	4/16/2026	4.040	20,000,000	\$ 20,000,000	\$ 19,957,200	A+	Aa3
NATIXIS BANK NY	4.290%	7/9/2026	7/7/2025	4.290	10,000,000	\$ 10,000,000	\$ 10,001,200	A+	A1
NATIXIS BANK NY	3.940%	8/6/2026	10/10/2025	3.940	19,800,000	\$ 19,800,000	\$ 19,801,782	A+	A1
NATIXIS BANK NY	4.090%	5/3/2027	4/9/2026	4.090	20,000,000	\$ 20,000,000	\$ 19,962,800	A+	A1
NATIXIS BANK NY	4.110%	5/6/2027	5/15/2026	4.110	12,300,000	\$ 12,300,000	\$ 12,280,320	A+	A1
SOCIETE GENERALE	4.260%	7/7/2026	6/24/2025	4.260	25,000,000	\$ 25,000,000	\$ 25,002,250	A	A1
STANDARD CHARTERED BANK NY	4.310%	7/2/2026	6/13/2025	4.310	25,000,000	\$ 25,000,000	\$ 25,000,750	A+	A1
STANDARD CHARTERED BANK NY	4.350%	7/6/2026	6/23/2025	4.350	25,000,000	\$ 25,000,000	\$ 25,002,250	A+	A1
STANDARD CHARTERED BANK NY	4.260%	9/1/2026	7/30/2025	4.260	20,000,000	\$ 20,000,000	\$ 20,006,600	A+	A1
Sub Total Certificates of Deposit		77	10.60%	4.22%	378,200,000	\$ 378,200,000	\$ 378,108,525		
JACKSON NATIONAL LIFE		2/3/2027	5/8/2026	4.205	260,000	\$ 253,684	\$ 253,495	A	A3
JACKSON NATIONAL LIFE		2/3/2027	6/18/2026	4.072	1,030,000	\$ 1,005,662	\$ 1,004,229	A	A3
NATIXIS BANK NY		9/4/2026	1/8/2026	3.786	10,100,000	\$ 10,033,073	\$ 10,029,401	A+	A1
NATIXIS BANK NY		10/2/2026	1/8/2026	3.797	8,900,000	\$ 8,815,621	\$ 8,809,665	A+	A1
NATIXIS BANK NY		11/2/2026	2/6/2026	3.755	18,100,000	\$ 17,873,690	\$ 17,851,306	A+	A1
Sub Total Commercial Paper		104	1.06%	3.78%	38,390,000	\$ 37,981,730	\$ 37,948,096		
FEDERAL AG MTG ACCEPT CORP	1.700%	2/9/2027	9/2/2025	3.836	2,000,000	\$ 1,974,447	\$ 1,970,740	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	4.240%	9/4/2030	9/5/2025	4.187	2,250,000	\$ 2,250,000	\$ 2,225,003	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	4.120%	10/15/2030	10/15/2025	4.064	2,000,000	\$ 2,000,000	\$ 1,973,000	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	3.940%	10/15/2030	10/17/2025	3.888	3,850,000	\$ 3,850,000	\$ 3,775,503	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	3.900%	11/12/2030	11/12/2025	3.852	16,000,000	\$ 15,997,272	\$ 15,725,440	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	3.875%	10/16/2028	11/13/2025	3.848	3,740,000	\$ 3,740,000	\$ 3,712,474	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	3.850%	11/13/2028	11/19/2025	3.841	1,900,000	\$ 1,899,114	\$ 1,879,442	AA+	Aa2
FEDERAL AG MTG ACCEPT CORP	3.900%	11/26/2030	11/26/2025	3.847	10,000,000	\$ 10,000,000	\$ 9,753,960	AA+	Aa2
FEDERAL AG MTG ACCEPT CORP	1.200%	8/10/2028	11/24/2025	3.609	4,350,000	\$ 4,137,118	\$ 4,085,216	AA+	Aa2
FEDERAL AG MTG ACCEPT CORP	1.250%	8/28/2028	11/24/2025	3.609	3,000,000	\$ 2,852,894	\$ 2,816,040	AA+	Aa2
FEDERAL AG MTG ACCEPT CORP	4.130%	11/25/2030	11/25/2025	4.073	10,000,000	\$ 10,000,000	\$ 9,981,400	AA+	Aa2
FEDERAL AG MTG ACCEPT CORP	3.930%	12/23/2030	12/23/2025	3.876	7,500,000	\$ 7,500,000	\$ 7,422,150	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	4.080%	1/13/2031	1/14/2026	4.044	2,000,000	\$ 1,999,264	\$ 1,974,940	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	4.070%	2/4/2031	2/9/2026	4.036	4,000,000	\$ 4,001,507	\$ 3,948,720	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	1.400%	9/29/2028	5/12/2026	3.907	2,000,000	\$ 1,894,637	\$ 1,880,180	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	1.320%	6/28/2028	5/21/2026	4.225	1,667,000	\$ 1,573,844	\$ 1,573,481	AA+	Aa1
FEDERAL AG MTG ACCEPT CORP	1.940%	6/24/2031	6/24/2026	4.193	3,400,000	\$ 3,050,755	\$ 3,025,932	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.430%	5/6/2030	5/6/2025	4.441	2,050,000	\$ 2,050,000	\$ 2,042,087	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.210%	8/27/2029	9/4/2025	4.159	10,000,000	\$ 10,000,000	\$ 9,945,100	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.210%	8/27/2029	9/4/2025	4.160	4,300,000	\$ 4,300,000	\$ 4,276,393	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.120%	10/21/2030	10/22/2025	4.080	10,000,000	\$ 10,000,000	\$ 9,896,400	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.140%	10/9/2029	11/5/2025	4.110	25,862,000	\$ 25,862,000	\$ 25,653,811	AA+	Aa1
FEDERAL FARM CREDIT BANK	0.900%	8/19/2027	11/4/2025	3.618	1,300,000	\$ 1,260,866	\$ 1,252,433	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.120%	6/15/2027	11/6/2025	3.630	10,000,000	\$ 9,764,488	\$ 9,728,300	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.120%	10/21/2030	11/6/2025	4.117	15,000,000	\$ 15,000,000	\$ 14,844,600	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.150%	8/12/2030	11/10/2025	3.769	14,400,000	\$ 12,965,326	\$ 12,655,584	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.510%	5/24/2029	11/12/2025	3.685	10,000,000	\$ 9,400,931	\$ 9,265,900	AA+	Aa1
FEDERAL FARM CREDIT BANK	3.980%	2/5/2029	11/21/2025	3.976	10,000,000	\$ 10,000,000	\$ 9,925,700	AA+	Aa1
FEDERAL FARM CREDIT BANK	3.950%	10/29/2030	11/21/2025	3.984	10,000,000	\$ 9,986,036	\$ 9,880,100	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.230%	11/13/2030	11/24/2025	4.214	10,005,000	\$ 10,005,000	\$ 9,896,746	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.180%	2/12/2030	11/25/2025	4.155	10,000,000	\$ 10,000,000	\$ 9,967,500	AA+	Aa1
FEDERAL FARM CREDIT BANK	3.990%	11/6/2029	11/26/2025	3.976	10,000,000	\$ 10,000,000	\$ 9,900,600	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.180%	11/13/2029	11/26/2025	4.136	10,000,000	\$ 10,000,000	\$ 9,912,300	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.200%	11/26/2029	11/26/2025	4.142	10,000,000	\$ 10,000,000	\$ 9,885,400	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.500%	3/23/2028	12/1/2025	3.509	1,000,000	\$ 966,149	\$ 954,450	AA+	Aa1
FEDERAL FARM CREDIT BANK	3.910%	12/10/2029	12/10/2025	3.856	10,000,000	\$ 10,000,000	\$ 9,907,300	AA+	Aa1
FEDERAL FARM CREDIT BANK	0.800%	11/4/2027	12/9/2025	3.545	5,000,000	\$ 4,820,338	\$ 4,785,700	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.050%	6/22/2028	12/9/2025	3.565	1,950,000	\$ 1,856,426	\$ 1,835,379	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.120%	9/1/2028	12/9/2025	3.560	1,000,000	\$ 949,054	\$ 933,130	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.140%	8/20/2029	12/9/2025	3.619	1,237,000	\$ 1,145,997	\$ 1,121,427	AA+	Aa1

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
FEDERAL FARM CREDIT BANK	3.500%	10/15/2027	12/11/2025	3.568	2,925,000	\$ 2,925,000	\$ 2,903,560	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.180%	5/10/2028	12/11/2025	3.663	4,000,000	\$ 3,821,395	\$ 3,784,840	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.200%	3/1/2029	12/15/2025	3.663	2,000,000	\$ 1,874,667	\$ 1,847,760	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.550%	3/15/2029	12/15/2025	3.673	2,000,000	\$ 1,890,113	\$ 1,865,780	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.490%	6/21/2029	12/15/2025	3.683	2,000,000	\$ 1,876,063	\$ 1,847,140	AA+	Aa1
FEDERAL FARM CREDIT BANK	4.260%	12/12/2030	12/12/2025	4.202	10,000,000	\$ 10,000,000	\$ 9,927,400	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.240%	5/19/2027	1/22/2026	3.595	3,000,000	\$ 2,938,300	\$ 2,925,390	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.640%	5/24/2027	1/28/2026	3.582	9,920,000	\$ 9,748,349	\$ 9,706,918	AA+	Aa1
FEDERAL FARM CREDIT BANK	2.450%	2/23/2028	2/9/2026	3.576	1,405,000	\$ 1,379,039	\$ 1,363,876	AA+	Aa1
FEDERAL FARM CREDIT BANK	0.790%	6/21/2027	2/17/2026	3.511	2,000,000	\$ 1,947,847	\$ 1,937,120	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.150%	3/2/2027	3/6/2026	3.593	3,175,000	\$ 3,123,821	\$ 3,114,612	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.600%	5/11/2029	3/6/2026	3.543	1,434,000	\$ 1,357,376	\$ 1,328,544	AA+	Aa1
FEDERAL FARM CREDIT BANK	2.000%	5/23/2030	3/6/2026	3.628	1,189,000	\$ 1,117,574	\$ 1,093,928	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.040%	1/25/2029	3/26/2026	3.914	1,195,000	\$ 1,112,911	\$ 1,102,901	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.780%	2/22/2028	3/30/2026	3.885	3,500,000	\$ 3,388,138	\$ 3,362,380	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.740%	11/1/2028	4/6/2026	3.820	1,534,000	\$ 1,461,980	\$ 1,450,520	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.850%	3/28/2030	4/9/2026	3.950	4,155,000	\$ 3,850,485	\$ 3,799,914	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.625%	3/17/2031	4/13/2026	3.896	1,607,000	\$ 1,450,335	\$ 1,428,044	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.980%	3/24/2031	4/21/2026	3.925	1,326,000	\$ 1,215,060	\$ 1,198,147	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.670%	3/3/2031	4/28/2026	3.923	16,507,000	\$ 14,944,805	\$ 14,629,329	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.625%	3/17/2031	5/1/2026	3.991	18,816,000	\$ 16,922,480	\$ 16,720,650	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.400%	5/28/2030	5/13/2026	3.986	3,500,000	\$ 3,169,669	\$ 3,145,625	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.120%	9/1/2028	5/22/2026	4.172	1,000,000	\$ 938,901	\$ 933,130	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.850%	3/28/2030	5/27/2026	4.160	1,095,000	\$ 1,009,587	\$ 1,001,421	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.230%	7/29/2030	5/29/2026	4.173	1,171,000	\$ 1,045,671	\$ 1,039,274	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.625%	11/1/2028	6/1/2026	4.049	1,000,000	\$ 946,783	\$ 942,290	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.060%	5/26/2028	6/18/2026	4.078	1,000,000	\$ 944,974	\$ 943,100	AA+	Aa1
FEDERAL FARM CREDIT BANK	1.330%	9/1/2028	6/18/2026	4.114	1,000,000	\$ 945,704	\$ 940,510	AA+	Aa1
FEDERAL HOME LOAN BANK	5.050%	7/2/2029	7/2/2024	5.428	10,000,000	\$ 10,000,000	\$ 10,000,300	AA+	Aa1
FEDERAL HOME LOAN BANK	1.110%	7/27/2026	5/20/2025	4.084	5,000,000	\$ 4,989,423	\$ 4,990,100	AA+	Aa1
FEDERAL HOME LOAN BANK	1.000%	7/27/2026	5/21/2025	4.084	4,000,000	\$ 3,991,231	\$ 3,991,600	AA+	Aa1
FEDERAL HOME LOAN BANK	3.000%	9/11/2026	7/22/2025	4.041	9,000,000	\$ 8,981,377	\$ 8,983,170	AA+	Aa1
FEDERAL HOME LOAN BANK	2.750%	3/8/2027	9/2/2025	3.807	5,000,000	\$ 4,963,357	\$ 4,950,900	AA+	Aa1
FEDERAL HOME LOAN BANK	2.010%	2/17/2027	9/10/2025	3.582	13,960,000	\$ 13,822,695	\$ 13,782,848	AA+	Aa1
FEDERAL HOME LOAN BANK	4.250%	9/23/2030	9/23/2025	4.192	10,000,000	\$ 10,000,000	\$ 9,877,600	AA+	Aa1
FEDERAL HOME LOAN BANK	4.000%	9/3/2030	9/17/2025	3.945	1,850,000	\$ 1,850,000	\$ 1,825,710	AA+	Aa1
FEDERAL HOME LOAN BANK	4.050%	9/23/2030	9/23/2025	3.995	9,100,000	\$ 9,100,000	\$ 8,960,497	AA+	Aa1
FEDERAL HOME LOAN BANK	4.180%	9/24/2030	9/24/2025	4.123	10,000,000	\$ 10,000,000	\$ 9,870,800	AA+	Aa1
FEDERAL HOME LOAN BANK	4.100%	9/30/2030	10/2/2025	4.049	5,930,000	\$ 5,930,000	\$ 5,872,953	AA+	Aa1
FEDERAL HOME LOAN BANK	4.125%	10/21/2030	10/21/2025	4.080	3,000,000	\$ 3,000,000	\$ 2,970,420	AA+	Aa1
FEDERAL HOME LOAN BANK	4.175%	10/9/2030	10/16/2025	4.129	2,450,000	\$ 2,450,000	\$ 2,437,971	AA+	Aa1
FEDERAL HOME LOAN BANK	1.020%	2/24/2027	10/27/2025	3.546	2,800,000	\$ 2,754,811	\$ 2,745,960	AA+	Aa1
FEDERAL HOME LOAN BANK	0.920%	2/26/2027	10/27/2025	3.539	1,750,000	\$ 1,720,491	\$ 1,714,563	AA+	Aa1
FEDERAL HOME LOAN BANK	4.320%	10/15/2030	10/24/2025	4.263	13,325,000	\$ 13,325,000	\$ 13,237,855	AA+	Aa1
FEDERAL HOME LOAN BANK	1.250%	5/26/2027	11/24/2025	3.626	2,000,000	\$ 1,957,762	\$ 1,950,560	AA+	Aa1
FEDERAL HOME LOAN BANK	4.300%	12/5/2030	12/5/2025	4.241	10,000,000	\$ 10,000,000	\$ 9,883,100	AA+	Aa1
FEDERAL HOME LOAN BANK	4.000%	11/12/2030	12/1/2025	3.969	10,000,000	\$ 10,000,000	\$ 9,882,100	AA+	Aa1
FEDERAL HOME LOAN BANK	4.090%	11/25/2030	12/8/2025	4.034	12,250,000	\$ 12,250,000	\$ 12,128,358	AA+	Aa1
FEDERAL HOME LOAN BANK	1.000%	8/16/2028	12/11/2025	3.559	5,000,000	\$ 4,736,214	\$ 4,674,050	AA+	Aa1
FEDERAL HOME LOAN BANK	1.350%	5/24/2028	12/15/2025	3.631	2,000,000	\$ 1,916,113	\$ 1,897,700	AA+	Aa1
FEDERAL HOME LOAN BANK	1.370%	6/7/2028	12/15/2025	3.636	2,000,000	\$ 1,915,138	\$ 1,896,200	AA+	Aa1
FEDERAL HOME LOAN BANK	1.500%	11/17/2028	12/15/2025	3.649	1,970,000	\$ 1,873,181	\$ 1,844,452	AA+	Aa1
FEDERAL HOME LOAN BANK	4.250%	12/18/2030	12/18/2025	4.197	3,505,000	\$ 3,504,594	\$ 3,467,742	AA+	Aa1
FEDERAL HOME LOAN BANK	1.250%	9/29/2028	12/18/2025	3.579	2,000,000	\$ 1,899,262	\$ 1,873,920	AA+	Aa1
FEDERAL HOME LOAN BANK	1.000%	7/28/2028	12/17/2025	3.516	3,000,000	\$ 2,848,798	\$ 2,811,270	AA+	Aa1
FEDERAL HOME LOAN BANK	4.090%	11/13/2029	1/14/2026	4.040	1,200,000	\$ 1,200,000	\$ 1,191,876	AA+	Aa1
FEDERAL HOME LOAN BANK	4.200%	11/5/2030	1/14/2026	4.153	1,300,000	\$ 1,300,000	\$ 1,288,820	AA+	Aa1
FEDERAL HOME LOAN BANK	4.300%	2/12/2031	2/26/2026	4.241	10,000,000	\$ 10,000,000	\$ 9,792,000	AA+	Aa1
FEDERAL HOME LOAN BANK	4.140%	1/30/2031	2/4/2026	4.105	1,690,000	\$ 1,690,499	\$ 1,675,922	AA+	Aa1
FEDERAL HOME LOAN BANK	4.050%	1/22/2031	2/4/2026	4.001	5,285,000	\$ 5,287,775	\$ 5,221,686	AA+	Aa1
FEDERAL HOME LOAN BANK	4.250%	2/27/2031	2/27/2026	4.192	10,000,000	\$ 10,000,000	\$ 9,790,600	AA+	Aa1
FEDERAL HOME LOAN BANK	1.000%	2/23/2028	2/9/2026	3.572	1,200,000	\$ 1,150,562	\$ 1,140,288	AA+	Aa1
FEDERAL HOME LOAN BANK	4.070%	2/5/2031	2/6/2026	4.014	5,000,000	\$ 5,000,565	\$ 4,933,350	AA+	Aa1
FEDERAL HOME LOAN BANK	4.300%	2/12/2031	2/26/2026	4.241	3,685,000	\$ 3,685,000	\$ 3,608,352	AA+	Aa1
FEDERAL HOME LOAN BANK	4.125%	3/12/2031	3/12/2026	4.073	4,200,000	\$ 4,199,669	\$ 4,182,360	AA+	Aa1
FEDERAL HOME LOAN BANK	4.100%	3/12/2031	3/12/2026	4.055	6,850,000	\$ 6,848,649	\$ 6,822,943	AA+	Aa1
FEDERAL HOME LOAN BANK	4.000%	3/17/2031	3/17/2026	3.973	7,500,000	\$ 7,496,042	\$ 7,376,550	AA+	Aa1
FEDERAL HOME LOAN BANK	3.500%	3/3/2028	3/5/2026	3.497	10,000,000	\$ 9,996,942	\$ 9,898,400	AA+	Aa1
FEDERAL HOME LOAN BANK	4.000%	3/11/2031	3/11/2026	4.022	2,870,000	\$ 2,864,559	\$ 2,854,818	AA+	Aa1
FEDERAL HOME LOAN BANK	4.350%	3/17/2031	3/30/2026	4.302	8,980,000	\$ 8,977,584	\$ 8,929,622	AA+	Aa1
FEDERAL HOME LOAN BANK	4.500%	3/24/2031	3/30/2026	4.490	5,050,000	\$ 5,044,450	\$ 5,030,608	AA+	Aa1
FEDERAL HOME LOAN BANK	2.750%	3/25/2027	3/26/2026	3.811	1,350,000	\$ 1,339,381	\$ 1,337,216	AA+	Aa1
FEDERAL HOME LOAN BANK	1.000%	7/28/2028	3/30/2026	3.889	4,480,000	\$ 4,228,737	\$ 4,198,163	AA+	Aa1
FEDERAL HOME LOAN BANK	2.750%	3/25/2027	3/26/2026	3.793	4,530,000	\$ 4,494,968	\$ 4,487,101	AA+	Aa1
FEDERAL HOME LOAN BANK	4.650%	4/14/2031	4/14/2026	4.586	3,185,000	\$ 3,185,000	\$ 3,156,462	AA+	Aa1
FEDERAL HOME LOAN BANK	4.500%	4/8/2031	4/8/2026	4.438	5,000,000	\$ 5,000,000	\$ 4,950,000	AA+	Aa1
FEDERAL HOME LOAN BANK	4.650%	3/25/2031	4/6/2026	4.586	1,415,000	\$ 1,416,097	\$ 1,409,680	AA+	Aa1

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
FEDERAL HOME LOAN BANK	4.600%	4/14/2031	4/14/2026	4.537	10,000,000	\$ 10,000,000	\$ 9,934,600	AA+	Aa1
FEDERAL HOME LOAN BANK	4.650%	4/15/2031	4/15/2026	4.593	4,190,000	\$ 4,189,243	\$ 4,169,720	AA+	Aa1
FEDERAL HOME LOAN BANK	4.700%	4/14/2031	4/14/2026	4.636	7,000,000	\$ 7,000,000	\$ 6,965,770	AA+	Aa1
FEDERAL HOME LOAN BANK	4.700%	4/14/2031	4/14/2026	4.636	2,990,000	\$ 2,990,000	\$ 2,975,379	AA+	Aa1
FEDERAL HOME LOAN BANK	2.000%	11/16/2028	5/7/2026	3.997	700,000	\$ 680,296	\$ 677,901	AA+	Aa1
FEDERAL HOME LOAN BANK	2.050%	2/24/2027	5/11/2026	3.750	1,005,000	\$ 993,788	\$ 992,257	AA+	Aa1
FEDERAL HOME LOAN BANK	1.500%	2/18/2031	5/13/2026	4.026	1,300,000	\$ 1,164,646	\$ 1,150,721	AA+	Aa1
FEDERAL HOME LOAN BANK	1.650%	11/24/2028	6/18/2026	4.114	1,000,000	\$ 944,177	\$ 941,620	AA+	Aa1
FEDERAL HOME LOAN BANK	1.150%	8/17/2029	6/18/2026	4.107	3,000,000	\$ 2,735,550	\$ 2,731,410	AA+	Aa1
FEDERAL HOME LOAN BANK	1.750%	7/26/2029	6/22/2026	4.180	5,000,000	\$ 4,759,236	\$ 4,728,350	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.300%	9/5/2030	9/5/2025	4.241	10,000,000	\$ 10,000,000	\$ 9,920,400	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.150%	9/17/2030	9/17/2025	4.093	10,000,000	\$ 10,000,000	\$ 9,907,000	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.250%	9/23/2030	9/23/2025	4.192	10,000,000	\$ 10,000,000	\$ 9,929,900	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.085%	9/18/2030	9/26/2025	4.038	10,000,000	\$ 10,000,000	\$ 9,903,400	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.300%	9/26/2030	10/15/2025	4.241	10,000,000	\$ 10,000,000	\$ 9,940,200	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.150%	10/10/2030	10/15/2025	4.099	10,000,000	\$ 10,000,000	\$ 9,913,000	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	10/17/2030	10/17/2025	4.142	10,000,000	\$ 10,000,000	\$ 9,891,300	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.050%	9/3/2030	10/22/2025	3.999	3,800,000	\$ 3,800,000	\$ 3,750,752	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	10/17/2030	10/22/2025	4.145	3,500,000	\$ 3,500,000	\$ 3,461,955	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.150%	10/10/2030	10/29/2025	4.100	9,260,000	\$ 9,259,884	\$ 9,179,438	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.150%	9/17/2030	10/29/2025	4.105	9,000,000	\$ 9,000,000	\$ 8,916,300	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.300%	9/5/2030	11/12/2025	4.240	5,884,000	\$ 5,884,000	\$ 5,837,163	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	10/17/2030	11/24/2025	4.157	3,425,000	\$ 3,425,000	\$ 3,387,770	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.220%	11/12/2030	11/25/2025	4.162	10,000,000	\$ 10,000,000	\$ 9,892,600	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.000%	11/20/2030	12/1/2025	3.962	4,510,000	\$ 4,510,000	\$ 4,451,956	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.300%	12/2/2030	12/10/2025	4.241	10,000,000	\$ 10,000,000	\$ 9,936,500	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.050%	7/21/2028	12/11/2025	3.631	1,000,000	\$ 948,877	\$ 936,980	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.175%	12/23/2030	12/23/2025	4.118	10,000,000	\$ 10,000,000	\$ 9,875,600	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	12/11/2030	12/12/2025	4.142	10,000,000	\$ 10,000,000	\$ 9,877,500	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.250%	12/2/2030	12/15/2025	4.198	3,338,000	\$ 3,338,000	\$ 3,294,873	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	12/11/2030	12/15/2025	4.142	2,990,000	\$ 2,990,000	\$ 2,948,768	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.270%	12/5/2030	12/15/2025	4.217	3,200,000	\$ 3,200,000	\$ 3,159,200	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.125%	7/27/2028	12/23/2025	3.523	2,500,000	\$ 2,379,953	\$ 2,348,700	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.000%	7/27/2027	1/22/2026	3.597	840,000	\$ 817,006	\$ 813,036	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	2/6/2031	2/6/2026	4.142	10,000,000	\$ 10,000,000	\$ 9,934,800	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.125%	1/21/2031	2/4/2026	4.079	10,000,000	\$ 10,014,297	\$ 9,869,500	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.150%	1/28/2031	2/4/2026	4.095	10,000,000	\$ 10,006,762	\$ 9,882,500	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.000%	2/11/2028	2/9/2026	3.615	1,525,000	\$ 1,462,423	\$ 1,449,650	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.050%	7/21/2028	2/17/2026	3.541	1,000,000	\$ 951,177	\$ 936,980	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	2/6/2031	2/18/2026	4.142	3,327,000	\$ 3,331,658	\$ 3,305,308	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.300%	7/22/2030	2/20/2026	3.609	1,000,000	\$ 913,342	\$ 890,920	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.000%	8/10/2029	2/20/2026	3.538	1,000,000	\$ 924,714	\$ 906,220	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.150%	2/13/2031	2/19/2026	4.097	1,454,000	\$ 1,454,935	\$ 1,438,239	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.320%	5/20/2030	2/23/2026	3.616	1,000,000	\$ 916,262	\$ 892,070	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.400%	5/21/2030	2/23/2026	3.609	2,000,000	\$ 1,838,560	\$ 1,784,040	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.050%	2/26/2031	2/26/2026	3.995	5,850,000	\$ 5,850,000	\$ 5,719,779	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.200%	2/6/2031	3/2/2026	4.142	10,000,000	\$ 10,030,333	\$ 9,934,800	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.000%	9/28/2029	3/9/2026	3.592	1,020,000	\$ 938,742	\$ 921,111	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.550%	3/17/2031	3/30/2026	4.488	4,000,000	\$ 4,000,000	\$ 3,996,840	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.000%	9/28/2029	3/26/2026	3.956	5,000,000	\$ 4,548,967	\$ 4,515,250	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.500%	3/17/2031	4/10/2026	4.477	10,000,000	\$ 10,020,279	\$ 9,949,800	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	4.310%	4/28/2031	4/28/2026	4.258	10,000,000	\$ 9,996,719	\$ 9,868,200	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.250%	7/29/2030	5/13/2026	3.996	1,475,000	\$ 1,326,813	\$ 1,311,305	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.250%	9/23/2030	6/1/2026	4.155	1,855,000	\$ 1,648,869	\$ 1,636,462	AA+	Aa1
FEDERAL HOME LOAN MTG CORP	1.050%	7/21/2028	6/24/2026	4.064	1,000,000	\$ 944,559	\$ 936,720	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.370%	6/26/2029	6/26/2025	4.310	8,000,000	\$ 8,000,000	\$ 7,980,160	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	1.875%	9/24/2026	7/16/2025	4.058	10,000,000	\$ 9,950,064	\$ 9,953,000	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.250%	7/15/2030	7/18/2025	4.308	6,330,000	\$ 6,330,000	\$ 6,289,615	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.050%	8/12/2030	8/12/2025	4.103	10,000,000	\$ 9,965,473	\$ 9,907,300	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.400%	8/13/2030	8/13/2025	4.340	10,000,000	\$ 10,000,000	\$ 9,921,800	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.400%	8/27/2030	8/27/2025	4.340	10,000,000	\$ 10,000,000	\$ 9,943,000	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.260%	9/3/2030	9/3/2025	4.201	3,285,000	\$ 3,285,000	\$ 3,250,113	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	3.500%	9/11/2030	9/15/2025	3.670	11,900,000	\$ 11,828,467	\$ 11,641,056	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	3.900%	9/23/2030	9/23/2025	3.889	10,000,000	\$ 9,995,579	\$ 9,892,700	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.000%	10/21/2030	10/21/2025	3.973	10,000,000	\$ 9,999,074	\$ 9,922,700	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.000%	10/28/2030	10/28/2025	3.973	10,000,000	\$ 10,000,000	\$ 9,918,500	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.000%	10/23/2030	10/23/2025	3.951	9,850,000	\$ 9,849,799	\$ 9,712,888	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.000%	10/15/2030	10/24/2025	3.948	6,000,000	\$ 5,999,822	\$ 5,930,520	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.125%	10/24/2030	10/24/2025	4.074	10,000,000	\$ 10,000,000	\$ 9,900,800	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.060%	10/24/2030	10/24/2025	4.007	1,000,000	\$ 999,991	\$ 986,430	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.150%	10/29/2030	10/29/2025	4.099	1,000,000	\$ 1,000,000	\$ 988,690	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.170%	11/4/2030	11/4/2025	4.113	10,000,000	\$ 10,000,000	\$ 9,893,900	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.000%	10/21/2030	11/3/2025	3.978	9,200,000	\$ 9,200,000	\$ 9,128,884	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.250%	11/5/2030	11/5/2025	4.192	7,575,000	\$ 7,575,000	\$ 7,523,717	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.080%	5/6/2030	11/6/2025	4.054	1,940,000	\$ 1,940,000	\$ 1,930,746	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	6.090%	9/27/2027	11/6/2025	3.598	800,000	\$ 823,158	\$ 818,872	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.070%	10/30/2030	11/6/2025	4.042	7,150,000	\$ 7,146,996	\$ 7,073,710	AA+	Aa1

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
FEDERAL NATIONAL MTG ASSN	4.125%	11/6/2030	11/17/2025	4.068	12,000,000	\$ 12,000,000	\$ 11,865,600	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.250%	11/5/2030	11/24/2025	4.197	1,450,000	\$ 1,450,000	\$ 1,440,851	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	0.750%	9/22/2027	12/9/2025	3.546	2,750,000	\$ 2,657,940	\$ 2,641,238	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.350%	12/12/2030	12/12/2025	4.290	10,000,000	\$ 10,000,000	\$ 9,924,800	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.150%	12/9/2030	12/15/2025	4.093	8,350,000	\$ 8,350,000	\$ 8,265,415	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.250%	2/11/2031	2/11/2026	4.192	10,000,000	\$ 10,000,000	\$ 9,913,100	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.150%	2/19/2031	2/19/2026	4.104	9,750,000	\$ 9,748,700	\$ 9,634,853	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.050%	2/24/2031	2/24/2026	4.028	10,000,000	\$ 9,995,583	\$ 9,789,500	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.150%	2/27/2031	2/27/2026	4.104	3,440,000	\$ 3,439,465	\$ 3,367,794	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.200%	1/27/2031	2/18/2026	4.142	2,725,000	\$ 2,731,676	\$ 2,695,352	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.150%	2/27/2031	2/27/2026	4.095	5,667,000	\$ 5,666,824	\$ 5,548,050	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.250%	3/3/2031	3/3/2026	4.192	6,000,000	\$ 6,000,000	\$ 5,874,180	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.050%	2/24/2031	2/24/2026	4.028	3,315,000	\$ 3,313,536	\$ 3,245,219	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.150%	3/10/2031	3/10/2026	4.137	1,665,000	\$ 1,663,724	\$ 1,651,147	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.625%	4/7/2031	4/7/2026	4.562	10,218,000	\$ 10,218,000	\$ 10,124,097	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.500%	7/8/2030	4/8/2026	4.440	10,000,000	\$ 10,000,000	\$ 9,919,000	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.650%	4/7/2031	4/7/2026	4.586	10,000,000	\$ 10,000,000	\$ 10,001,400	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.500%	3/30/2029	4/13/2026	4.438	6,394,000	\$ 6,404,390	\$ 6,389,780	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	4.750%	5/27/2031	5/27/2026	4.685	10,000,000	\$ 10,000,000	\$ 9,971,500	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	0.810%	9/25/2028	5/13/2026	4.021	621,000	\$ 578,892	\$ 576,294	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	1.020%	1/19/2028	5/27/2026	4.077	2,000,000	\$ 1,914,844	\$ 1,906,500	AA+	Aa1
FEDERAL NATIONAL MTG ASSN	1.280%	8/26/2030	6/1/2026	4.172	5,000,000	\$ 4,461,288	\$ 4,439,000	AA+	Aa1
PRIVATE EXPORT FUNDING CORP	4.500%	2/7/2027	2/7/2025	4.389	10,000,000	\$ 10,000,633	\$ 10,005,200	AA+	Aa2
PRIVATE EXPORT FUNDING CORP	3.900%	10/15/2027	11/20/2025	3.635	1,558,000	\$ 1,562,095	\$ 1,551,223	AA+	Aa1
PRIVATE EXPORT FUNDING CORP	3.900%	10/15/2027	12/19/2025	3.511	1,205,000	\$ 1,210,037	\$ 1,199,758	AA+	Aa1
PRIVATE EXPORT FUNDING CORP	3.850%	1/27/2028	1/27/2026	3.820	5,000,000	\$ 4,999,682	\$ 4,961,050	AA+	Aa2
PRIVATE EXPORT FUNDING CORP	3.900%	10/15/2027	3/9/2026	3.557	4,067,000	\$ 4,081,743	\$ 4,049,309	AA+	Aa1
PRIVATE EXPORT FUNDING CORP	3.850%	1/27/2028	4/28/2026	3.934	5,380,000	\$ 5,426,164	\$ 5,338,090	AA+	Aa2
Sub Total Federal Agency Securities		1365	35.10%	4.07%	1,266,398,000	\$ 1,251,979,122	\$ 1,239,894,485		
FEDERAL HOME LOAN MTG CORP		9/15/2029	10/24/2025	3.593	14,097,000	\$ 12,593,318	\$ 12,314,293	AA+	Aa1
FEDERAL HOME LOAN MTG CORP		3/15/2031	4/13/2026	4.010	10,000,000	\$ 8,303,224	\$ 8,185,100	AA+	Aa1
FEDERAL HOME LOAN MTG CORP		3/15/2031	6/1/2026	4.212	5,078,000	\$ 4,174,956	\$ 4,156,394	AA+	Aa1
FEDERAL NATIONAL MTG ASSN		10/8/2027	10/21/2025	3.611	1,000,000	\$ 956,072	\$ 949,020	AA+	Aa1
FEDERAL NATIONAL MTG ASSN		5/15/2030	10/24/2025	3.700	12,000,000	\$ 10,430,052	\$ 10,171,920	AA+	Aa1
FEDERAL NATIONAL MTG ASSN		11/15/2030	11/17/2025	3.836	15,000,000	\$ 12,728,632	\$ 12,446,100	AA+	Aa1
FEDERAL NATIONAL MTG ASSN		10/8/2027	5/27/2026	4.062	1,929,000	\$ 1,833,127	\$ 1,830,660	AA+	Aa1
RESOLUTION FUNDING CORP		10/15/2028	4/15/2025	4.162	1,200,000	\$ 1,093,220	\$ 1,091,424	AA+	Aa1
RESOLUTION FUNDING CORP		10/15/2029	4/15/2025	4.244	1,900,000	\$ 1,657,788	\$ 1,644,944	AA+	Aa1
RESOLUTION FUNDING CORP		1/15/2030	4/17/2025	4.220	20,000,000	\$ 17,316,480	\$ 17,194,000	AA+	Aa1
RESOLUTION FUNDING CORP		10/15/2028	6/1/2026	4.009	3,228,000	\$ 2,944,354	\$ 2,935,931	AA+	Aa1
RESOLUTION FUNDING CORP		7/15/2029	6/1/2026	4.141	3,000,000	\$ 2,649,211	\$ 2,627,490	AA+	Aa1
Sub Total Agency Zero Coupon Bonds		1347	2.15%	3.94%	88,432,000	\$ 76,680,433	\$ 75,547,275		
U.S. TREASURY	4.625%	6/15/2027	9/29/2025	3.635	10,000,000	\$ 10,086,079	\$ 10,048,100	AA+	Aa1
U.S. TREASURY	4.375%	7/15/2027	12/12/2025	3.555	50,000,000	\$ 50,385,432	\$ 50,125,000	AA+	Aa1
U.S. TREASURY	4.625%	6/15/2027	12/16/2025	3.543	10,000,000	\$ 10,095,380	\$ 10,048,100	AA+	Aa1
U.S. TREASURY	2.250%	8/15/2027	1/14/2026	3.439	20,000,000	\$ 19,731,226	\$ 19,586,000	AA+	Aa1
U.S. TREASURY	4.250%	2/15/2028	1/16/2026	3.520	10,000,000	\$ 10,105,635	\$ 10,011,300	AA+	Aa1
U.S. TREASURY	2.875%	5/15/2028	1/23/2026	3.567	10,000,000	\$ 9,867,516	\$ 9,769,100	AA+	Aa1
U.S. TREASURY	3.500%	10/15/2028	5/7/2026	3.926	10,000,000	\$ 9,916,941	\$ 9,854,300	AA+	Aa1
U.S. TREASURY	3.375%	9/15/2028	5/15/2026	3.954	15,000,000	\$ 14,885,142	\$ 14,750,400	AA+	Aa1
Sub Total US Treasury Notes		498	3.79%	3.61%	135,000,000	\$ 135,073,350	\$ 134,192,300		
U.S. TREASURY		5/15/2029	11/4/2024	4.192	20,000,000	\$ 17,798,433	\$ 17,735,600	AA+	Aa1
U.S. TREASURY		8/15/2029	11/4/2024	4.221	15,000,000	\$ 13,202,680	\$ 13,158,150	AA+	Aa1
U.S. TREASURY		2/15/2029	11/6/2024	4.264	20,000,000	\$ 17,946,264	\$ 17,928,600	AA+	Aa1
U.S. TREASURY		11/15/2028	11/13/2024	4.360	20,000,000	\$ 18,093,841	\$ 18,128,800	AA+	Aa1
U.S. TREASURY		11/15/2029	11/21/2024	4.377	20,000,000	\$ 17,337,804	\$ 17,364,400	AA+	Aa1
U.S. TREASURY		8/15/2028	11/25/2024	4.266	20,000,000	\$ 18,318,381	\$ 18,315,000	AA+	Aa1
U.S. TREASURY		11/15/2027	11/25/2024	4.284	20,000,000	\$ 18,890,511	\$ 18,911,200	AA+	Aa1
U.S. TREASURY		5/15/2028	11/27/2024	4.315	20,000,000	\$ 18,493,253	\$ 18,506,800	AA+	Aa1
U.S. TREASURY		2/15/2028	12/26/2024	4.396	15,000,000	\$ 13,995,409	\$ 14,026,800	AA+	Aa1
U.S. TREASURY		8/15/2027	1/13/2025	4.453	14,900,000	\$ 14,193,388	\$ 14,238,738	AA+	Aa1
U.S. TREASURY		2/15/2030	2/19/2025	4.443	15,000,000	\$ 12,826,060	\$ 12,878,400	AA+	Aa1
U.S. TREASURY		8/15/2030	11/10/2025	3.797	15,000,000	\$ 12,842,168	\$ 12,601,050	AA+	Aa1
U.S. TREASURY		11/15/2030	11/19/2025	3.773	10,000,000	\$ 8,489,355	\$ 8,310,600	AA+	Aa2
U.S. TREASURY		5/15/2030	11/20/2025	3.733	15,000,000	\$ 12,993,925	\$ 12,741,900	AA+	Aa2
U.S. TREASURY		2/15/2031	4/24/2026	3.891	15,000,000	\$ 12,528,591	\$ 12,332,850	AA+	Aa1
U.S. TREASURY		5/15/2031	5/15/2026	4.123	20,000,000	\$ 16,358,993	\$ 16,260,400	AA+	Aa1
Sub Total US Treasury STRIPS		1052	6.85%	4.21%	274,900,000	\$ 244,309,056	\$ 243,439,288		
INTER AMERICAN DEV BANK	6.950%	8/1/2026	11/8/2024	4.453	1,000,000	\$ 1,001,926	\$ 1,001,720	AAA	Aaa
INTER AMERICAN DEV BANK	0.625%	9/16/2027	9/25/2025	3.590	9,885,000	\$ 9,540,518	\$ 9,474,575	AAA	Aaa
INTER AMERICAN DEV BANK	4.850%	7/19/2027	9/29/2025	3.645	5,000,000	\$ 5,057,937	\$ 5,012,450	AAA	Aaa
INTER AMERICAN DEV BANK	2.375%	7/7/2027	9/29/2025	3.673	10,000,000	\$ 9,868,343	\$ 9,824,300	AAA	Aaa
INTER AMERICAN DEV BANK	4.375%	2/1/2027	10/27/2025	3.556	21,750,000	\$ 21,844,167	\$ 21,788,498	AAA	Aaa
INTER AMERICAN DEV BANK	2.375%	7/7/2027	10/27/2025	3.480	10,000,000	\$ 9,887,020	\$ 9,824,300	AAA	Aaa
INTER AMERICAN DEV BANK	6.750%	7/15/2027	10/27/2025	3.600	700,000	\$ 721,626	\$ 715,414	AAA	Aaa
INTER AMERICAN DEV BANK	3.950%	5/2/2030	11/3/2025	3.733	3,250,000	\$ 3,268,740	\$ 3,168,718	AAA	Aaa
INTER AMERICAN DEV BANK	6.750%	7/15/2027	12/4/2025	3.644	8,920,000	\$ 9,192,112	\$ 9,116,418	AAA	Aaa

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
INTER AMERICAN DEV BANK	4.000%	1/12/2028	12/9/2025	3.620	4,775,000	\$ 4,797,921	\$ 4,762,299	AAA	Aaa
INTER AMERICAN DEV BANK	4.125%	1/29/2029	1/12/2026	3.600	4,125,000	\$ 4,172,388	\$ 4,075,088	AAA	Aaa
INTER AMERICAN DEV BANK	2.000%	7/23/2026	1/23/2026	3.620	1,000,000	\$ 998,998	\$ 998,890	AAA	Aaa
INTER AMERICAN DEV BANK	4.050%	4/10/2031	4/10/2026	3.995	10,000,000	\$ 10,000,000	\$ 9,882,650	AAA	Aaa
INTL BANK RECON & DEV	0.876%	7/15/2026	12/11/2024	4.157	20,000,000	\$ 19,975,127	\$ 19,976,000	AAA	Aaa
INTL BANK RECON & DEV	3.500%	7/12/2028	12/24/2024	4.305	7,330,000	\$ 7,211,893	\$ 7,235,296	AAA	Aaa
INTL BANK RECON & DEV	4.000%	8/27/2026	12/26/2024	4.338	8,782,000	\$ 8,776,771	\$ 8,781,737	AAA	Aaa
INTL BANK RECON & DEV	4.000%	8/27/2026	4/15/2025	4.016	18,000,000	\$ 18,000,000	\$ 17,999,460	AAA	Aaa
INTL BANK RECON & DEV	0.850%	2/10/2027	10/14/2025	3.756	4,730,000	\$ 4,647,718	\$ 4,632,562	AAA	Aaa
INTL BANK RECON & DEV	0.850%	2/10/2027	10/30/2025	3.603	7,603,000	\$ 7,477,397	\$ 7,446,378	AAA	Aaa
INTL BANK RECON & DEV	1.750%	10/23/2029	10/30/2025	3.551	1,000,000	\$ 943,401	\$ 924,910	AAA	Aaa
INTL BANK RECON & DEV	1.200%	5/14/2030	2/25/2026	3.682	10,000,000	\$ 9,100,740	\$ 8,794,100	AAA	Aaa
INTL BANK RECON & DEV	0.850%	2/10/2027	3/26/2026	3.979	3,856,000	\$ 3,787,494	\$ 3,776,566	AAA	Aaa
INTL BANK RECON & DEV	3.625%	2/3/2028	6/2/2026	4.020	1,790,000	\$ 1,800,049	\$ 1,762,058	AAA	Aaa
INTL FINANCE CORP	0.750%	10/8/2026	8/1/2025	4.033	22,000,000	\$ 21,808,640	\$ 21,809,700	AAA	Aaa
INTL FINANCE CORP	4.376%	1/15/2027	12/4/2025	3.625	8,750,000	\$ 8,781,876	\$ 8,779,750	AAA	Aaa
INTL FINANCE CORP	4.430%	2/22/2027	12/9/2025	3.662	10,000,000	\$ 10,044,365	\$ 9,978,500	AAA	Aaa
INTL FINANCE CORP	4.050%	3/21/2028	12/9/2025	3.639	520,000	\$ 523,051	\$ 518,658	AAA	Aaa
INTL FINANCE CORP	4.500%	1/21/2028	12/11/2025	3.608	10,000,000	\$ 10,124,674	\$ 10,047,400	AAA	Aaa
INTL FINANCE CORP	3.500%	1/22/2029	1/22/2026	3.546	10,000,000	\$ 9,996,873	\$ 9,837,900	AAA	Aaa
Sub Total Supranational Securities		420	6.54%	3.81%	234,766,000	\$ 233,351,764	\$ 231,946,294		
ABBOTT LABORATORIES	3.700%	3/9/2029	3/9/2026	3.694	5,000,000	\$ 4,997,601	\$ 4,904,250	A+	Aa3
ADVANCED MICRO DEVICES	4.212%	9/24/2026	3/24/2025	4.154	5,000,000	\$ 5,000,000	\$ 5,001,500	A	A1
BMW CAPITAL USA	5.050%	8/11/2028	8/11/2023	4.988	10,000,000	\$ 9,998,691	\$ 10,076,300	A	A2
BMW CAPITAL USA	1.250%	8/12/2026	4/21/2025	4.499	3,680,000	\$ 3,666,671	\$ 3,667,046	A	A2
BMW CAPITAL USA	4.150%	8/11/2027	1/22/2026	3.885	4,600,000	\$ 4,610,303	\$ 4,586,200	A	A2
BMW CAPITAL USA	4.300%	3/17/2028	3/19/2026	4.266	10,000,000	\$ 9,997,993	\$ 9,952,400	A	A2
BMW CAPITAL USA	4.400%	3/19/2029	3/19/2026	4.375	10,000,000	\$ 9,995,667	\$ 9,938,900	A	A2
CATERPILLAR FINANCIAL	4.450%	10/16/2026	7/11/2025	4.113	10,113,000	\$ 10,113,000	\$ 10,124,529	A	A2
CITIBANK	4.929%	8/6/2026	4/14/2025	4.435	17,000,000	\$ 17,006,782	\$ 17,002,210	A+	Aa3
CITIBANK	4.929%	8/6/2026	4/15/2025	4.526	5,764,000	\$ 5,765,803	\$ 5,764,749	A+	Aa3
COLGATE-PALMOLIVE	3.100%	8/15/2027	1/15/2026	3.639	4,327,000	\$ 4,329,207	\$ 4,309,291	A+	Aa3
COREBRIDGE FUNDING	5.200%	6/24/2029	3/4/2025	4.573	10,000,000	\$ 10,150,151	\$ 10,095,300	A+	A2
COREBRIDGE FUNDING	4.250%	8/21/2028	8/21/2025	4.255	5,000,000	\$ 5,000,000	\$ 4,950,400	A+	A2
COREBRIDGE FUNDING	4.450%	10/2/2030	10/2/2025	4.413	10,000,000	\$ 10,000,000	\$ 9,818,500	A+	A2
COREBRIDGE FUNDING	4.650%	8/20/2027	4/13/2026	4.295	4,584,000	\$ 4,629,972	\$ 4,588,951	A+	A2
COREBRIDGE FUNDING	4.800%	5/29/2029	5/29/2026	4.769	8,000,000	\$ 7,993,620	\$ 7,986,400	A+	A2
JOHN DEERE & CO	4.850%	3/5/2027	3/7/2024	4.817	10,000,000	\$ 9,997,895	\$ 10,044,000	A	A1
DEPOSITORY TRUST CORP	4.300%	3/27/2029	3/27/2026	4.283	4,000,000	\$ 3,997,764	\$ 3,979,680	AA+	Aa1
DEPOSITORY TRUST CORP	4.550%	3/27/2031	3/27/2026	4.506	3,000,000	\$ 2,998,796	\$ 2,982,480	AA+	Aa1
EQUITABLE FINANCIAL LIFE	1.300%	7/12/2026	1/25/2023	4.795	19,454,000	\$ 19,434,729	\$ 19,434,351	A+	A1
EQUITABLE FINANCIAL LIFE	1.800%	3/8/2028	4/21/2023	5.213	4,190,000	\$ 3,975,402	\$ 3,991,143	A+	A1
EQUITABLE FINANCIAL LIFE	1.300%	7/12/2026	7/12/2023	5.935	2,119,000	\$ 2,116,243	\$ 2,116,860	A+	A1
EQUITABLE FINANCIAL LIFE	1.800%	3/8/2028	10/17/2023	6.066	1,810,000	\$ 1,695,171	\$ 1,724,097	A+	A1
EQUITABLE FINANCIAL LIFE	1.800%	3/8/2028	11/9/2023	6.039	15,415,000	\$ 14,440,778	\$ 14,683,404	A+	A1
EQUITABLE FINANCIAL LIFE	1.700%	11/12/2026	2/21/2024	5.343	6,000,000	\$ 5,925,454	\$ 5,942,880	A+	A1
EQUITABLE FINANCIAL LIFE	1.300%	7/12/2026	4/11/2025	4.480	5,035,000	\$ 5,030,202	\$ 5,029,915	A+	A1
EQUITABLE FINANCIAL LIFE	3.950%	9/15/2027	9/15/2025	3.995	2,000,000	\$ 1,998,831	\$ 1,982,520	A+	A1
EQUITABLE FINANCIAL LIFE	4.875%	11/19/2027	10/15/2025	3.997	10,000,000	\$ 10,107,764	\$ 10,029,200	A+	A1
EQUITABLE FINANCIAL LIFE	4.300%	12/15/2028	12/15/2025	4.256	3,000,000	\$ 3,000,000	\$ 2,968,740	A+	A1
EQUITABLE FINANCIAL LIFE	1.400%	8/27/2027	1/9/2026	3.898	7,000,000	\$ 6,801,905	\$ 6,747,160	A+	A1
EQUITABLE FINANCIAL LIFE	5.125%	6/15/2031	6/15/2026	5.063	10,000,000	\$ 9,996,811	\$ 10,035,200	A+	A1
GLOBAL ATLANTIC FUNDING	4.500%	9/18/2030	9/18/2025	4.442	7,000,000	\$ 7,000,000	\$ 6,782,930	A	A2
GOLDMAN SACHS	5.000%	4/2/2030	4/2/2025	4.954	10,000,000	\$ 10,000,000	\$ 10,009,110	A+	A1
GOLDMAN SACHS	4.150%	3/5/2031	3/5/2026	4.137	10,000,000	\$ 9,992,889	\$ 9,815,180	A+	A1
GUARDIAN LIFE	5.550%	10/28/2027	12/6/2022	5.474	12,070,000	\$ 12,178,841	\$ 12,238,618	AA+	Aa1
GUARDIAN LIFE	1.400%	7/6/2027	7/8/2023	4.548	7,825,000	\$ 7,596,834	\$ 7,603,318	AA+	Aa1
GUARDIAN LIFE	3.246%	3/29/2027	5/19/2023	4.747	1,850,000	\$ 1,830,503	\$ 1,835,718	AA+	Aa1
GUARDIAN LIFE	1.400%	7/6/2027	5/19/2023	4.679	5,508,000	\$ 5,340,204	\$ 5,351,958	AA+	Aa1
GUARDIAN LIFE	5.550%	10/28/2027	5/19/2023	4.738	2,190,000	\$ 2,209,279	\$ 2,220,594	AA+	Aa1
GUARDIAN LIFE	1.250%	11/19/2027	6/12/2023	4.957	1,500,000	\$ 1,430,539	\$ 1,438,200	AA+	Aa1
GUARDIAN LIFE	3.246%	3/29/2027	7/5/2023	5.184	2,800,000	\$ 2,762,374	\$ 2,778,384	AA+	Aa1
GUARDIAN LIFE	5.550%	10/28/2027	7/7/2023	5.131	11,350,000	\$ 11,396,041	\$ 11,508,560	AA+	Aa1
GUARDIAN LIFE	1.400%	7/6/2027	4/10/2024	5.027	1,189,000	\$ 1,148,382	\$ 1,155,316	AA+	Aa1
GUARDIAN LIFE	4.066%	9/5/2028	9/5/2025	4.010	10,000,000	\$ 10,000,000	\$ 9,896,000	AA+	Aa1
GUARDIAN LIFE	4.327%	10/6/2030	10/6/2025	4.268	10,000,000	\$ 10,000,000	\$ 9,836,600	AA+	Aa1
GUARDIAN LIFE	4.402%	12/11/2030	12/11/2025	4.342	8,000,000	\$ 8,000,000	\$ 7,894,320	AA+	Aa1
GUARDIAN LIFE	1.400%	7/6/2027	1/16/2026	3.831	1,750,000	\$ 1,708,234	\$ 1,700,423	AA+	Aa1
HOME DEPOT	2.125%	9/15/2026	7/10/2025	4.118	2,886,000	\$ 2,886,000	\$ 2,875,033	A	A2
HERSHEY COMPANY	4.550%	2/24/2028	2/24/2025	4.512	5,000,000	\$ 5,000,000	\$ 5,015,800	A	A1
JACKSON NATIONAL LIFE	4.900%	1/13/2027	1/13/2025	4.853	5,000,000	\$ 5,000,000	\$ 5,008,950	A	A3
JACKSON NATIONAL LIFE	5.350%	1/13/2030	1/13/2025	5.298	3,000,000	\$ 3,000,000	\$ 3,020,250	A	A3
JACKSON NATIONAL LIFE	5.550%	7/2/2027	4/3/2025	4.566	2,750,000	\$ 2,773,745	\$ 2,774,558	A	A3
JACKSON NATIONAL LIFE	4.900%	1/13/2027	8/11/2025	4.316	10,000,000	\$ 10,026,663	\$ 10,017,900	A	A3
JACKSON NATIONAL LIFE	4.550%	9/9/2030	9/9/2025	4.533	7,000,000	\$ 7,000,000	\$ 6,861,820	A	A3
KAISER FOUNDATION	3.150%	5/1/2027	12/12/2022	4.357	9,005,000	\$ 8,919,336	\$ 8,926,386	AA-	A2
ELI LILLY & CO	4.550%	2/12/2028	4/1/2025	4.212	10,000,000	\$ 10,041,701	\$ 10,042,000	A+	Aa3

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
LINCOLN FINANCIAL	4.625%	5/28/2028	5/28/2025	4.572	5,000,000	\$ 5,000,000	\$ 4,996,550	A+	A2
LINCOLN FINANCIAL	4.200%	1/12/2029	1/12/2026	4.184	1,000,000	\$ 999,929	\$ 986,050	A+	A2
MASTERCARD INC	4.550%	3/15/2028	2/27/2025	4.513	3,000,000	\$ 3,000,000	\$ 3,009,240	A+	Aa3
MASTERCARD INC	4.325%	6/8/2028	6/8/2026	4.270	10,000,000	\$ 9,999,302	\$ 10,000,300	A+	Aa3
MASTERCARD INC	4.425%	6/8/2029	6/8/2026	4.371	10,000,000	\$ 9,998,343	\$ 9,986,600	A+	Aa3
MARS INC	4.450%	3/1/2027	9/2/2025	3.946	9,000,000	\$ 9,025,928	\$ 9,015,030	A	A2
MASSACHUSETTS MUTUAL	1.200%	7/16/2026	2/10/2023	4.537	3,703,000	\$ 3,698,198	\$ 3,698,742	AA+	Aa3
MASSACHUSETTS MUTUAL	5.050%	6/14/2028	6/14/2023	4.383	3,000,000	\$ 3,002,564	\$ 3,030,870	AA+	Aa3
MASSACHUSETTS MUTUAL	5.150%	5/30/2029	5/30/2024	5.098	2,000,000	\$ 2,000,000	\$ 2,025,300	AA+	Aa3
MASSACHUSETTS MUTUAL	4.000%	1/22/2029	1/22/2026	3.990	2,000,000	\$ 1,999,706	\$ 1,970,620	AA+	Aa3
MERCEDES BENZ NA	5.200%	8/3/2026	4/23/2025	4.531	15,000,000	\$ 15,007,690	\$ 15,014,250	A	A2
MERCEDES BENZ NA	4.250%	3/10/2029	3/10/2026	4.207	10,000,000	\$ 9,998,390	\$ 9,877,400	A	A2
METLIFE INC	3.000%	9/19/2027	5/18/2023	4.719	15,262,000	\$ 14,965,832	\$ 15,005,598	AA-	Aa3
METLIFE INC	3.000%	9/19/2027	5/26/2023	4.930	7,000,000	\$ 6,848,536	\$ 6,882,400	AA-	Aa3
METLIFE INC	4.400%	6/30/2027	6/12/2023	5.036	4,790,000	\$ 4,759,842	\$ 4,799,820	AA-	Aa3
METLIFE INC	3.000%	9/19/2027	6/12/2023	5.036	3,670,000	\$ 3,586,406	\$ 3,608,344	AA-	Aa3
METLIFE INC	1.875%	1/11/2027	7/5/2023	5.194	1,940,000	\$ 1,908,678	\$ 1,916,487	AA-	Aa3
METLIFE INC	1.875%	1/11/2027	7/11/2023	5.379	3,825,000	\$ 3,760,025	\$ 3,778,641	AA-	Aa3
METLIFE INC	1.875%	1/11/2027	10/27/2023	5.869	3,096,000	\$ 3,036,162	\$ 3,058,476	AA-	Aa3
METLIFE INC	1.875%	1/11/2027	12/11/2023	5.226	7,480,000	\$ 7,356,765	\$ 7,389,342	AA-	Aa3
METLIFE INC	1.875%	1/11/2027	1/11/2024	4.993	1,238,000	\$ 1,218,899	\$ 1,222,995	AA-	Aa3
METLIFE INC	5.050%	6/11/2027	6/11/2024	5.025	8,000,000	\$ 7,996,877	\$ 8,058,640	AA-	Aa3
METLIFE INC	3.000%	9/19/2027	3/21/2025	4.509	10,000,000	\$ 9,821,239	\$ 9,832,000	AA-	Aa3
METLIFE INC	1.875%	1/11/2027	4/22/2025	4.343	4,000,000	\$ 3,949,096	\$ 3,951,520	AA-	Aa3
METLIFE INC	4.850%	1/16/2027	8/8/2025	4.069	8,186,000	\$ 8,216,816	\$ 8,210,722	AA-	Aa3
METLIFE INC	4.150%	8/25/2028	8/25/2025	4.096	5,000,000	\$ 5,000,000	\$ 4,960,850	AA-	Aa3
METLIFE INC	4.350%	1/12/2031	1/12/2026	4.301	5,000,000	\$ 4,999,850	\$ 4,921,950	AA-	Aa3
MORGAN STANLEY	3.125%	7/27/2026	12/28/2023	4.857	8,500,000	\$ 8,489,737	\$ 8,496,940	A-	A1
MORGAN STANLEY	3.125%	7/27/2026	1/23/2024	4.932	2,765,000	\$ 2,761,520	\$ 2,764,005	A-	A1
MORGAN STANLEY	3.125%	7/27/2026	4/2/2025	4.349	8,553,000	\$ 8,545,355	\$ 8,549,921	A-	A1
MORGAN STANLEY	6.250%	8/9/2026	4/21/2025	4.444	4,356,000	\$ 4,363,675	\$ 4,362,926	A-	A1
MUTUAL OF OMAHA	5.800%	7/27/2026	10/17/2023	5.869	3,769,000	\$ 3,768,618	\$ 3,773,221	A+	A1
MUTUAL OF OMAHA	5.800%	7/27/2026	12/11/2023	5.196	10,500,000	\$ 10,503,700	\$ 10,511,760	A+	A1
MUTUAL OF OMAHA	5.450%	12/12/2028	12/12/2023	5.259	10,000,000	\$ 10,025,011	\$ 10,164,800	A+	A1
MUTUAL OF OMAHA	4.514%	6/9/2028	9/15/2025	3.985	10,000,000	\$ 10,085,760	\$ 9,948,900	A+	A1
MUTUAL OF OMAHA	4.546%	1/13/2031	1/13/2026	4.484	1,500,000	\$ 1,500,000	\$ 1,480,155	A+	A1
NATIONAL AUSTRALIA BANK NY	4.944%	1/12/2028	1/12/2023	4.876	10,000,000	\$ 10,000,000	\$ 10,103,600	AA-	Aa2
NATL SECURITIES CLEARING CORP	4.350%	5/20/2027	5/20/2025	4.337	5,000,000	\$ 5,000,000	\$ 5,005,700	AA+	Aa1
NATL SECURITIES CLEARING CORP	4.350%	6/9/2028	6/9/2026	4.323	5,000,000	\$ 4,997,235	\$ 4,995,200	AA	Aa1
NATL SECURITIES CLEARING CORP	4.700%	6/9/2031	6/9/2026	4.643	3,000,000	\$ 2,999,184	\$ 2,999,610	AA	Aa1
NORTHERN TRUST	4.150%	11/19/2030	11/19/2025	4.104	5,000,000	\$ 5,000,000	\$ 4,927,750	A+	A2
NORTHWESTERN MUTUAL LIFE	4.900%	6/12/2028	6/12/2023	4.888	5,000,000	\$ 4,995,229	\$ 5,033,400	AA+	Aa1
NORTHWESTERN MUTUAL LIFE	1.750%	1/11/2027	7/11/2023	5.182	5,000,000	\$ 4,916,528	\$ 4,934,800	AA+	Aa1
NORTHWESTERN MUTUAL LIFE	4.900%	6/12/2028	8/21/2023	5.223	4,000,000	\$ 3,972,964	\$ 4,026,720	AA+	Aa1
NORTHWESTERN MUTUAL LIFE	1.700%	6/1/2028	2/23/2026	3.804	3,470,000	\$ 3,333,864	\$ 3,291,052	AA+	Aa1
NORTHWESTERN MUTUAL LIFE	4.350%	9/15/2027	3/2/2026	3.714	10,000,000	\$ 10,067,729	\$ 9,996,400	AA+	Aa1
NEW YORK LIFE	4.700%	1/29/2029	1/29/2024	4.676	15,000,000	\$ 14,986,003	\$ 15,027,900	AA+	Aa1
NEW YORK LIFE	4.850%	1/9/2028	4/12/2024	5.000	7,500,000	\$ 7,477,238	\$ 7,540,050	AA+	Aa1
NEW YORK LIFE	5.450%	9/18/2026	4/14/2025	4.365	7,363,000	\$ 7,378,431	\$ 7,383,985	AA+	Aa1
NEW YORK LIFE	5.450%	9/18/2026	7/8/2025	4.207	11,635,000	\$ 11,663,314	\$ 11,668,160	AA+	Aa1
NEW YORK LIFE	4.250%	1/9/2031	1/9/2026	4.227	10,000,000	\$ 9,999,289	\$ 9,836,800	AA+	Aa1
NEW YORK LIFE	4.050%	2/2/2029	2/2/2026	3.996	10,000,000	\$ 9,999,948	\$ 9,868,800	AA+	Aa1
NEW YORK LIFE	4.690%	7/16/2030	6/16/2026	4.627	10,000,000	\$ 10,000,000	\$ 9,990,750	AA+	Aa1
PACIFIC LIFE	1.450%	1/20/2028	7/10/2023	5.572	1,152,000	\$ 1,086,529	\$ 1,099,158	AA-	Aa3
PACIFIC LIFE	5.500%	8/28/2026	8/30/2023	5.437	7,000,000	\$ 6,999,870	\$ 7,014,700	AA-	Aa3
PACIFIC LIFE	1.600%	9/21/2028	12/7/2023	5.221	2,375,000	\$ 2,204,771	\$ 2,222,145	AA-	Aa3
PACIFIC LIFE	5.500%	7/18/2028	4/2/2024	4.956	1,355,000	\$ 1,366,659	\$ 1,378,713	AA-	Aa3
PACIFIC LIFE	5.500%	8/28/2026	4/12/2024	5.207	5,265,000	\$ 5,266,686	\$ 5,276,057	AA-	Aa3
PACIFIC LIFE	5.500%	8/28/2026	4/14/2025	4.412	1,675,000	\$ 1,677,601	\$ 1,678,518	AA-	Aa3
PACIFIC LIFE	5.500%	7/18/2028	4/23/2025	4.468	3,700,000	\$ 3,767,482	\$ 3,764,750	AA-	Aa3
PACIFIC LIFE	4.375%	2/3/2031	2/3/2026	4.338	10,000,000	\$ 9,998,187	\$ 9,871,600	AA-	Aa3
PRINCIPAL LIFE	1.250%	8/16/2026	7/28/2023	5.489	1,115,000	\$ 1,109,537	\$ 1,110,919	A+	A1
PRINCIPAL LIFE	5.500%	6/28/2028	11/13/2023	5.881	2,380,000	\$ 2,361,019	\$ 2,415,153	A+	A1
PRINCIPAL LIFE	1.500%	11/17/2026	12/7/2023	5.191	15,000,000	\$ 14,804,795	\$ 14,847,600	A+	A1
PRINCIPAL LIFE	5.000%	1/16/2027	1/16/2024	4.945	5,000,000	\$ 4,999,648	\$ 5,017,750	A+	A1
PRINCIPAL LIFE	5.100%	1/25/2029	2/21/2024	5.181	8,885,000	\$ 8,854,410	\$ 8,968,519	A+	A1
PRINCIPAL LIFE	1.250%	8/16/2026	10/28/2024	4.424	8,710,000	\$ 8,676,509	\$ 8,678,121	A+	A1
PRINCIPAL LIFE	1.250%	8/16/2026	4/7/2025	4.289	6,848,000	\$ 6,822,503	\$ 6,822,936	A+	A1
PRINCIPAL LIFE	4.250%	8/18/2028	8/18/2025	4.211	3,000,000	\$ 3,000,000	\$ 2,973,870	A+	A1
PRINCIPAL LIFE	4.600%	8/19/2027	1/15/2026	3.918	4,820,000	\$ 4,852,787	\$ 4,830,749	A+	A1
PRINCIPAL LIFE	4.650%	5/18/2029	5/18/2026	4.615	7,000,000	\$ 6,995,738	\$ 6,979,350	A+	A1
PROGRESSIVE CORP	4.600%	3/26/2031	3/26/2026	4.540	2,000,000	\$ 1,999,877	\$ 1,993,300	A	A2
PROTECTIVE LIFE	1.900%	7/6/2028	7/14/2023	5.330	4,250,000	\$ 3,990,071	\$ 4,020,075	AA-	A1
PROTECTIVE LIFE	4.714%	7/6/2027	12/7/2023	5.173	9,440,000	\$ 9,394,076	\$ 9,466,432	AA-	A1
PROTECTIVE LIFE	4.992%	1/12/2027	1/12/2024	4.924	10,000,000	\$ 10,000,000	\$ 10,039,400	AA-	A1
PROTECTIVE LIFE	4.714%	7/6/2027	2/26/2024	4.959	1,644,000	\$ 1,639,219	\$ 1,648,603	AA-	A1
PROTECTIVE LIFE	4.803%	6/5/2030	6/5/2025	4.737	5,000,000	\$ 5,000,000	\$ 4,991,050	AA-	A1

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
PROTECTIVE LIFE	4.161%	1/15/2029	12/10/2025	4.106	7,000,000	\$ 6,999,977	\$ 6,903,890	AA-	A1
PRUDENTIAL FINANCIAL	5.100%	5/30/2028	5/30/2023	5.034	7,000,000	\$ 6,999,518	\$ 7,064,470	AA-	Aa3
PRUDENTIAL FINANCIAL	5.100%	5/30/2028	6/14/2023	5.093	7,000,000	\$ 6,992,439	\$ 7,064,470	AA-	Aa3
PRUDENTIAL FINANCIAL	5.550%	8/28/2026	8/28/2023	5.510	3,000,000	\$ 2,999,840	\$ 3,006,330	AA-	Aa3
PRUDENTIAL FINANCIAL	4.700%	5/28/2030	5/28/2025	4.652	3,000,000	\$ 3,000,000	\$ 2,995,770	AA-	Aa3
PRUDENTIAL FINANCIAL	4.350%	11/25/2030	11/25/2025	4.309	10,000,000	\$ 10,000,000	\$ 9,832,900	AA-	Aa3
RABOBANK NY	5.500%	10/5/2026	10/5/2023	5.527	8,000,000	\$ 7,998,023	\$ 8,030,400	A+	Aa2
RABOBANK NY	5.041%	3/5/2027	3/5/2024	4.972	10,000,000	\$ 10,000,000	\$ 10,053,300	A+	Aa2
REINSURANCE GROUP OF AMERICA	2.000%	11/30/2026	1/18/2023	4.697	6,250,000	\$ 6,185,428	\$ 6,189,000	AA-	A1
REINSURANCE GROUP OF AMERICA	2.000%	11/30/2026	5/25/2023	5.357	1,000,000	\$ 987,228	\$ 990,240	AA-	A1
REINSURANCE GROUP OF AMERICA	2.000%	11/30/2026	11/20/2023	5.924	2,730,000	\$ 2,689,163	\$ 2,703,355	AA-	A1
REINSURANCE GROUP OF AMERICA	6.000%	11/21/2028	11/21/2023	5.948	10,000,000	\$ 9,993,693	\$ 10,263,200	AA-	A1
REINSURANCE GROUP OF AMERICA	5.250%	1/9/2030	1/9/2025	5.195	5,000,000	\$ 5,000,000	\$ 5,059,200	AA-	A1
REINSURANCE GROUP OF AMERICA	4.350%	8/25/2028	8/25/2025	4.317	7,000,000	\$ 7,000,000	\$ 6,941,970	AA-	A1
STATE STREET CORP	4.993%	3/18/2027	3/20/2024	4.986	10,992,000	\$ 10,987,519	\$ 11,046,960	A	Aa3
USAA CAPTIAL CORP	5.250%	6/1/2027	6/3/2024	5.283	10,000,000	\$ 9,991,153	\$ 10,091,300	AA-	Aa2
USAA CAPTIAL CORP	4.375%	6/1/2028	6/2/2025	4.382	5,000,000	\$ 5,000,000	\$ 4,989,150	AA-	Aa2
WESTERN SOUTHERN LIFE	4.500%	7/16/2028	8/11/2025	4.149	7,205,000	\$ 7,245,056	\$ 7,168,615	AA-	Aa3
WESTERN SOUTHERN LIFE	4.500%	7/16/2028	8/7/2025	4.157	2,096,000	\$ 2,107,332	\$ 2,085,415	AA-	Aa3
WESTERN SOUTHERN LIFE	4.250%	1/29/2029	1/29/2026	4.220	5,000,000	\$ 4,999,370	\$ 4,938,650	AA-	Aa3
Sub Total Corporate Bonds		621	27.59%	4.66%	987,782,000	\$ 984,043,889	\$ 983,486,575		
CALIFORNIA DEVL AUTHORITY		6/1/2027	12/9/2022	4.992	1,720,000	\$ 1,650,183	\$ 1,648,672	AA	Aa3
FRESNO COUNTY		8/15/2027	7/5/2023	5.073	3,700,000	\$ 3,511,910	\$ 3,524,583	AA	A1
FRESNO COUNTY		8/15/2028	5/29/2025	4.494	15,000,000	\$ 13,679,742	\$ 13,679,950	AA	NR
KERN COUNTY CA		8/15/2026	4/10/2023	4.895	10,000,000	\$ 9,944,955	\$ 9,946,200	AA-	A1
SANTA CLARA COUNTY		8/1/2028	12/13/2024	4.454	1,000,000	\$ 913,946	\$ 912,380	AAA	Aa1
Sub Total Municipal Zero Coupon Bonds		463	0.83%	4.72%	31,420,000	\$ 29,700,737	\$ 29,707,785		
-- No Holdings --									
Sub Total Municipal Notes		0	0.00%	0.00%	-	\$ -	\$ -		
ALAMEDA COUNTY	3.410%	8/1/2026	8/24/2022	3.364	1,150,000	\$ 1,150,000	\$ 1,149,368	AAA	Aaa
ALAMEDA COUNTY	3.460%	8/1/2027	8/24/2022	3.413	1,150,000	\$ 1,150,000	\$ 1,143,043	AAA	Aaa
ALAMEDA COUNTY	3.460%	8/1/2027	11/9/2022	4.883	1,500,000	\$ 1,478,624	\$ 1,490,925	AAA	Aaa
ANAHEIM CA	1.186%	7/1/2026	7/13/2021	1.085	660,000	\$ 660,000	\$ 660,000	AA	A1
CA STATE GO	2.375%	10/1/2026	10/1/2021	0.971	11,000,000	\$ 11,037,224	\$ 10,952,370	AA-	Aa2
CALIFORNIA DEVL AUTHORITY	1.212%	2/1/2027	11/21/2022	4.963	1,000,000	\$ 980,132	\$ 982,230	A+	A1
CALIFORNIA DEVL AUTHORITY	1.462%	2/1/2028	10/4/2023	5.563	580,000	\$ 546,365	\$ 553,946	A+	A1
CAL STATE UNIVERSITY	1.338%	11/1/2027	6/3/2026	4.025	1,920,000	\$ 1,854,706	\$ 1,851,187	AA-	Aa2
CAL STATE HEALTH FACILITY	2.484%	6/1/2027	12/13/2022	4.609	1,365,000	\$ 1,340,531	\$ 1,342,464	AA-	Aa3
CAL STATE HEALTH FACILITY	1.368%	6/1/2027	12/13/2022	4.609	1,000,000	\$ 972,937	\$ 973,570	AA-	Aa3
LITTLE LAKE CITY SCHOOLS	5.964%	7/1/2026	12/23/2022	4.606	1,000,000	\$ 1,000,000	\$ 1,000,000	AA-	Aa3
LOS ANGELES CITY CA	5.000%	9/1/2027	11/1/2022	4.650	2,225,000	\$ 2,231,284	\$ 2,245,225	AA-	Aa2
LA UNIFIED SCHOOLS	1.455%	7/1/2026	5/18/2022	3.511	2,500,000	\$ 2,500,000	\$ 2,500,000	NR	Aa2
MORGAN HILL CA	1.200%	9/1/2026	12/5/2022	4.705	2,640,000	\$ 2,625,765	\$ 2,626,747	AA	Aa1
MARIN CA COMM COLL DIST	0.893%	8/1/2026	9/14/2021	0.881	1,000,000	\$ 1,000,000	\$ 997,380	NR	Aaa
NAPA VALLEY UNIFIED SCHOOLS	1.094%	8/1/2026	8/17/2021	1.006	765,000	\$ 765,046	\$ 763,034	AA-	Aa3
POWAY CA UNIFIED SCHOOLS	1.358%	9/1/2026	3/1/2022	2.298	415,000	\$ 414,365	\$ 412,987	AA+	Aaa
RIVERSIDE COUNTY FACILITIES	1.474%	11/1/2026	11/1/2021	1.351	1,000,000	\$ 1,000,333	\$ 991,110	AA-	Aaa
SACRAMENTO WATER DISTRICT	1.953%	9/1/2026	12/10/2021	1.438	1,750,000	\$ 1,751,390	\$ 1,743,648	AA	Aa2
SACRAMENTO WATER DISTRICT	2.103%	9/1/2027	1/12/2023	4.335	2,000,000	\$ 1,952,066	\$ 1,955,380	AA	Aa2
SANTA CLARITA COMM COLL DIST	1.146%	8/1/2026	2/10/2022	2.055	1,250,000	\$ 1,249,072	\$ 1,246,788	AA	A1
SAN DIEGO UNIFIED SCHOOLS	1.201%	7/1/2026	1/12/2022	1.601	500,000	\$ 500,000	\$ 500,000	AA+	Aa2
SAN FRANCISCO BAY AREA RAPID T	2.338%	7/1/2026	1/26/2022	1.657	1,000,000	\$ 1,000,000	\$ 1,000,000	AA+	A1
SAN FRANCISCO BAY AREA RAPID T	1.102%	3/1/2027	4/8/2022	3.234	1,300,000	\$ 1,282,698	\$ 1,273,376	AA-	Aa3
SAN FRANCISCO BAY AREA RAPID T	2.338%	7/1/2026	8/4/2022	3.235	1,320,000	\$ 1,320,000	\$ 1,320,000	AA+	A1
SAN FRANCISCO BAY AREA RAPID T	1.102%	3/1/2027	12/20/2023	4.672	1,775,000	\$ 1,735,509	\$ 1,738,648	AA-	Aa3
SAN FRANCISCO BAY AREA RAPID T	1.687%	3/1/2030	3/3/2025	4.715	2,375,000	\$ 2,137,870	\$ 2,152,558	AA-	Aa3
SAN FRANCISCO DEV AGENCY	2.071%	8/1/2027	12/5/2022	4.951	1,685,000	\$ 1,637,510	\$ 1,646,481	AA	Aaa
SAN FRANCISCO UTILITY DIST 1	4.655%	10/1/2027	11/15/2024	4.322	8,010,000	\$ 8,034,278	\$ 8,048,608	NR	Aa2
SAN FRANCISCO UTILITY DIST 1	4.655%	10/1/2027	5/15/2026	4.040	2,130,000	\$ 2,156,361	\$ 2,140,267	NR	Aa2
SAN JOSE CITY	2.500%	9/1/2026	4/26/2022	3.205	9,245,000	\$ 9,234,296	\$ 9,219,391	AA+	Aa1
SANTA MONICA MALIBU SCHOOLS	0.989%	7/1/2026	12/12/2022	4.323	1,100,000	\$ 1,100,000	\$ 1,100,000	NR	Aa1
SONOMA MARIN AREA RAIL	2.018%	3/1/2028	3/14/2023	4.868	1,150,000	\$ 1,100,939	\$ 1,108,830	AA	A1
SANTA ROSA JR COLL	2.447%	8/1/2026	2/22/2022	2.140	150,000	\$ 150,033	\$ 149,799	AA	Aa2
SANTA ROSA JR COLL	2.447%	8/1/2026	4/20/2022	3.058	1,075,000	\$ 1,074,455	\$ 1,073,560	AA	Aa2
SANTA ROSA JR COLL	2.447%	8/1/2026	11/9/2022	4.981	765,000	\$ 763,504	\$ 763,975	AA	Aa2
SANTA ROSA JR COLL	2.447%	8/1/2026	1/3/2023	4.586	1,085,000	\$ 1,083,184	\$ 1,083,546	AA	Aa2
SANTA ROSA SCHOOL DIST	1.263%	8/1/2026	11/9/2022	5.030	500,000	\$ 498,560	\$ 498,765	AA	A1
SANTA ROSA SCHOOL DIST	1.213%	8/1/2026	3/17/2023	4.537	735,000	\$ 733,098	\$ 733,185	AA	Aa3
TAMALPAIS UNION HS DIST	2.265%	8/1/2026	2/11/2022	1.915	3,320,000	\$ 3,320,852	\$ 3,314,920	AA	Aaa
UNIV CALIFORNIA	1.316%	5/15/2027	5/16/2022	3.413	3,815,000	\$ 3,749,997	\$ 3,725,843	AA	Aa2
WEST CONTRA COSTA SCHOOLS	2.077%	8/1/2026	9/28/2021	1.016	1,000,000	\$ 1,000,849	\$ 998,110	A+	A1
Sub Total Municipal Bonds		223	2.28%	3.26%	81,905,000	\$ 81,273,832	\$ 81,171,263		
SCEIP	3.000%	9/2/2029	6/1/2009	2.958	23,526	\$ 23,526	\$ 23,526	NR	NR
SCEIP	3.000%	9/2/2029	8/3/2009	2.959	45,694	\$ 45,694	\$ 45,694	NR	NR
SCEIP	3.000%	9/2/2029	9/1/2009	2.959	745,515	\$ 745,515	\$ 745,515	NR	NR
SCEIP	3.000%	9/2/2029	10/1/2009	2.959	94,702	\$ 94,702	\$ 94,702	NR	NR
SCEIP	3.000%	9/2/2030	11/2/2009	2.958	79,519	\$ 79,519	\$ 79,519	NR	NR

Sonoma County Quarterly Report & Certification of Investments

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
SCEIP	3.000%	9/2/2030	12/1/2009	2.958	272,721	\$ 272,721	\$ 272,721	NR	NR
SCEIP	3.000%	9/2/2030	1/4/2010	2.959	243,180	\$ 243,180	\$ 243,180	NR	NR
SCEIP	3.000%	9/2/2030	2/1/2010	2.959	270,285	\$ 270,285	\$ 270,285	NR	NR
SCEIP	3.000%	9/2/2030	3/1/2010	2.959	116,751	\$ 116,751	\$ 116,751	NR	NR
SCEIP	3.000%	9/2/2030	4/1/2010	2.959	106,672	\$ 106,672	\$ 106,672	NR	NR
SCEIP	3.000%	9/2/2030	5/3/2010	2.959	75,103	\$ 75,103	\$ 75,103	NR	NR
SCEIP	3.000%	9/2/2030	6/1/2010	2.959	198,411	\$ 198,411	\$ 198,411	NR	NR
SCEIP	3.000%	9/2/2030	6/30/2010	2.959	146,863	\$ 146,863	\$ 146,863	NR	NR
SCEIP	3.000%	9/2/2030	8/2/2010	2.959	73,296	\$ 73,296	\$ 73,296	NR	NR
SCEIP	3.000%	9/2/2030	9/1/2010	2.959	62,645	\$ 62,645	\$ 62,645	NR	NR
SCEIP	3.000%	9/2/2031	10/1/2010	2.958	97,122	\$ 97,122	\$ 97,122	NR	NR
SCEIP	3.000%	9/2/2031	11/1/2010	2.958	70,047	\$ 70,047	\$ 70,047	NR	NR
SCEIP	3.000%	9/2/2031	12/1/2010	2.958	123,621	\$ 123,621	\$ 123,621	NR	NR
SCEIP	3.000%	9/2/2031	1/3/2011	2.959	95,737	\$ 95,737	\$ 95,737	NR	NR
SCEIP	3.000%	9/2/2031	2/1/2011	2.959	220,904	\$ 220,904	\$ 220,904	NR	NR
SCEIP	3.000%	9/2/2031	3/1/2011	2.959	54,469	\$ 54,469	\$ 54,469	NR	NR
SCEIP	3.000%	9/2/2031	4/1/2011	2.959	83,599	\$ 83,599	\$ 83,599	NR	NR
SCEIP	3.000%	9/2/2031	5/2/2011	2.959	61,215	\$ 61,215	\$ 61,215	NR	NR
SCEIP	3.000%	9/2/2031	6/1/2011	2.959	108,680	\$ 108,680	\$ 108,680	NR	NR
SCEIP	3.000%	9/2/2031	6/30/2011	2.959	111,731	\$ 111,731	\$ 111,731	NR	NR
SCEIP	3.000%	9/2/2034	6/2/2014	2.959	26,834	\$ 26,834	\$ 26,834	NR	NR
SCEIP	3.000%	9/2/2034	6/30/2014	2.959	54,322	\$ 54,322	\$ 54,322	NR	NR
SCEIP	3.000%	9/2/2034	8/1/2014	2.959	21,027	\$ 21,027	\$ 21,027	NR	NR
SCEIP	3.000%	9/2/2034	9/2/2014	2.959	10,186	\$ 10,186	\$ 10,186	NR	NR
SCEIP	3.000%	9/2/2035	11/3/2014	2.958	24,989	\$ 24,989	\$ 24,989	NR	NR
SCEIP	3.000%	9/2/2035	12/1/2014	2.958	11,847	\$ 11,847	\$ 11,847	NR	NR
SCEIP	3.000%	9/2/2035	1/5/2015	2.959	54,862	\$ 54,862	\$ 54,862	NR	NR
SCEIP	3.000%	9/2/2035	2/2/2015	2.959	54,169	\$ 54,169	\$ 54,169	NR	NR
SCEIP	3.000%	9/2/2035	3/2/2015	2.959	66,977	\$ 66,977	\$ 66,977	NR	NR
SCEIP	3.000%	9/2/2035	4/1/2015	2.959	47,838	\$ 47,838	\$ 47,838	NR	NR
SCEIP	3.000%	9/2/2035	6/1/2015	2.959	24,305	\$ 24,305	\$ 24,305	NR	NR
SCEIP	3.000%	9/2/2026	10/1/2015	2.957	1,447	\$ 1,447	\$ 1,447	NR	NR
SCEIP	3.000%	9/2/2026	9/2/2016	2.959	2,732	\$ 2,732	\$ 2,732	NR	NR
SCEIP	3.000%	9/2/2027	2/1/2017	2.959	11,822	\$ 11,822	\$ 11,822	NR	NR
SCEIP	3.000%	9/2/2027	6/1/2017	2.959	2,102	\$ 2,102	\$ 2,102	NR	NR
SCEIP	3.000%	9/2/2028	12/1/2017	2.958	12,738	\$ 12,738	\$ 12,738	NR	NR
SCEIP	3.000%	9/2/2028	3/2/2018	2.959	4,848	\$ 4,848	\$ 4,848	NR	NR
SCEIP	3.000%	9/2/2028	6/29/2018	2.959	17,446	\$ 17,446	\$ 17,446	NR	NR
SCEIP	3.000%	9/2/2029	10/1/2018	2.957	48,601	\$ 48,601	\$ 48,601	NR	NR
SCEIP	3.000%	9/2/2029	11/1/2018	2.958	18,623	\$ 18,623	\$ 18,623	NR	NR
SCEIP	3.000%	9/2/2029	6/28/2019	2.959	4,799	\$ 4,799	\$ 4,799	NR	NR
SCEIP	3.000%	9/2/2030	1/2/2020	2.958	8,689	\$ 8,689	\$ 8,689	NR	NR
SCEIP	3.000%	9/2/2030	2/3/2020	2.959	6,901	\$ 6,901	\$ 6,901	NR	NR
SCEIP	3.000%	9/2/2030	4/1/2020	2.959	14,070	\$ 14,070	\$ 14,070	NR	NR
SCEIP	3.000%	9/2/2030	6/1/2020	2.959	9,388	\$ 9,388	\$ 9,388	NR	NR
SCEIP	1.990%	9/2/2031	10/1/2020	1.963	47,284	\$ 47,284	\$ 47,284	NR	NR
SCEIP	1.990%	9/2/2031	11/2/2020	1.963	8,848	\$ 8,848	\$ 8,848	NR	NR
SCEIP	1.990%	9/2/2031	1/4/2021	1.963	11,920	\$ 11,920	\$ 11,920	NR	NR
SCEIP	1.990%	9/2/2031	2/1/2021	1.963	70,517	\$ 70,517	\$ 70,517	NR	NR
SCEIP	1.990%	9/2/2031	3/1/2021	1.963	1,776	\$ 1,776	\$ 1,776	NR	NR
SCEIP	1.990%	9/2/2031	4/1/2021	1.963	22,310	\$ 22,310	\$ 22,310	NR	NR
SCEIP	1.990%	9/2/2031	5/3/2021	1.963	50,997	\$ 50,997	\$ 50,997	NR	NR
SCEIP	1.990%	9/2/2031	6/1/2021	1.963	36,936	\$ 36,936	\$ 36,936	NR	NR
SCEIP	1.990%	9/2/2031	6/30/2021	1.963	158,727	\$ 158,727	\$ 158,727	NR	NR
SCEIP	1.990%	9/2/2031	9/2/2021	1.963	18,654	\$ 18,654	\$ 18,654	NR	NR
SCEIP	1.990%	9/2/2032	10/1/2021	1.962	216,130	\$ 216,130	\$ 216,130	NR	NR
SCEIP	1.990%	9/2/2032	11/1/2021	1.962	19,514	\$ 19,514	\$ 19,514	NR	NR
SCEIP	1.990%	9/2/2032	12/1/2021	1.962	56,928	\$ 56,928	\$ 56,928	NR	NR
SCEIP	1.990%	9/2/2032	1/3/2022	1.963	25,791	\$ 25,791	\$ 25,791	NR	NR
SCEIP	1.990%	9/2/2032	2/1/2022	1.963	58,264	\$ 58,264	\$ 58,264	NR	NR
SCEIP	1.990%	9/2/2032	4/1/2022	1.963	47,879	\$ 47,879	\$ 47,879	NR	NR
SCEIP	1.990%	9/2/2032	5/2/2022	1.963	55,913	\$ 55,913	\$ 55,913	NR	NR
SCEIP	1.990%	9/2/2032	6/1/2022	1.963	193,009	\$ 193,009	\$ 193,009	NR	NR
SCEIP	1.990%	9/2/2032	9/2/2022	1.963	139,736	\$ 139,736	\$ 139,736	NR	NR
SCEIP	1.990%	9/2/2033	10/3/2022	1.962	84,347	\$ 84,347	\$ 84,347	NR	NR
SCEIP	1.990%	9/2/2033	11/1/2022	1.962	106,590	\$ 106,590	\$ 106,590	NR	NR
SCEIP	1.990%	9/2/2033	12/1/2022	1.962	13,020	\$ 13,020	\$ 13,020	NR	NR
SCEIP	2.990%	9/2/2033	12/1/2022	2.948	61,058	\$ 61,058	\$ 61,058	NR	NR
SCEIP	1.990%	9/2/2033	1/3/2023	1.963	42,068	\$ 42,068	\$ 42,068	NR	NR
SCEIP	2.990%	9/2/2033	2/1/2023	2.949	21,739	\$ 21,739	\$ 21,739	NR	NR
SCEIP	2.990%	9/2/2033	3/1/2023	2.949	12,227	\$ 12,227	\$ 12,227	NR	NR
SCEIP	1.990%	9/2/2043	3/1/2023	1.963	553,171	\$ 553,171	\$ 553,171	NR	NR
SCEIP	2.990%	9/2/2043	3/1/2023	2.949	139,085	\$ 139,085	\$ 139,085	NR	NR
SCEIP	2.990%	9/2/2033	4/3/2023	2.949	13,381	\$ 13,381	\$ 13,381	NR	NR
SCEIP	1.990%	9/2/2043	4/3/2023	1.963	44,942	\$ 44,942	\$ 44,942	NR	NR
SCEIP	2.990%	9/2/2043	4/3/2023	2.949	316,108	\$ 316,108	\$ 316,108	NR	NR
SCEIP	2.990%	9/2/2033	5/1/2023	2.949	80,485	\$ 80,485	\$ 80,485	NR	NR

Description	Coupon Rate	Maturity Date	Purchase Date	Book Yield	Current Par / Shares	Current Book / Shares	Market Value	S&P Rating	Moody's Rating
TOTAL		(WAM)	(% Pool)	4.15%	3,631,508,613	\$ 3,566,909,526	\$ 3,549,757,499		
SCEIP	2.990%	9/2/2043	5/1/2023	2.949	326,658	\$ 326,658	\$ 326,658	NR	NR
SCEIP	2.990%	9/2/2033	6/1/2023	2.949	36,888	\$ 36,888	\$ 36,888	NR	NR
SCEIP	2.990%	9/2/2043	6/1/2023	2.949	243,262	\$ 243,262	\$ 243,262	NR	NR
SCEIP	2.990%	9/2/2033	6/30/2023	2.949	123,757	\$ 123,757	\$ 123,757	NR	NR
SCEIP	2.990%	9/2/2043	6/30/2023	2.949	190,187	\$ 190,187	\$ 190,187	NR	NR
SCEIP	2.990%	9/2/2033	8/1/2023	2.949	87,960	\$ 87,960	\$ 87,960	NR	NR
SCEIP	1.990%	9/2/2043	8/1/2023	1.963	1,134,164	\$ 1,134,164	\$ 1,134,164	NR	NR
SCEIP	2.990%	9/2/2043	8/1/2023	2.949	474,037	\$ 474,037	\$ 474,037	NR	NR
SCEIP	2.990%	9/2/2033	9/2/2023	2.949	49,590	\$ 49,590	\$ 49,590	NR	NR
SCEIP	2.990%	9/2/2043	9/2/2023	2.949	516,408	\$ 516,408	\$ 516,408	NR	NR
SCEIP	2.990%	9/2/2034	10/2/2023	2.947	101,081	\$ 101,081	\$ 101,081	NR	NR
SCEIP	2.990%	9/2/2044	10/2/2023	2.948	321,759	\$ 321,759	\$ 321,759	NR	NR
SCEIP	3.490%	9/2/2044	10/2/2023	3.441	170,310	\$ 170,310	\$ 170,310	NR	NR
SCEIP	3.490%	9/2/2034	11/1/2023	3.440	14,337	\$ 14,337	\$ 14,337	NR	NR
SCEIP	2.990%	9/2/2034	12/1/2023	2.948	25,855	\$ 25,855	\$ 25,855	NR	NR
SCEIP	3.490%	9/2/2034	12/1/2023	3.441	9,901	\$ 9,901	\$ 9,901	NR	NR
SCEIP	3.490%	9/2/2034	1/2/2024	3.441	26,596	\$ 26,596	\$ 26,596	NR	NR
SCEIP	2.990%	9/2/2044	1/2/2024	2.949	66,140	\$ 66,140	\$ 66,140	NR	NR
SCEIP	3.490%	9/2/2044	1/2/2024	3.442	237,054	\$ 237,054	\$ 237,054	NR	NR
SCEIP	3.490%	9/2/2034	2/1/2024	3.442	46,950	\$ 46,950	\$ 46,950	NR	NR
SCEIP	3.490%	9/2/2034	3/1/2024	3.442	57,717	\$ 57,717	\$ 57,717	NR	NR
SCEIP	3.490%	9/2/2034	4/1/2024	3.442	145,036	\$ 145,036	\$ 145,036	NR	NR
SCEIP	3.490%	9/2/2034	5/1/2024	3.443	104,250	\$ 104,250	\$ 104,250	NR	NR
SCEIP	3.490%	9/2/2034	6/3/2024	3.443	26,123	\$ 26,123	\$ 26,123	NR	NR
SCEIP	3.490%	9/2/2044	6/3/2024	3.442	734,724	\$ 734,724	\$ 734,724	NR	NR
SCEIP	3.490%	9/2/2034	6/28/2024	3.443	14,460	\$ 14,460	\$ 14,460	NR	NR
SCEIP	3.490%	9/2/2044	6/28/2024	3.442	866,787	\$ 866,787	\$ 866,787	NR	NR
SCEIP	3.490%	9/2/2034	8/1/2024	3.442	17,384	\$ 17,384	\$ 17,384	NR	NR
SCEIP	3.490%	9/2/2044	8/1/2024	3.442	239,784	\$ 239,784	\$ 239,784	NR	NR
SCEIP	3.490%	9/2/2044	9/2/2024	3.442	733,137	\$ 733,137	\$ 733,137	NR	NR
SCEIP	3.490%	9/2/2035	10/1/2024	3.440	20,351	\$ 20,351	\$ 20,351	NR	NR
SCEIP	3.990%	9/2/2035	11/1/2024	3.933	34,950	\$ 34,950	\$ 34,950	NR	NR
SCEIP	3.490%	9/2/2035	12/2/2024	3.441	42,677	\$ 42,677	\$ 42,677	NR	NR
SCEIP	3.490%	9/2/2035	1/2/2025	3.441	11,962	\$ 11,962	\$ 11,962	NR	NR
SCEIP	3.990%	9/2/2035	1/2/2025	3.934	127,459	\$ 127,459	\$ 127,459	NR	NR
SCEIP	3.990%	9/2/2045	1/2/2025	3.935	157,037	\$ 157,037	\$ 157,037	NR	NR
SCEIP	3.990%	9/2/2035	2/3/2025	3.935	48,556	\$ 48,556	\$ 48,556	NR	NR
SCEIP	3.990%	9/2/2045	2/3/2025	3.935	94,738	\$ 94,738	\$ 94,738	NR	NR
SCEIP	3.990%	9/2/2035	5/1/2025	3.936	72,984	\$ 72,984	\$ 72,984	NR	NR
SCEIP	3.490%	9/2/2045	5/1/2025	3.442	139,179	\$ 139,179	\$ 139,179	NR	NR
SCEIP	3.990%	9/2/2045	5/1/2025	3.936	335,993	\$ 335,993	\$ 335,993	NR	NR
SCEIP	3.990%	9/2/2035	6/2/2025	3.936	66,407	\$ 66,407	\$ 66,407	NR	NR
SCEIP	3.990%	9/2/2035	6/27/2025	3.936	75,704	\$ 75,704	\$ 75,704	NR	NR
SCEIP	3.990%	9/2/2035	8/1/2025	3.936	36,625	\$ 36,625	\$ 36,625	NR	NR
SCEIP	3.990%	9/2/2035	9/2/2025	3.935	253,468	\$ 253,468	\$ 253,468	NR	NR
SCEIP	3.990%	9/2/2036	10/1/2025	3.932	101,758	\$ 101,758	\$ 101,758	NR	NR
SCEIP	3.990%	9/2/2036	11/3/2025	3.933	47,190	\$ 47,190	\$ 47,190	NR	NR
SCEIP	3.990%	9/2/2046	11/3/2025	3.934	154,475	\$ 154,475	\$ 154,475	NR	NR
SCEIP	3.990%	9/2/2036	12/1/2025	3.934	55,051	\$ 55,051	\$ 55,051	NR	NR
SCEIP	3.990%	9/2/2046	12/1/2025	3.934	400,073	\$ 400,073	\$ 400,073	NR	NR
SCEIP	3.990%	9/2/2036	1/2/2026	3.934	107,200	\$ 107,200	\$ 107,200	NR	NR
SCEIP	3.990%	9/2/2046	1/2/2026	3.935	511,648	\$ 511,648	\$ 511,648	NR	NR
SCEIP	3.990%	9/2/2046	2/2/2026	3.935	1,001,494	\$ 1,001,494	\$ 1,001,494	NR	NR
SCEIP	3.990%	9/2/2036	2/2/2026	3.935	133,863	\$ 133,863	\$ 133,863	NR	NR
SCEIP	3.990%	9/2/2036	6/26/2026	3.936	5,241	\$ 5,241	\$ 5,241	NR	NR
Sub Total SCEIP Notes		4709	0.51%	3.08%	18,051,296	\$ 18,051,296	\$ 18,051,296		

Sonoma County Quarterly Report & Certification of Investments

Appendix B:

A detailed listing of all transactions in the Pooled Investment Fund for the quarter.



Sonoma County Inv Pool Selected Funds
Purchases Report
Sorted by Security Type - Issuer
April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment	Principal Purchase	Accrued at Purchase	Rate at Purchas	Maturity Date	YTM	Ending Book Value
Negotiable CDs													
05973RLH3	32321	104	NCB	BANSDA	20,000,000.00	04/15/2026	05/04 - At Maturity	20,000,000.00		4.110	05/04/2027	4.110	20,000,000.00
0727MDHV0	32344	104	NCB	BYLNHY	8,100,000.00	05/12/2026	02/05 - At Maturity	8,100,000.00		3.990	02/05/2027	3.990	8,100,000.00
22536XES9	32322	104	NCB	CANYCD	20,000,000.00	04/16/2026	05/05 - At Maturity	20,000,000.00		4.040	05/05/2027	4.040	20,000,000.00
63873TLW6	32315	104	NCB	NATXNY	20,000,000.00	04/09/2026	05/03 - At Maturity	20,000,000.00		4.090	05/03/2027	4.090	20,000,000.00
63873TMY1	32346	104	NCB	NATXNY	12,300,000.00	05/15/2026	05/06 - At Maturity	12,300,000.00		4.110	05/06/2027	4.110	12,300,000.00
Subtotal					80,400,000.00			80,400,000.00	0.00				80,400,000.00
SCEIP Notes													
SYS32384	32384	300	MTN	SCEIP	5,240.66	06/26/2026	09/02 - 03/02	5,240.66		3.990	09/02/2036	3.991	5,240.66
Subtotal					5,240.66			5,240.66	0.00				5,240.66
Commercial Paper Disc. -Amortizing													
46850CP35	32338	104	ACP	JXN	260,000.00	05/08/2026	02/03 - At Maturity	252,112.39		4.030	02/03/2027	4.205	253,684.09
46850CP35	32382	104	ACP	JXN	1,030,000.00	06/18/2026	02/03 - At Maturity	1,004,204.22		3.920	02/03/2027	4.072	1,005,662.24
Subtotal					1,290,000.00			1,256,316.61	0.00				1,259,346.33
Federal Agency Coupon Securities													
31422XNE8	32340	104	FAC	FAMCA	2,000,000.00	05/12/2026	09/29 - 03/29	1,884,700.00	3,344.44	1.400	09/29/2028	3.961	1,894,636.86
31422XJG8	32351	104	FAC	FAMCA	1,667,000.00	05/21/2026	06/28 - 12/28	1,568,647.00	Received	1.320	06/28/2028	4.283	1,573,843.99
31422XHW5	32359	104	FAC	FAMCA	3,400,000.00	06/24/2026	12/24 - 06/24	3,049,392.00		1.940	06/24/2031	4.251	3,050,755.48
3133ENDA5	32306	104	FAC	FFCB	1,534,000.00	04/06/2026	05/01 - 11/01	1,454,692.20	Received	1.740	11/01/2028	3.873	1,461,979.94
3133EMM41	32311	104	FAC	FFCB	4,155,000.00	04/09/2026	09/28 - 03/28	3,829,455.75	2,348.73	1.850	03/28/2030	4.004	3,850,485.12
3133EM5M0	32319	104	FAC	FFCB	1,607,000.00	04/13/2026	09/17 - 03/17	1,441,157.60	1,885.99	1.625	03/17/2031	3.950	1,450,335.42
3133EMUG5	32323	104	FAC	FFCB	1,326,000.00	04/21/2026	09/24 - 03/24	1,208,450.10	1,969.11	1.980	03/24/2031	3.980	1,215,060.21
3133EMSA1	32331	104	FAC	FFCB	16,507,000.00	04/28/2026	09/03 - 03/03	14,842,599.19	42,115.78	1.670	03/03/2031	3.977	14,944,805.09
3133EM5M0	32332	104	FAC	FFCB	18,816,000.00	05/01/2026	09/17 - 03/17	16,816,800.00	37,370.67	1.625	03/17/2031	4.047	16,922,480.46
3133ELB86	32341	104	FAC	FFCB	3,500,000.00	05/13/2026	05/28 - 11/28	3,158,400.00	Received	1.400	05/28/2030	4.042	3,169,669.28
3133EL5U4	32352	104	FAC	FFCB	1,000,000.00	05/22/2026	09/01 - 03/01	933,200.00	2,520.00	1.120	09/01/2028	4.230	938,900.95
3133EMM41	32355	104	FAC	FFCB	1,095,000.00	05/27/2026	09/28 - 03/28	1,004,027.40	3,319.98	1.850	03/28/2030	4.218	1,009,587.11
3133EL2C7	32357	104	FAC	FFCB	1,171,000.00	05/29/2026	07/29 - 01/29	1,038,032.95	4,801.10	1.230	07/29/2030	4.231	1,045,670.68
3133ENCU2	32360	104	FAC	FFCB	1,000,000.00	06/01/2026	11/01 - 05/01	943,480.00	1,354.17	1.625	11/01/2028	4.105	946,783.14
3133ELA20	32376	104	FAC	FFCB	1,000,000.00	06/18/2026	11/26 - 05/26	943,270.00	647.78	1.060	05/26/2028	4.135	944,974.36
3133EM4C3	32377	104	FAC	FFCB	1,000,000.00	06/18/2026	09/01 - 03/01	940,780.00	3,953.06	1.330	09/01/2028	4.171	945,703.88
3130BA2L0	32307	104	FAC	FHLB	1,415,000.00	04/06/2026	09/25 - 03/25	1,415,000.00	1,096.63	4.650	03/25/2031	4.650	1,416,096.63
3130BA6C6	32303	104	FAC	FHLB	5,000,000.00	04/08/2026	10/08 - 04/08	5,000,000.00		4.500	04/08/2031	4.500	5,000,000.00

Received = Accrued Interest at Purchase was received by report ending date.

Sonoma County Inv Pool Selected Funds

Purchases Report

April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment	Principal Purchase	Accrued at Purchase	Rate at Purchas	Maturity Date	YTM	Ending Book Value
Federal Agency Coupon Securities													
3130BA5Y9	32301	104	FAC	FHLB	3,185,000.00	04/14/2026	10/14 - 04/14	3,185,000.00		4.650	04/14/2031	4.650	3,185,000.00
3130BAAF4	32309	104	FAC	FHLB	10,000,000.00	04/14/2026	10/14 - 04/14	10,000,000.00		4.600	04/14/2031	4.600	10,000,000.00
3130BAAR8	32313	104	FAC	FHLB	7,000,000.00	04/14/2026	10/14 - 04/14	7,000,000.00		4.700	04/14/2031	4.700	7,000,000.00
3130BAAR8	32314	104	FAC	FHLB	2,990,000.00	04/14/2026	10/14 - 04/14	2,990,000.00		4.700	04/14/2031	4.700	2,990,000.00
3130BA7E1	32310	104	FAC	FHLB	4,190,000.00	04/15/2026	10/15 - 04/15	4,188,690.63		4.650	04/15/2031	4.657	4,189,243.48
3130BA2W6	32293	104	FAC	FHLB	10,000,000.00	04/20/2026	05/07 - Final Pmt.	9,999,500.00		5.000	04/07/2031	5.002	0.00
3130BA2W6	32300	104	FAC	FHLB	2,115,000.00	04/20/2026	05/07 - Final Pmt.	2,115,000.00		5.000	04/07/2031	5.000	0.00
3130APLH6	32335	104	FAC	FHLB	700,000.00	05/07/2026	05/16 - 11/16	678,720.00	Received	2.000	11/16/2028	4.052	680,296.30
3130AQWA7	32339	104	FAC	FHLB	1,005,000.00	05/11/2026	05/24 -	991,382.25	Received	2.050	02/24/2027	3.802	993,788.21
3130AKZZ2	32343	104	FAC	FHLB	1,300,000.00	05/13/2026	08/18 - 02/18	1,156,012.00	4,604.17	1.500	02/18/2031	4.081	1,164,646.15
3130BAN45	32337	104	FAC	FHLB	10,000,000.00	05/29/2026	06/15 - Final Pmt.	10,000,000.00		5.000	05/15/2031	5.000	0.00
3130APTF2	32378	104	FAC	FHLB	1,000,000.00	06/18/2026	11/24 - 05/24	942,220.00	1,100.00	1.650	11/24/2028	4.171	944,177.47
3130AL2F0	32379	104	FAC	FHLB	3,000,000.00	06/18/2026	07/17 -	2,732,400.00	95.83	1.150	08/17/2029	4.164	2,735,550.09
3130ANAP5	32383	104	FAC	FHLB	5,000,000.00	06/22/2026	07/26 - 01/26	4,721,500.00	35,486.11	1.750	07/26/2029	4.238	4,759,236.11
3134HCZS1	32312	104	FAC	FHLMC	10,000,000.00	04/10/2026	09/17 - 03/17	9,982,500.00	28,750.00	4.500	03/17/2031	4.539	10,020,278.66
3134HCJ75	32320	104	FAC	FHLMC	10,000,000.00	04/28/2026	10/28 - 04/28	9,996,600.00		4.310	04/28/2031	4.318	9,996,719.00
3134GWGD2	32342	104	FAC	FHLMC	1,475,000.00	05/13/2026	07/29 - 01/29	1,316,467.00	5,326.39	1.250	07/29/2030	4.052	1,326,812.90
3134GWQ41	32361	104	FAC	FHLMC	1,855,000.00	06/01/2026	09/23 - 03/23	1,640,339.40	4,379.86	1.250	09/23/2030	4.213	1,648,868.63
3134GV7D4	32381	104	FAC	FHLMC	1,000,000.00	06/24/2026	07/21 - 01/21	939,530.00	4,462.50	1.050	07/21/2028	4.120	944,559.15
3136GCWW1	32299	104	FAC	FNMA	10,218,000.00	04/07/2026	10/07 - 04/07	10,218,000.00		4.625	04/07/2031	4.625	10,218,000.00
3136GD2E2	32308	104	FAC	FNMA	10,000,000.00	04/07/2026	10/07 - 04/07	10,000,000.00		4.650	04/07/2031	4.650	10,000,000.00
3136GCZP3	32302	104	FAC	FNMA	10,000,000.00	04/08/2026	07/08 - 01/08	10,000,000.00		4.500	07/08/2030	4.502	10,000,000.00
3136GCYD1	32317	104	FAC	FNMA	6,394,000.00	04/13/2026	09/30 - 03/30	6,394,000.00	10,390.25	4.500	03/30/2029	4.499	6,404,390.25
3136GCY33	32304	104	FAC	FNMA	19,150,000.00	04/14/2026	04/28 - Final Pmt.	19,150,000.00		5.000	03/28/2031	5.001	0.00
3136G43D3	32345	104	FAC	FNMA	621,000.00	05/13/2026	09/25 - 03/25	575,667.00	670.68	0.810	09/25/2028	4.077	578,891.65
3136GDB28	32336	104	FAC	FNMA	10,000,000.00	05/27/2026	11/27 - 05/27	10,000,000.00		4.750	05/27/2031	4.750	10,000,000.00
3135GACQ2	32353	104	FAC	FNMA	2,000,000.00	05/27/2026	07/19 - 01/19	1,901,960.00	7,253.33	1.020	01/19/2028	4.133	1,914,844.01
3136G4U35	32358	104	FAC	FNMA	5,000,000.00	06/01/2026	08/26 - 02/26	4,433,250.00	16,888.89	1.280	08/26/2030	4.230	4,461,288.07
74274TAN0	32330	104	FAC	PEFCO	5,380,000.00	04/28/2026	07/27 - 01/27	5,367,303.20	52,357.86	3.850	01/27/2028	3.988	5,426,164.30
Subtotal					231,771,000.00			224,088,125.67	278,493.31				183,364,523.03
Federal Agency Discounts													
3134A4AB0	32316	104	AFD	FHLMC	10,000,000.00	04/13/2026	03/15 - At Maturity	8,225,200.00		3.556	03/15/2031	4.010	8,303,224.04
3134A4AB0	32364	104	AFD	FHLMC	5,078,000.00	06/01/2026	03/15 - At Maturity	4,159,186.68		3.726	03/15/2031	4.212	4,174,955.79
31364EAV6	32354	104	AFD	FNMA	1,929,000.00	05/27/2026	10/08 - At Maturity	1,825,894.95		3.856	10/08/2027	4.062	1,833,126.77
76116EHL7	32362	104	AFD	RFCS	3,228,000.00	06/01/2026	10/15 - At Maturity	2,934,187.44		3.832	10/15/2028	4.065	2,944,353.96
76116EGQ7	32363	104	AFD	RFCS	3,000,000.00	06/01/2026	07/15 - At Maturity	2,639,730.00		3.792	07/15/2029	4.141	2,649,210.79
Subtotal					23,235,000.00			19,784,199.07	0.00				19,904,871.35

Received = Accrued Interest at Purchase was received by report ending date.

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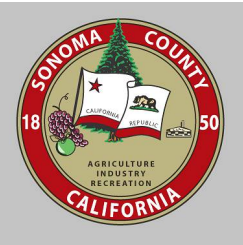
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Sonoma County Inv Pool Selected Funds

Purchases Report

April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment	Principal Purchase	Accrued at Purchase	Rate at Purchas	Maturity Date	YTM	Ending Book Value
Treasury Coupon Securities													
91282CPC9	32334	104	TRC	USTR	10,000,000.00	05/07/2026	10/15 - 04/15	9,889,062.50	21,038.25	3.500	10/15/2028	3.981	9,916,941.07
91282CNY3	32349	104	TRC	USTR	15,000,000.00	05/15/2026	09/15 - 03/15	14,789,648.44	83,916.44	3.375	09/15/2028	4.009	14,885,141.61
			Subtotal		25,000,000.00			24,678,710.94	104,954.69				24,802,082.68
US Treasury Strips													
912833XZ8	32324	104	ATD	USTR	15,000,000.00	04/24/2026	02/15 - At Maturity	12,429,150.00		3.558	02/15/2031	3.945	12,528,591.30
9128337P9	32347	104	ATD	USTR	20,000,000.00	05/15/2026	05/15 - At Maturity	16,262,800.00		3.735	05/15/2031	4.180	16,358,992.99
			Subtotal		35,000,000.00			28,691,950.00	0.00				28,887,584.29
SupraNationals													
45818WGS9	32298	104	MC1	IADB	10,000,000.00	04/10/2026	10/10 - 04/10	10,000,000.00		4.050	04/10/2031	4.050	10,000,000.00
45906M3R0	32366	104	MC1	IBRD	1,790,000.00	06/02/2026	08/03 - 02/03	1,777,040.40	21,448.92	3.625	02/03/2028	4.075	1,800,048.77
			Subtotal		11,790,000.00			11,777,040.40	21,448.92				11,800,048.77
Corporate Notes													
00138CBB3	32318	104	MC2	CRBG	4,584,000.00	04/13/2026	08/20 - 02/20	4,601,373.36	31,381.30	4.650	08/20/2027	4.354	4,629,972.07
00138CBN7	32356	104	MC2	CRBG	8,000,000.00	05/29/2026	11/29 - 05/29	7,992,240.00		4.800	05/29/2029	4.835	7,993,619.56
29446Q2G7	32374	104	MC2	EQH	10,000,000.00	06/15/2026	12/15 - 06/15	9,996,500.00		5.125	06/15/2031	5.133	9,996,811.11
57636QBJ2	32372	104	MC2	MA	10,000,000.00	06/08/2026	12/08 - 06/08	9,999,200.00		4.325	06/08/2028	4.329	9,999,302.22
57636QBK9	32373	104	MC2	MA	10,000,000.00	06/08/2026	12/08 - 06/08	9,998,100.00		4.425	06/08/2029	4.432	9,998,342.78
637639AR6	32369	104	MC2	NSCCLF	5,000,000.00	06/09/2026	12/09 - 06/09	4,996,850.00		4.350	06/09/2028	4.383	4,997,235.00
637639AT2	32371	104	MC2	NSCCLF	3,000,000.00	06/09/2026	12/09 - 06/09	2,999,070.00		4.700	06/09/2031	4.707	2,999,183.67
64953BBS6	32375	104	MC2	NYLIFE	10,000,000.00	06/16/2026	07/16 - 01/16	10,000,000.00		4.690	07/16/2030	4.691	10,000,000.00
74256L6U8	32348	104	MC2	PFG	7,000,000.00	05/18/2026	11/18 - 05/18	6,994,400.00		4.650	05/18/2029	4.679	6,995,737.78
21688ABV3	32297	104	MC2	RABOBK	10,000,000.00	04/01/2026	04/09 - Final Pmt.	10,000,000.00		4.322	04/01/2029	4.322	0.00
			Subtotal		77,584,000.00			77,577,733.36	31,381.30				67,610,204.19
Municipal Bonds													
13077DMN9	32368	104	MUN	CASHGR	1,920,000.00	06/03/2026	11/01 - 05/01	1,848,480.00	2,283.52	1.338	11/01/2027	4.081	1,854,705.57
79768HJN9	32350	104	MUN	SFUTIL	2,130,000.00	05/15/2026	10/01 - 04/01	2,145,698.10	12,118.52	4.655	10/01/2027	4.096	2,156,360.75
			Subtotal		4,050,000.00			3,994,178.10	14,402.04				4,011,066.32
Total Purchases					490,125,240.66			472,253,494.81	450,680.26				422,044,967.62



Sonoma County Inv Pool Selected Funds
Maturity Report
Sorted by Security Type
Received or due during April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
Negotiable CDs												
05973RDZ2	31813	104	NCB	BANSDA	25,000,000.00	05/04/2026	04/04/2025	4.230	25,000,000.00	1,160,312.50	26,160,312.50	1,160,312.50
0727MDFA8	31867	104	NCB	BYLNYY	21,000,000.00	06/01/2026	05/02/2025	4.250	21,000,000.00	979,270.83	21,979,270.83	979,270.83
05973RED0	31860	104	NCB	BANSDA	25,000,000.00	06/03/2026	05/01/2025	4.260	25,000,000.00	1,177,416.67	26,177,416.67	1,177,416.67
63873TCD8	31869	104	NCB	NATXNY	25,000,000.00	06/05/2026	05/05/2025	4.250	25,000,000.00	1,168,750.00	26,168,750.00	1,168,750.00
22536JKW4	31873	104	NCB	CANYCD	25,000,000.00	06/09/2026	05/06/2025	4.300	25,000,000.00	1,191,458.33	26,191,458.33	1,191,458.33
Subtotal					121,000,000.00				121,000,000.00	5,677,208.33	126,677,208.33	5,677,208.33
Commercial Paper Disc. -Amortizing												
83369CE42	32192	104	ACP	SOCGEN	29,600,000.00	05/04/2026	01/05/2026	3.750	29,600,000.00	0.00	29,600,000.00	0.00
Subtotal					29,600,000.00				29,600,000.00	0.00	29,600,000.00	0.00
SupraNationals												
4581X0EK0	31717	104	MC1	IADB	2,023,000.00	05/15/2026	12/11/2024	4.500	2,023,000.00	45,517.50	2,068,517.50	45,517.50
4581X0EK0	31726	104	MC1	IADB	10,000,000.00	05/15/2026	12/16/2024	4.500	10,000,000.00	225,000.00	10,225,000.00	225,000.00
4581X0EK0	31755	104	MC1	IADB	1,800,000.00	05/15/2026	02/07/2025	4.500	1,800,000.00	40,500.00	1,840,500.00	40,500.00
4581X0EK0	32036	104	MC1	IADB	10,600,000.00	05/15/2026	09/29/2025	4.500	10,600,000.00	238,500.00	10,838,500.00	238,500.00
45950VPY6	30833	104	MC1	IFC	10,000,000.00	05/15/2026	05/28/2021	3.500 V	10,000,000.00	175,000.00	10,175,000.00	175,000.00
4581X0CU0	31714	104	MC1	IADB	3,000,000.00	06/02/2026	12/11/2024	2.000	3,000,000.00	30,000.00	3,030,000.00	30,000.00
4581X0CU0	31765	104	MC1	IADB	13,000,000.00	06/02/2026	02/20/2025	2.000	13,000,000.00	130,000.00	13,130,000.00	130,000.00
Subtotal					50,423,000.00				50,423,000.00	884,517.50	51,307,517.50	884,517.50
Corporate Notes												
40139LBD4	31115	104	MC2	GUARDN	6,442,000.00	05/13/2026	12/06/2022	1.250	6,442,000.00	40,262.50	6,482,262.50	40,262.50
64952WED1	31168	104	MC2	NYLIFE	1,270,000.00	06/09/2026	02/07/2023	1.150	1,270,000.00	7,302.50	1,277,302.50	7,302.50
58989V2F0	31272	104	MC2	MET	15,000,000.00	06/20/2026	06/20/2023	5.400	15,000,000.00	405,000.00	15,405,000.00	405,000.00
Subtotal					22,712,000.00				22,712,000.00	452,565.00	23,164,565.00	452,565.00
Municipal Bonds												
702282QD9	30907	104	MUN	PASSCD	1,700,000.00	05/01/2026	10/04/2021	2.073	1,700,000.00	17,620.50	1,717,620.50	17,620.50
735000TN1	30913	104	MUN	PTOTRN	1,918,263.25	05/01/2026	10/22/2021	1.517	1,918,263.25	14,550.03	1,932,813.28	14,550.03
735000TN1	31015	104	MUN	PTOTRN	1,460,000.00	05/01/2026	04/21/2022	1.517	1,460,000.00	11,074.10	1,471,074.10	11,074.10
899141BA2	30982	104	MUN	TULCTF	500,000.00	05/01/2026	03/02/2022	2.613	500,000.00	6,532.50	506,532.50	6,532.50
91412GM51	30983	104	MUN	UNVHGR	645,000.00	05/15/2026	03/02/2022	2.639	645,000.00	8,510.78	653,510.78	8,510.78
91412GT62	30984	104	MUN	UNVHGR	750,000.00	05/15/2026	03/02/2022	3.150	750,000.00	11,812.50	761,812.50	11,812.50
91412HDN0	30985	104	MUN	UNVHGR	850,000.00	05/15/2026	03/02/2022	3.806	850,000.00	16,175.50	866,175.50	16,175.50
91412HJM6	31114	104	MUN	UNVHGR	1,520,000.00	05/15/2026	12/06/2022	0.870	1,520,000.00	6,612.00	1,526,612.00	6,612.00
130658RF6	30885	104	MUN	CASHSG	280,000.00	06/01/2026	08/24/2021	1.074	280,000.00	1,503.60	281,503.60	1,503.60
13032UXN3	31147	104	MUN	CASMED	1,150,000.00	06/01/2026	01/12/2023	1.168	1,150,000.00	6,716.00	1,156,716.00	6,716.00

V - Security with variable rate change.

Sonoma County Inv Pool Selected Funds
Maturity Report
Received or due during April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
Municipal Bonds												
612193AD4	30918	104	MUN	MNTGEN	1,000,000.00	06/01/2026	10/27/2021	1.486	1,000,000.00	7,430.00	1,007,430.00	7,430.00
Subtotal					11,773,263.25				11,773,263.25	108,537.51	11,881,800.76	108,537.51
Total Maturities					235,508,263.25				235,508,263.25	7,122,828.34	242,631,091.59	7,122,828.34



Sonoma County Quarterly Report & Certification of Investments

Sonoma County

Sonoma County Inv Pool Selected Funds Sales/Call Report Sorted by Security Type - Issuer April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
SCEIP Notes												
SYS28843	28843	300	SCEIP MTN	11/01/201	04/23/202 09/02/203	9,409.39	3.000	9,409.39	9,409.39	39.99	9,449.38 Call	39.99
SYS29441	29441	300	SCEIP MTN	08/01/201	04/23/202 09/02/203	26,613.45	3.000	26,613.45	26,613.45	113.11	26,726.56 Call	113.11
SYS31066	31066	300	SCEIP MTN	10/03/202	04/23/202 09/02/203	30,465.26	1.990	30,465.26	30,465.26	85.89	30,551.15 Call	85.89
SYS31073	31073	300	SCEIP MTN	11/01/202	04/23/202 09/02/203	24,397.77	2.990	24,397.77	24,397.77	103.34	24,501.11 Call	103.34
SYS31258	31258	300	SCEIP MTN	06/01/202	04/23/202 09/02/203	50,287.87	2.990	50,287.87	50,287.87	213.01	50,500.88 Call	213.01
SYS31753	31753	300	SCEIP MTN	02/03/202	04/23/202 09/02/204	34,485.83	3.990	34,485.83	34,485.83	194.93	34,680.76 Call	194.93
SYS32225	32225	300	SCEIP MTN	02/02/202	04/23/202 09/02/204	15,699.13	3.990	15,699.13	15,699.13	140.94	15,840.07 Call	140.94
SYS28843	28843	300	SCEIP MTN	11/01/201	05/26/202 09/02/203	13,720.12	3.000	13,720.12	13,720.12	96.04	13,816.16 Call	96.04
SYS31737	31737	300	SCEIP MTN	01/02/202	05/26/202 09/02/204	63,686.99	3.990	63,686.99	63,686.99	592.93	64,279.92 Call	592.93
SYS31569	31569	300	SCEIP MTN	06/03/202	06/18/202 09/02/204	71,760.00	3.490	71,760.00	71,760.00	737.41	72,497.41 Call	737.41
Subtotal						340,525.81		340,525.81	340,525.81	2,317.59	342,843.40	2,317.59
Federal Agency Coupon Securities												
3130BA2W6	32293	104	FHLB FAC	04/20/202	05/07/202 04/07/203	10,000,000.00	5.000	9,999,550.90	10,000,000.00	23,611.11	10,023,611.11 Call	24,060.21
3130BA2W6	32300	104	FHLB FAC	04/20/202	05/07/202 04/07/203	2,115,000.00	5.000	2,115,000.00	2,115,000.00	4,993.75	2,119,993.75 Call	4,993.75
3130BAN45	32337	104	FHLB FAC	05/29/202	06/15/202 05/15/203	10,000,000.00	5.000	10,000,000.00	10,000,000.00	22,222.22	10,022,222.22 Call	22,222.22
3136GCV33	32304	104	FNMA FAC	04/14/202	04/28/202 03/28/203	19,150,000.00	5.000	19,150,000.00	19,150,000.00	37,236.11	19,187,236.11 Call	37,236.11
Subtotal						41,265,000.00		41,264,550.90	41,265,000.00	88,063.19	41,353,063.19	88,512.29
Treasury Coupon Securities												
91282CKR1	32210	104	USTR TRC	01/20/202	04/14/202 05/15/202	10,000,000.00	4.500	10,181,302.01	10,076,562.50	186,464.09	10,263,026.59 Sale	81,724.58
Subtotal						10,000,000.00		10,181,302.01	10,076,562.50	186,464.09	10,263,026.59	81,724.58

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Sonoma County Quarterly Report & Certification of Investments

Sonoma County Inv Pool Selected Funds

Sales/Call Report

April 1, 2026 - June 30, 2026

CUSIP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
US Treasury Strips												
912833PC8	31761	104	USTR ATD	02/18/202	04/14/202 02/15/202	15,000,000.00	4.196	14,470,646.70	14,541,000.00	0.00	14,541,000.00 Sale	70,353.30
912833LZ1	31682	104	USTR ATD	11/01/202	04/15/202 05/15/202	20,000,000.00	4.018	19,933,035.71	19,937,200.00	0.00	19,937,200.00 Sale	4,164.29
912833PA2	31681	104	USTR ATD	10/30/202	05/27/202 08/15/202	20,000,000.00	3.977	19,825,663.61	19,837,800.00	0.00	19,837,800.00 Sale	12,136.39
912833PD6	31758	104	USTR ATD	02/07/202	05/27/202 05/15/202	15,000,000.00	4.117	14,402,823.88	14,447,250.00	0.00	14,447,250.00 Sale	44,426.12
Subtotal						70,000,000.00		68,632,169.90	68,763,250.00	0.00	68,763,250.00	131,080.10
SupraNationals												
459058JT1	32081	104	IBRD MC1	10/30/202	06/16/202 02/10/202	197,000.00	0.850	193,522.61	193,641.15	586.08	194,227.23 Sale	704.62
Subtotal						197,000.00		193,522.61	193,641.15	586.08	194,227.23	704.62
Corporate Notes												
254687GC4	32245	104	DIS MC2	02/12/202	04/21/202 03/14/202	5,000,000.00	3.750	4,995,683.02	4,956,150.00	35,937.50	4,992,087.50 Sale	-3,595.52
21688ABV3	32297	104	RABOBK MC2	04/01/202	04/09/202 04/01/202	10,000,000.00	4.322	10,000,000.00	10,031,400.00	9,604.44	10,041,004.44 Sale	41,004.44
92826CAZ5	32236	104	VISA MC2	02/12/202	04/15/202 02/12/203	5,000,000.00	4.100	4,995,645.00	4,997,950.00	35,875.00	5,033,825.00 Sale	38,180.00
Subtotal						20,000,000.00		19,991,328.02	19,985,500.00	81,416.94	20,066,916.94	75,588.92
Total Sales						141,802,525.81		140,603,399.25	140,624,479.46	358,847.89	140,983,327.35	379,928.10

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