NEW ISSUE -- FULL BOOK-ENTRY **RATING: Moody's: "Aa1"**
(See "RATING" herein)

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" with respect to tax consequences relating to the Bonds, including with respect to the alternative minimum tax imposed on certain large corporations for tax years beginning after December 31, 2022. See "TAX MATTERS" herein with respect to tax consequences relating to the Bonds.

$10,000,000
JEFFERSON ELEMENTARY SCHOOL DISTRICT
(San Mateo County, California)
Election of 2022 General Obligation Bonds, Series B

Dated: Date of Delivery **Due: September 1, as shown on inside front cover**

This cover page contains information for cursory reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision. Capitalized terms used in this cover page and not otherwise defined shall have the meanings set forth herein.

The Jefferson Elementary School District Election of 2022 General Obligation Bonds, Series B, in the aggregate principal amount of $10,000,000 (the "Bonds"), were authorized at an election of the registered voters of the Jefferson Elementary School District (the "District") held on June 7, 2022, at which the requisite 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of $45,000,000 principal amount of general obligation bonds of the District. The Bonds are being issued (i) to acquire, repair and construct certain equipment, sites and facilities of the District, and (ii) to pay the costs associated with the issuance of the Bonds.

The Bonds represent general obligations of the District, payable solely from *ad valorem* property taxes. The Board of Supervisors of San Mateo County is empowered and obligated to annually levy *ad valorem* property taxes for the payment of the principal of and interest on the Bonds upon all property subject to taxation by the District without limitation of rate or amount (except as to certain personal property which is taxable at limited rates). 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, New York, New York (collectively referred to herein as "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interest in the Bonds, but will instead receive credit balances on the books of their respective nominees.

The Bonds will be issued as current interest bonds, such that interest with respect to the Bonds accrues from the date of delivery (the "Date of Delivery") and is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2024. The Bonds are issuable in denominations of $5,000 or any integral multiple thereof.

Payments of principal of and interest on the Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as Paying Agent, to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the Beneficial Owners (defined herein) of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

The Bonds are subject to optional redemption and mandatory sinking fund redemption as described herein.

MATURITY SCHEDULE
(see inside front cover)

The Bonds are offered when, as and if issued, and received by the Underwriter subject to the approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel and Disclosure Counsel. Certain matters will be passed on for the Underwriter by Kutak Rock LLP, Denver, Colorado. The Bonds, in book-entry form, will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about November 29, 2023.

STIFEL

The date of this Official Statement is November 7, 2023.

MATURITY SCHEDULE FOR BONDS

$10,000,000
JEFFERSON ELEMENTARY SCHOOL DISTRICT
(San Mateo County, California)
Election of 2022 General Obligation Bonds, Series B

Base CUSIP†: 472412

$3,745,000 Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2025	$950,000	5.000%	3.300%	TM7
2034	215,000	5.000	3.370(1)	TN5
2035	245,000	5.000	3.470(1)	TP0
2036	285,000	5.000	3.600(1)	TQ8
2037	320,000	5.000	3.730(1)	TR6
2038	360,000	5.000	3.810(1)	TS4
2039	410,000	5.000	3.900(1)	TT2
2040	455,000	5.000	3.970(1)	TU9
2041	505,000	5.000	4.050(1)	TV7

$1,165,000 4.250% Term Bonds due September 1, 2043 Yield 4.420% CUSIP†:TX3

$5,090,000 5.000% Term Bonds due September 1, 2049 Yield 4.410%(1) CUSIP†:TY1

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† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. CUSIP® data herein is provided by CUSIP Global Services. 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 of reference only. None of the Underwriter, the Municipal Advisor or the District is responsible for the selection, uses or correctness of the CUSIP numbers set forth herein. CUSIP numbers have been assigned by an independent company not affiliated with the District, the Municipal Advisor or the Underwriter and are included solely for the convenience of the registered owners of the applicable Bonds. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

(1) Yield to call at par on September 1, 2033.

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

The issuance and sale of the Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Section 3(a)2 and 3(a)12, respectively, for the issuance and sale of municipal securities. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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

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 in this Official Statement, 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 Underwriter has provided the following sentence for inclusion in this Official Statement:

> "The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, 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 the completeness of such information."

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

The District maintains a website. However, the information presented on the District's website is not incorporated into this Official Statement by any reference, and should not be relied upon in making investment decisions with respect to the Bonds.

JEFFERSON ELEMENTARY SCHOOL DISTRICT
(San Mateo County, California)

BOARD OF EDUCATION

Andrea Jordan, *President*
Shakeel Ali, *Vice President*
Manufou Liaiga-Anoa'i *Clerk*
Aaron Rashba, *Member*
Anthony Tsujisaka, *Member*

DISTRICT ADMINISTRATION

Sandy Mikulik, *Superintendent*
Michael A. Lauro, *Assistant Superintendent of Business Services/Chief Business Officer*

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel

Stradling Yocca Carlson & Rauth,
a Professional Corporation
San Francisco, California

Municipal Advisor

Keygent LLC
El Segundo, California

Paying Agent

The Bank of New York Mellon
Trust Company, N.A.
Dallas, Texas

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$10,000,000
JEFFERSON ELEMENTARY SCHOOL DISTRICT
(San Mateo County, California)
Election of 2022 General Obligation Bonds, Series B

INTRODUCTION

This Official Statement, which includes the cover page and appendices hereto, provides information in connection with the sale of Jefferson Elementary School District (San Mateo County, California) Election of 2022 General Obligation Bonds, Series B, in the principal amount of $10,000,000 (the "Bonds").

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, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of Bonds to potential investors is made only by means of the entire Official Statement.

Changes Since Date of Preliminary Official Statement

On November 8, 2023, the Board (defined herein) adopted a resolution calling for an election to be consolidated with the Statewide March 5, 2024 general election to replace the District's existing parcel tax. Certain information under the section entitled "DISTRICT FINANCIAL INFORMATION – Other Revenue Sources – Parcel Tax" has been updated to include information about the proposed parcel tax election. In addition, the information set forth in "APPENDIX E –San Mateo County Treasury Pool" has been updated to reflect the release of the report for the period ending October 31, 2023.

The District

The Jefferson Elementary School District (the "District") was established in 1866 and serves pre-kindergarten through 8th grade students from four contiguous areas in San Mateo County (the "County") – the cities of Daly City and Colma, unincorporated Broadmoor Village, and a small section of the city of Pacifica. The population served by the District is approximately 107,197. The District operates 10 elementary schools, one K-8 school, three intermediate schools and a Pre-K Child Development Center. The District's P-2 average daily attendance for fiscal year 2023-24 is budgeted to be 4,495 students. The District has a 2023-24 total assessed valuation of $14,164,997,704. See "JEFFERSON ELEMENTARY SCHOOL DISTRICT" and "TAX BASE FOR REPAYMENT OF BONDS" herein.

The District is governed by a five-member Board of Education (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. The management and policies of the District are administered by a Superintendent appointed by the Board who is responsible for day-to-day District operations as well as the supervision of the District's other personnel. Sandy Mikulik is currently the District Superintendent. See "JEFFERSON ELEMENTARY SCHOOL DISTRICT" herein.

Security and Sources of Payment for the Bonds

The Bonds are general obligations of the District, payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* taxes for the payment of the principal of and interest on the Bonds upon all property within the District subject to taxation by the District without limitation of rate or amount (except as to certain personal property which is taxable at limited rates). See "THE BONDS – Security and Sources of Payment" and "TAX BASE FOR REPAYMENT OF BONDS" herein.

Purpose of Issue

The Bonds are being issued to (i) acquire, repair and construct certain equipment, sites and facilities of the District (the "Project") as authorized by the voters of the District at the election on June 7, 2022 and (ii) pay all necessary legal, financial and contingent costs in connection with the issuance of the Bonds. See "THE BONDS – Application and Investment of Bond Proceeds" herein.

Description of the Bonds

Form, Registration and Denomination. The Bonds will be issued in fully registered form only (without coupons), initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover, under the book-entry only system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not receive physical certificates representing their interests in the Bonds purchased, but will instead receive credit balances on the books of their respective nominees. See "THE BONDS – Book-Entry Only System" herein. In the event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution described herein. See "THE BONDS –Discontinuation of Book-Entry Only System; Payment to Beneficial Owners" herein.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the "Owners", "Bondowners" or "Holders" of the Bonds (other than under the caption "TAX MATTERS" and in "APPENDIX B") will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.

Denominations. Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of $5,000 principal amount, or any integral multiple thereof.

Redemption. The Bonds maturing on or after September 1, 2034 are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of funds, on September 1, 2033 or on any date thereafter as a whole, or in part. The Term Bonds are subject to mandatory sinking fund redemption as described herein. See "THE BONDS – Redemption" herein.

Payments. Interest on the Bonds accrues from the date of delivery of the Bonds (the "Date of Delivery") and is payable semiannually on each March 1 and September 1, commencing March 1, 2024 (each a "Bond Payment Date"). Principal on the Bonds is payable in the amounts and years as set forth on the inside cover page hereof.

Payments of the principal of and interest on the Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as the bond registrar and paying agent (in such capacity, the "Paying Agent"), to DTC for subsequent disbursement through DTC Participants (defined herein) to the beneficial owners of the Bonds.

Tax Matters

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California ("State") personal income tax. See "TAX MATTERS" with respect to tax consequences relating to the Bonds, including with respect to the alternative minimum tax imposed on certain large corporations for tax years beginning after December 31, 2022. See "TAX MATTERS" herein.

Authority for Issuance of the Bonds

The Bonds are issued pursuant to certain provisions of the State of California Government Code and other applicable law, and pursuant to a Resolution (defined herein) adopted by the Board of Education of the District. See "THE BONDS – Authority for Issuance" herein.

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to their validity by Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about November 29, 2023.

Continuing Disclosure

The District will covenant for the benefit of bondholders to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events in compliance with S.E.C. Rule 15c2-12(b)(5). The specific nature of the information to be made available and of the notices of enumerated events required to be provided are summarized in APPENDIX C.

Professionals Involved in the Offering

Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. Stradling Yocca Carlson & Rauth will receive compensation from the District contingent upon the sale and delivery of the Bonds. Keygent LLC, El Segundo, California, is acting as Municipal Advisor to the District with respect to the issuance of the Bonds. Certain matters are being passed upon for the Underwriter by Kutak Rock LLP, Denver, Colorado. The Bank of New York Mellon Trust Company, N.A. is acting as Paying Agent for the Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the District or the Bonds.

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information regarding the District herein.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future

results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to the forward-looking statements set forth in this Official Statement.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available from the Superintendent, Jefferson Elementary School District, 101 Lincoln Avenue, Daly City, CA 94015, telephone: (650) 991-1000. The District may impose a charge for copying, mailing and handling.

No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

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

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

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Resolution (defined herein).

THE BONDS

Authority for Issuance

The Bonds are 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 (the "Act"), Article XIIIA of the California Constitution and pursuant to a resolution adopted by the Board of Education of the District on October 25, 2023 (the "Resolution"). The County has adopted a resolution pursuant to Section 15140(b) of the Education Code that authorizes the District to issue the Bonds on their own behalf.

The District received authorization at an election held on June 7, 2022 (the "2022 Authorization"), at which the requisite 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of $45,000,000 principal amount of general obligation bonds of the District. On November 8, 2022 the District issued its Election of 2022 General Obligation Bonds, Series

A in the aggregate principal amount of $22,500,000 (the "Election of 2022 Series A"). The Bonds are the second issuance of bonds under the 2022 Authorization. After the issuance of the Bonds, $12,500,000 of the 2022 Authorization will remain.

Security and Sources of Payment

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. The levy may include allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. Such taxes will be levied annually in addition to all other taxes during the period that the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, will be placed in the Debt Service Fund (defined herein), which is required to be segregated and maintained by the County and which is designated for the payment of Bonds, and interest thereon when due, and for no other purpose. Pursuant to the Resolution, the District has pledged funds on deposit in the Debt Service Fund to the payment of the Bonds. Although the County is obligated to levy *ad valorem* property taxes for the payment of the Bonds as described above, and will maintain the Debt Service Fund, none of the Bonds are a debt of the County.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same becomes due and payable, will be transferred to the Paying Agent. The Paying Agent will in turn remit the funds to DTC for remittance of such principal and interest to its Participants for subsequent disbursement to the Beneficial Owners of the Bonds.

The rate of the annual *ad valorem* property taxes levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. Economic and other factors beyond the District's control, such as general market decline in land values, outbreak of disease, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State of California (the "State") and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood, fire (including wildfire), drought, sea level rise, climate change, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution" and "TAX BASE FOR REPAYMENT OF BONDS" herein.

Statutory Lien

Pursuant to California Government Code Section 53515, the Bonds will be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof. The lien automatically attaches, without further action or authorization by the Board, and is valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the *ad valorem* property tax will be immediately subject to the lien, and such lien will be enforceable against the District, its successor, transferees and creditors, and all other parties asserting rights therein, irrespective of whether such parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Bonds, but also any other bonds of the District issued after January 1, 2016 and payable, both as to principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of such *ad valorem* property taxes are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

Description of the Bonds

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 certificates representing their interests in the Bonds.

Interest with respect to the Bonds accrues from the Date of Delivery, and is payable semiannually on March 1 and September 1 of each year commencing March 1, 2024. Interest on the Bonds shall be computed on the basis of a 360-day year of twelve 30-day months. Each Bond shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before February 15, 2024, in which event it shall bear interest from the Date of Delivery. The Bonds are issuable in denominations of $5,000 principal amount or any integral multiple thereof. The Bonds mature on September 1, in the years and amounts set forth on the inside cover page hereof.

Payment. The principal of the Bonds will be payable in lawful money of the United States of America to the registered Owner thereof, upon the surrender thereof at the principal office of the Paying Agent. The interest on the Bonds will be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the registered Owner thereof as of the 15th day of the month preceding any Bond Payment Date (each a "Record Date"), whether or not such day is a business day, such interest to be paid by wire transfer on such Bond Payment Date to such bank and account number as the registered Owner may have filed with the Paying Agent for that purpose. See "THE BONDS – Book-Entry Only System" herein.

Book-Entry Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District, the Underwriter and the Municipal Advisor take no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "MMI Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for 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 certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such issue, and will be deposited with DTC.

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 Bonds 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 Bonds 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 and www.dtc.org.

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 certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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 DTC 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.

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.

Redemption notices shall 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and 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, 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 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.

DTC may discontinue providing its services as 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 depository is not obtained, Bond certificates are required to be printed and delivered.

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.

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

Discontinuation of Book-Entry Only System; Payment to Beneficial Owners

In the event that the book-entry system described above is no longer used with respect to the Bonds, the following provisions will govern the payment, transfer and exchange of the Bonds.

The principal of the Bonds will be payable in lawful money of the United States of America to the registered Owner thereof, upon the surrender thereof at the principal office of the Paying Agent. The interest on the Bonds will be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the registered Owner thereof as of the Record Date, whether or not such day is a business day, such interest to be paid by wire transfer on such Bond Payment Date to such bank and account number as the registered Owner may have filed with the Paying Agent for that purpose.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and principal amount upon presentation and surrender at the designated corporate trust office of the Paying Agent together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond registration books only upon presentation and surrender of the Bond at such designated corporate trust office of the Paying Agent together with an assignment executed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the owner equal to the principal amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the "Owners", "Bondowners" or "Holders" of the Bonds (other than under the caption "TAX MATTERS" and in "APPENDIX B") will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.

Paying Agent

The Bank of New York Mellon Trust Company, N.A., located in Dallas, Texas, will act as the registrar, transfer agent, and paying agent for the Bonds. 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 any notice of redemption or other notices to Owners only to DTC.

Neither the Paying Agent, the District, the Municipal Advisor, nor the Underwriter of the Bonds have any responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership of interests in the Bonds.

Redemption

Optional Redemption. The Bonds maturing on September 1, 2025 are not subject to redemption. The Bonds maturing on or after September 1, 2034 are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date, on or after September 1, 2033, at a redemption price equal to the principal amount of the Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Redemption. The Bonds maturing on September 1, 2043 (the "2043 Term Bonds"), are subject to redemption prior to maturity from mandatory sinking fund payments on September 1 of each year, on and after September 1, 2042, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such 2043 Term Bonds to be so redeemed and the dates therefor and the final principal payment date are as indicated in the following table:

Redemption Date (September 1)	Principal Amount
2042	$555,000
2043[1]	610,000
Total:	$1,165,000

[1] Maturity.

In the event that a portion of the 2043 Term Bonds are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000 of principal amount, in respect of the portion of such 2043 Term Bonds optionally redeemed.

The Term Bonds maturing on September 1, 2049 (the "2049 Term Bonds"), are subject to redemption prior to maturity from mandatory sinking fund payments on September 1 of each year, on and after September 1, 2044, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such 2049 Term Bonds to be so redeemed and the dates therefor and the final principal payment date are as indicated in the following table:

Redemption Date (September 1)	Principal Amount
2044	$670,000
2045	735,000
2046	800,000
2047	875,000
2048	960,000
2049[1]	1,050,000
Total:	$5,090,000

[1] Maturity.

In the event that a portion of the 2049 Term Bonds are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments shown above shall be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000 of principal amount, in respect of the portion of such 2049 Term Bonds optionally redeemed.

Selection of Bonds for Redemption. Whenever provision is made for the optional redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, will select the Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent will select Bonds for redemption as directed by the District and, if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent will determine; *provided, however*, with respect to redemption by lot, that the portion of any Bond to be redeemed in part shall be in the principal amount of $5,000 or any integral multiple thereof.

Notice of Redemption. When optional redemption is authorized or required pursuant to the Resolution, the Paying Agent, upon written instruction from the District, will give notice (a "Redemption Notice") of the redemption of the Bonds (or portions thereof). Each Redemption Notice will specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the portion of the principal amount of such Bonds to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part.

The Paying Agent will take the following actions with respect to each such Redemption Notice: (a) at least 20 but not more than 45 days prior to the redemption date, such Redemption Notice will be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the bond register; (b) at least 20 but not more than 45 days prior to the redemption date, such Redemption Notice will be given by registered or certified mail, postage prepaid, telephonically confirmed facsimile transmission, or overnight delivery service, to the Securities Depository; (c) at least 20 but not more than 45 days prior to the redemption date, such Redemption Notice will be given by registered or certified mail, postage prepaid, or overnight delivery service, to one of the Information Services; and (d) to such other persons as may be required pursuant to the Continuing Disclosure Certificate.

"Information Services" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System; or such other services providing information with respect to called municipal obligations as the District may specify in writing to the Paying Agent or as the Paying Agent may select.

"Securities Depository" shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041.

A certificate of the Paying Agent or the District that a notice of redemption has been given as provided in the Resolution will be conclusive as against all parties. Neither failure to receive any notice of redemption nor any defect in any such notice of redemption so given will affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each transfer of funds made by the Paying Agent for the purpose of redeeming Bonds will bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Conditional Notice of Redemption. With respect to any notice of optional redemption of Bonds (or portions thereof) described above, unless upon the giving of such notice such Bonds (or portions thereof) will be deemed to have been defeased, such notice will state that such redemption is conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds (or portions thereof) to be redeemed, and that if such moneys are not so received said notice shall be of no force and effect, no portion of the Bonds shall be subject to redemption on such date and such Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made and the Paying Agent will within a reasonable time thereafter (but in no event later than the date originally set for redemption) give notice, to the persons to whom and in the manner in which the notice of redemption was given, that such moneys were not so received. In addition, the District has the right to rescind any Redemption Notice, by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The Paying Agent will distribute a notice of rescission of such notice in the same manner as such notice was originally provided.

Payment of Redeemed Bonds. When notice of redemption has been given substantially as described above, and, when the amount necessary for the redemption of the Bonds called for redemption (principal, interest, and premium, if any) is set aside for that purpose, as described below, the Bonds designated for redemption in such notice will become due and payable on the date fixed for redemption thereof and upon presentation and surrender of said Bonds at the place specified in the notice of redemption with the form of assignment endorsed thereon executed in blank, said Bonds will be redeemed and paid at the redemption price thereof. All unpaid interest payable at or prior to the redemption date will continue to be payable to the respective Owners, but without interest thereon.

Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall authenticate and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in principal amount to the unredeemed portion of the Bond surrendered. Such partial redemption is valid upon payment of the amount required to be paid to such Owner, and the District will be released and discharged thereupon from all liability to the extent of such payment.

Effect of Notice of Redemption. If on the applicable designated redemption date, money for the redemption of the Bonds to be redeemed, together with interest accrued to such redemption date, is held in trust so as to be available therefor on such redemption date, and if a Redemption Notice thereof will have been given substantially as described above, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable.

Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent or an independent escrow agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and accrued interest thereon to the date fixed for redemption, then such Bonds will no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

Defeasance

All or any portion of the outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with any amounts transferred from the Debt Service Fund, if any, is sufficient to pay all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any), at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations, together with amounts transferred from the Debt Service Fund, if any, and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) above, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

"Government Obligations" means direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed by S&P Global Ratings ("S&P") or Moody's Investors Service at least as high as direct and general obligations of the United States of America ("Moody's").

Application and Investment of Bond Proceeds

The Project. The District plans to use the proceeds from the sale of the Bonds to (i) acquire, repair and construct certain equipment, sites and facilities of the District, as authorized by the voters of the District in the 2022 Authorization (collectively, the "Project"), and (ii) pay the costs associated with the issuance of the Bonds.

Building Fund. A portion of the net proceeds of the sale of the Bonds shall be deposited in the Jefferson Elementary School District Election of 2022 General Obligation Bonds, Series B Building Fund (the "Building Fund") and shall be applied only to finance the Project as described above. Any interest earnings on moneys held in the Building Fund shall be retained in the Building Fund. Any excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds.

Debt Service Fund. Any premium or accrued interest received by the District on the sale of the Bonds shall be deposited in the fund held by the County and known as the "Jefferson Elementary School District Election of 2022 General Obligation Bonds, Series B Debt Service Fund" (the "Debt Service Fund"). Any interest earnings on moneys held in the Debt Service Fund shall be retained in the Debt Service Fund. If, after all of the Bonds have been redeemed and cancelled or paid and cancelled, there are moneys remaining in the Debt Service Fund or otherwise held in trust for the payment of the redemption price of the Bonds, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

Expected Investment of Bond Proceeds. In accordance with the Resolution and subject to federal tax restrictions, moneys in the Debt Service Fund and the Building Fund may be invested in the following: (i) lawful investments permitted by Sections 16429.1 and 53601 of the Government Code; (ii) shares in a State common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Section 53635 of the Government Code; (iii) a guaranteed investment contract with a provider rated in at least the second highest category by each rating agency then rating the Bonds, (iv) the Local Agency Investments Fund of the State Treasurer, (v) the County's Treasury Pool (as defined herein), and (vi) State and Local Government Series Securities.

Subject to federal tax restrictions, moneys in the Building Fund and the Debt Service Fund held by the County are permitted to be invested at the County Treasurer-Tax Collector's discretion pursuant to law and the investment policy of the County. Moneys in the Building Fund and the Debt Service Fund are expected to be invested through the San Mateo County Treasury Pool. See "APPENDIX E - SAN MATEO COUNTY TREASURY POOL" herein.

ESTIMATED SOURCES AND USES OF FUNDS

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

Sources of Funds	
Principal Amount of the Bonds	$10,000,000.00
Net Original Issue Premium	508,949.25
Total Sources	$10,508,949.25
Uses of Funds	
Building Fund	$9,785,500.00
Debt Service Fund	508,949.25
Costs of Issuance[1]	214,500.00
Total Uses	$10,508,949.25

[1] Reflects all costs of issuance including, but not limited to, the Underwriter's discount, the Municipal Advisory fees, legal fees, printing costs, rating agency fees, the costs and fees of the Paying Agent, and other costs of issuance of the Bonds.

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DEBT SERVICE SCHEDULE

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

Period Ending September 1	Annual Principal Payment	Annual Interest Payment[1]	Total Debt Service
2024	--	$371,176.11	$371,176.11
2025	$950,000.00	491,262.50	1,441,262.50
2026	--	443,762.50	443,762.50
2027	--	443,762.50	443,762.50
2028	--	443,762.50	443,762.50
2029	--	443,762.50	443,762.50
2030	--	443,762.50	443,762.50
2031	--	443,762.50	443,762.50
2032	--	443,762.50	443,762.50
2033	--	443,762.50	443,762.50
2034	215,000.00	443,762.50	658,762.50
2035	245,000.00	433,012.50	678,012.50
2036	285,000.00	420,762.50	705,762.50
2037	320,000.00	406,512.50	726,512.50
2038	360,000.00	390,512.50	750,512.50
2039	410,000.00	372,512.50	782,512.50
2040	455,000.00	352,012.50	807,012.50
2041	505,000.00	329,262.50	834,262.50
2042	555,000.00	304,012.50	859,012.50
2043	610,000.00	280,425.00	890,425.00
2044	670,000.00	254,500.00	924,500.00
2045	735,000.00	221,000.00	956,000.00
2046	800,000.00	184,250.00	984,250.00
2047	875,000.00	144,250.00	1,019,250.00
2048	960,000.00	100,500.00	1,060,500.00
2049	1,050,000.00	52,500.00	1,102,500.00
Totals	$10,000,000.00	$9,102,326.11	$19,102,326.11

(1) Interest payments will be made semiannually on March 1 and September 1 of each year, commencing March 1, 2024 for the Bonds.

See "JEFFERSON ELEMENTARY SCHOOL DISTRICT – District Debt Structure – General Obligation Bonds" herein for a schedule of the combined debt service requirements for all of the District's outstanding general obligation bonds.

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TAX BASE FOR REPAYMENT OF BONDS

The information in this section describes ad valorem *property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from* ad valorem *property taxes levied and collected by the County on taxable property in the District. The District's general fund is not a source for the repayment of the Bonds.*

Ad Valorem **Property Taxation**

District property taxes are assessed and collected by the County at the same time and on the same tax rolls as County, city and special district property taxes. Assessed valuations are the same for both District and County taxing purposes.

Taxes are levied for each fiscal year on taxable real and personal property which is located in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll." Unsecured property comprises certain property not attached to land such as personal property or business property. Boats and airplanes are examples of such property. Unsecured property is assessed on the "unsecured roll." A supplemental roll is developed when property changes hands or new construction is completed. The County levies and collects all property taxes for property falling within the County's taxing boundaries.

The valuation of secured property is established as of January 1 and is subsequently enrolled in August. Property taxes on the secured roll are payable in two installments, due November 1 and February 1. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent installment plus any additional amount determined by the Treasurer. After the second installment of taxes on the secured roll is delinquent, the tax collector shall collect a cost of $10 for preparing the delinquent tax records and giving notice of delinquency. Property on the secured roll with delinquent taxes is declared tax-defaulted on July 1 of the calendar year. Such property may thereafter be redeemed, until the right of redemption is terminated, by payment of the delinquent taxes and the delinquency penalty, plus a $15 redemption fee and a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the Treasurer.

Property taxes on the unsecured roll as of July 31 become delinquent if they are not paid by August 31 and are thereafter subject to a delinquent penalty of 10%. Taxes added to the unsecure tax roll after July 31, if unpaid are delinquent and subject to a penalty of 10% on the last day of the month succeeding the month of enrollment. In the case of unsecured property taxes, an additional penalty of 1.5% per month begins to accrue when such taxes remain unpaid on the last day of the second month after the 10% penalty attaches. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the assessee; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on specific property of the assessee; (3) filing a certificate of delinquency for record in the county recorder's office in order to obtain a lien on specified property of the assessee; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

State law exempts from taxation $7,000 of the full cash value of an owner-occupied dwelling, but this exemption does not result in any loss of revenue to local agencies, since the State reimburses local agencies for the value of the exemptions.

All property is assessed using full cash value as defined by Article XIIIA of the State Constitution. State law provides exemptions from ad valorem property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions.

Future assessed valuation growth allowed under Article XIIIA (new construction, certain changes of ownership, 2% inflation) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and K-14 school districts (as defined herein) will share the growth of "base" revenues from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year.

Assessed Valuations

The assessed valuation of property in the District is established by the tax assessing authority for the county in which such property is located, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full cash value" of the property, as defined in Article XIIIA of the California Constitution. For a discussion of how properties currently are assessed and re-assessed, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" herein. 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.

Property within the District has a total assessed valuation for fiscal year 2023-24 of $14,164,997,704. The following table shows the historical assessed valuations in the District as of the date the equalized assessment tax roll is established in August of each year, excluding any exemptions granted after such date in each year.

ASSESSED VALUATIONS
FISCAL YEARS 2014-15 THROUGH 2023-24
Jefferson Elementary School District

	Secured	Utility	Unsecured	Total	% Change[1]
2014-15	$8,243,817,646	$542,325	$233,449,762	$8,477,809,733	--
2015-16	8,688,880,945	723,100	258,040,358	8,947,644,403	5.54%
2016-17	9,182,720,923	723,100	235,584,118	9,419,028,141	5.27
2017-18	9,699,466,794	723,100	236,388,646	9,936,578,540	5.49
2018-19	10,779,114,274	723,100	257,718,790	11,037,556,164	11.08
2019-20	11,333,793,774	903,875	254,623,492	11,589,321,141	5.00
2020-21	11,869,317,683	903,875	251,058,385	12,121,279,943	4.59
2021-22	12,367,853,663	903,875	238,402,988	12,607,160,526	4.01
2022-23	13,231,285,211	903,875	233,378,520	13,465,567,606	6.81
2023-24	13,912,906,035	903,875	251,187,794	14,164,997,704	5.19

Source: California Municipal Statistics, Inc.
[1] Provided by the Underwriter.

Economic and other factors beyond the District's control, such as general market decline in property values, the outbreak of disease, disruption in financial markets that may reduce availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, fire (including wildfire), drought, flood, sea level rise, climate change, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District. Any such reduction would result in a corresponding increase in the annual tax rates levied by the County to pay the debt service with respect to the Bonds. See "THE BONDS – Security and Sources of Payment" and "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein.

Seismic Events. Portions of the District are located within hazard areas identified by the Tsunami Hazard Area Map ("THAP") for the County. THAPs are produced jointly by the California Geological Survey (the "CGS") and the Governor's Office of Emergency Services to assist cities and counties identify potential areas of inundation and other damage related to a tsunami event. The District is also located in the San Francisco Bay Area, a seismically active region of the State, into which extend three major earthquake faults that comprise the San Andreas fault system (San Andreas Fault, Hayward Fault and Calaveras Fault). The San Andreas Fault runs through the District. As a result, portions of the District are located within earthquake hazard zones produced by the CGS that have identified possible liquefaction and landslide hazards. An earthquake of large magnitude or tsunami could result in extensive damage to property within the District and could adversely affect the assessed valuation of property within the District, or more generally the region's economy.

Drought. California has experienced cyclical severe drought conditions over the past several years. Most recently, in April 2021, the Governor announced regional drought emergencies in two Northern California counties following two years of dry conditions. These drought emergencies were eventually expanded to include all California counties by October of 2021. Among other actions, the Governor also issued Executive Order N0-27-22, which directed the State Water Control Board to issue drought declarations, including a recommendation to have urban water suppliers initiate water shortage contingency plans. Significant snowfall and precipitation in the State commencing in late 2022 and early 2023 have generally eliminated most of the State's drought conditions. According to the U.S. Drought Monitor, portions of the State in the far north and lower south-west regions continue to classified in the abnormally to severe drought categories, however the majority of the State, including the County, is currently classified as having no drought conditions. In addition, on March 24, 2023, the Governor rescinded most of his emergency drought declarations, including Executive Order N0-27-22. The District cannot predict if there will be future drought conditions and related water usage restrictions imposed in the future.

Wildfire. In addition, major wildfires have occurred in recent years in different regions of the State, including significant fires throughout the fall of 2020 and summer of 2021. The District did not sustain any damage as a result of the recent fires. However, serious and significant property damage has resulted in other areas of the State, including within the County, due to fire damage. The Governor has previously signed a number of measures into law intended to address a variety of issues related to mitigating the risk of wildfires, including forest management, mutual aid for fire departments, emergency alerts and other safety mandates.

Sea Level Rise. The County initiated a study of the vulnerability of land in the County to risks resulting from potential sea level rise. The study was completed in March 2018 and titled "County of San Mateo Sea Level Rise Vulnerability Assessment" (the "Assessment"). The Assessment references and finds risk of potential impacts to property in the County in the event of various sea level rise scenarios. The Assessment provides for three sea level rise scenarios (a baseline scenario of a 1% annual chance flood (present-day extreme flood), a mid-level scenario of 1% chance flood + 3.3 feet of sea level rise and a high-end scenario of 1% annual flood + 6.6 feet of sea level rise) and a coastal erosion scenario of the projected extent of coastal erosion expected with 4.6 feet of sea level rise). The Assessment concludes that if the sea level were to rise to specific levels, the resulting flooding could damage infrastructure and property in the County. The Assessment states that the total assessed value of parcels in the City of Daly City that would be flooded in the event of the coastal erosion scenario is $118 million. The Assessment is available on the County website (http://seachangesmc.com/vulnerability-assessment/) under the menu choice "Our Efforts: Sea Level Rise Vulnerability Assessment" for further information and evaluation, however, neither the Assessment nor the County's website is incorporated by reference herein.

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

Appeals and Adjustments of Assessed Valuations. Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization (the "SBE"), with the appropriate 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. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values 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 XIIIA. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution" herein.

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.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire (including wildfire), drought, sea level rise, climate change, or toxic contamination pursuant to relevant provisions of the State Constitution. See also "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution" herein. Such reductions are subject to yearly reappraisals by the county assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under Article XIIIA.

No assurance can be given that property tax appeals or actions by the County Assessor in the future will not significantly reduce the assessed valuation of property within the District.

Assembly Bill 102. On June 27, 2017, the Governor signed into law Assembly Bill 102 ("AB 102"). AB 102 restructures the functions of the SBE and creates two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration will take over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE will continue to perform the duties assigned by the State Constitution related to property taxes, however, beginning January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear tax appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities.

Assessed Valuation and Parcels by Land Use. The following table shows the assessed valuation and parcels by land use in fiscal year 2023-24 in the District.

ASSESSED VALUATION AND PARCELS BY LAND USE
FISCAL YEAR 2023-24
Jefferson Elementary School District

Non-Residential:	**2023-24 Assessed Valuation**(1)	**% of Total**	**No. of Parcels**	**% of Total**
Commercial/Office	$2,300,170,917	16.53%	520	2.61%
Industrial	73,741,793	0.53	43	0.22
Hotel	25,714,614	0.18	2	0.01
Recreational	74,743,335	0.54	28	0.14
Government/Social/Institutional	270,015,237	1.94	146	0.73
Miscellaneous	16,884,630	0.12	74	0.37
Subtotal Non-Residential	$2,761,270,526	19.85%	813	4.09%
Residential:				
Single Family Residence	$9,011,259,119	64.77%	16,211	81.52%
Condominium/Townhouse	673,725,476	4.84	1,245	6.26
Mobile Home	9,867,398	0.07	264	1.33
Mobile Home Park	29,412,503	0.21	3	0.02
2 Residential Units	446,416,883	3.21	589	2.96
5+ Residential Units/Apartments	885,515,767	6.36	296	1.49
Miscellaneous Residential	3,764,972	0.03	7	0.04
Subtotal Residential	$11,059,962,118	79.49%	18,615	93.61%
Vacant Parcels	$91,673,391	0.66%	458	2.30%
Total	$13,912,906,035	100.00%	19,886	100.00%

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

Assessed Valuation Per Parcel of Single Family Homes. The following table shows the assessed valuation per parcel of single-family homes in fiscal year 2023-24 in the District.

ASSESSED VALUATION PER PARCEL OF SINGLE-FAMILY HOMES
FISCAL YEAR 2023-24
Jefferson Elementary School District

	No. of Parcels	2023-24 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	16,211	$9,011,259,119	$555,873	$490,946

2023-24 Assessed Valuation	No. of Parcels[1]	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $99,999	1,590	9.808%	9.808%	$127,590,112	1.416%	1.416%
100,000 - 199,999	1,595	9.839	19.647	231,582,831	2.570	3.986
200,000 - 299,999	1,530	9.438	29.085	381,554,340	4.234	8.220
300,000 - 399,999	1,928	11.893	40.978	680,417,213	7.551	15.771
400,000 - 499,999	1,577	9.728	50.706	703,000,379	7.801	23.572
500,000 - 599,999	1,395	8.605	59.312	765,873,858	8.499	32.071
600,000 - 699,999	1,312	8.093	67.405	850,579,483	9.439	41.510
700,000 - 799,999	1,159	7.149	74.554	868,426,576	9.637	51.147
800,000 - 899,999	1,018	6.280	80.834	863,177,964	9.579	60.726
900,000 - 999,999	907	5.595	86.429	860,152,070	9.545	70.272
1,000,000 - 1,099,999	673	4.152	90.580	702,357,345	7.794	78.066
1,100,000 - 1,199,999	495	3.053	93.634	566,320,221	6.285	84.350
1,200,000 - 1,299,999	381	2.350	95.984	474,038,862	5.261	89.611
1,300,000 - 1,399,999	310	1.912	97.896	416,243,732	4.619	94.230
1,400,000 - 1,499,999	180	1.110	99.007	258,784,035	2.872	97.102
1,500,000 - 1,599,999	83	0.512	99.519	127,716,307	1.417	98.519
1,600,000 - 1,699,999	51	0.315	99.833	83,906,497	0.931	99.450
1,700,000 - 1,799,999	14	0.086	99.920	24,277,638	0.269	99.720
1,800,000 - 1,899,999	8	0.049	99.969	14,667,033	0.163	99.882
1,900,000 - 1,999,999	4	0.025	99.994	7,838,623	0.087	99.969
2,000,000 and greater	1	0.006%	100.000%	2,754,000	0.031%	100.000%
	16,211	100.000%		$9,011,259,119	100.000%	

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

Assessed Valuation by Jurisdiction. The following table shows the assessed valuation by jurisdiction in fiscal year 2023-24 in the District.

ASSESSED VALUATION BY JURISDICTION
FISCAL YEAR 2023-24
Jefferson Elementary School District

Jurisdiction:	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
Town of Colma	$771,784,463	5.45%	$840,701,430	91.80%
City of Daly City	12,308,604,740	86.89	16,225,028,321	75.86
City of Pacifica	174,021,503	1.23	8,182,152,216	2.13
Unincorporated San Mateo County	910,586,998	6.43	26,235,180,154	3.47
Total District	$14,164,997,704	100.00%		
San Mateo County	$14,164,997,704	100.00%	$307,775,168,254	4.60%

Source: California Municipal Statistics, Inc.

Tax Levies, Collections and Delinquencies

Property taxes on the secured roll are due in two installments, November 1 and February 1 of the calendar year, and if unpaid, become delinquent after December 10 and April 10, respectively. A 10% penalty attaches to any delinquent installment plus a minimum $10 cost on the second installment, plus any additional amount determined by the County Treasurer. See "—*Ad Valorem* Property Taxation" herein.

The *ad valorem* property taxes to be levied to pay the interest on and principal of and interest on the Bonds will be subject to the Teeter Plan. The District will receive 100% of the *ad valorem* property tax levied to pay all of the outstanding general obligation bonds, irrespective of actual delinquencies in the collection of the tax by the County. See "— Alternative Method of Tax Apportionment -Teeter Plan" herein.

Pursuant to Revenue and Taxation Code Section 4985.2, the County Treasurer may cancel any penalty, costs or other charges resulting from tax delinquency upon a finding that the late payment is due to reasonable cause and circumstances beyond the taxpayer's control, and occurred notwithstanding the exercise of ordinary care in the absence of willful neglect, provided the property taxes are paid within four fiscal years of such taxes coming due. See also "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein.

The following table shows the secured tax charges and delinquencies for fiscal years 2013-14 through 2022-23 in the District.

SECURED TAX CHARGE AND DELINQUENCY
FISCAL YEARS 2013-14 THROUGH 2022-23
Jefferson Elementary School District

	Secured Tax Charge [1]	Amt. Del. June 30	% Del. June 30
2013-14	$5,540,287.47	$42,004.12	0.76%
2014-15	5,403,186.36	28,326.85	0.52
2015-16	5,809,883.05	29,307.44	0.50
2016-17	6,196,468.63	30,981.07	0.50
2017-18	6,388,230.95	38,281.07	0.60
2018-19	6,068,471.89	82,395.28	1.36
2019-20	7,491,961.74	53,105.13	0.71
2020-21	7,910,938.58	33,056.16	0.42
2021-22	7,568,055.90	6,268.27	0.08
2022-23	8,533,275.07	6,123.25	0.07

(1) Debt Service Levy only.
Source: California Municipal Statistics, Inc.

Alternative Method of Tax Apportionment - "Teeter Plan"

Under 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 State Revenue and Taxation Code, each participating local agency levying property taxes, including school districts, receives from its county the amount of uncollected taxes credited to its fund, in the same manner as if the amount credited had been collected. In return, the county receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The Teeter Plan, once adopted by a county, remains in effect unless the county board of supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year, the board of supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the county. A board of supervisors may, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the county when delinquencies for taxes levied by that agency exceed 3%.

The Teeter Plan applies to the 1% general purpose secured property tax levy. Whether or not the Teeter Plan also is applied to other tax levies for local agencies, such as the tax levy for general obligation bonds of a local agency, varies by county.

Under the Teeter Plan, the County funds the District its full tax levy allocation rather than funding only actual collections (levy less delinquencies). In exchange, the County receives the interest and penalties that accrue on delinquent payments, when the late taxes are collected. The County includes the District's 1% general purpose secured property tax levy and the *ad valorem* property tax levy for the District's general obligation bonds, including the Bonds, under the Teeter Plan.

There can be no assurance that the County will always maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. 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 pandemic or natural or manmade disaster. See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19." However, notwithstanding any possible future change to or discontinuation of the Teeter Plan, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Bonds when due.

Tax Rates

The following table summarizes the total *ad valorem* property tax rates, as a percentage of total assessed valuation, levied by all taxing entities in a typical tax rate area within the District (TRA 5-001) during the five-year fiscal year period from 2018-19 to 2022-23.

SUMMARY OF *AD VALOREM* TAX RATES[(1)]
TYPICAL TAX RATES
FISCAL YEARS 2018-19 THROUGH 2022-23
Jefferson Elementary School District

	2018-19	2019-20	2020-21	2021-22	2022-23
General Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Jefferson Elementary School District Bonds	.0563	.0667	.0667	.0603	.0647
Jefferson High School District Bonds	.0739	.0811	.0942	.0650	.0589
San Mateo Community College District Bonds	.0175	.0266	.0213	.0227	.0193
Total Tax Rate	1.1477%	1.1744%	1.1822%	1.1480%	1.1429%

(1) 2022-23 assessed valuation for TRA 5-001 of $4,301,138,518 is 31.94% of the District's assessed valuation.
Source: California Municipal Statistics, Inc.

Largest Property Owners

The more property (by assessed value) which is owned by a single taxpayer within the District, the greater amount of tax collections that are exposed to weaknesses in such a taxpayer's financial situation and ability or willingness to pay property taxes. The following table lists the 20 largest local secured taxpayers in the District in terms of their fiscal year 2023-24 secured assessed valuations. Each taxpayer listed below is a name listed on the tax rolls. The District cannot make any representation as to 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.

LARGEST LOCAL SECURED PROPERTY TAXPAYERS
FISCAL YEAR 2023-24
Jefferson Elementary School District

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	% of Total(1)
1.	Daly City Serramonte Center LLC	Shopping Center	$510,542,613	3.67%
2.	CP VIII Westlake Owner 1-5 LLC	Apartments	288,391,891	2.07
3.	BP3-SF7 2001 JS Owner LLC	Office Building	204,452,712	1.47
4.	Kimco Westlake LP	Shopping Center	184,811,786	1.33
5.	SMC Coastside Properties LLC	Hospital	171,145,800	1.23
6.	280 Metro LP	Shopping Center	119,989,777	0.86
7.	Skyline Heights LLC	Apartments	98,999,762	0.71
8.	SP Peninsula Del Rey LLC	Assisted Living Facility	72,412,532	0.52
9.	Public Property Finance Corp, Lessee	Institutional	61,650,763	0.44
10.	EQR Hillside LP	Apartments	48,182,958	0.35
11.	Westlake Skyline Plaza LLC	Shopping Center	46,517,131	0.33
12.	Bel Mission LLC	Supermarket	45,729,242	0.33
13.	Cole HD Colma CA LP	Commercial	45,500,087	0.33
14.	Guadalupe Campos Trust	Apartments	44,327,553	0.32
15.	HR of California Inc., Lessee	Office Building	41,820,000	0.30
16.	Serramonte Ridge Apartments	Apartments	41,785,242	0.30
17.	EQR-La Terrazza Colma St. LP Lessee	Apartments	41,567,069	0.30
18.	Century Theaters Inc. Lessee	Movie Theater	38,999,999	0.28
19.	Daly City Partners	Commercial	38,173,406	0.27
20.	Robert F. Whittey Trust	Casino/Card House	36,121,520	0.26
			$2,181,121,843	15.68%

(1) 2023-24 local secured assessed valuation: $13,912,906,035.
Source: California Municipal Statistics, Inc.

Statement of Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc. and effective as of November 1, 2023 for debt outstanding as of October 27, 2023. 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.

The table shows the percentage of each overlapping entity's assessed value located within the boundaries of the District. The table also shows the corresponding portion of the overlapping entity's existing debt payable from property taxes levied within the District. The total amount of debt for each overlapping entity is not given in the table.

The first column in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. Column 2 shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in column 3, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

DIRECT AND OVERLAPPING DEBT STATEMENT
Jefferson Elementary School District

2023-24 Assessed Valuation: $14,164,997,704

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	**% Applicable**	**Debt 11/1/23**
San Mateo Community College District	4.602%	$31,396,557
Jefferson Union High School District	48.835	137,215,128
Jefferson Elementary School District	**100.000**	**127,920,000**(1)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$296,531,685
OVERLAPPING GENERAL FUND DEBT:		
San Mateo County General Fund Obligations	4.602%	$26,417,397
San Mateo County Board of Education Certificates of Participation	4.602	281,642
San Mateo County Flood Control District Certificates of Participation	20.751	2,711,118
Jefferson Union High School District Certificates of Participation	48.835	22,876,756
Town of Colma Certificates of Participation	91.802	3,942,896
City of Daly City Pension Obligation Bonds	75.862	3,281,032
City of Pacifica Certificates of Participation and Pension Obligation Bonds	2.127	525,050
San Mateo County Mosquito and Vector Control District General Fund Obligations	4.602	156,682
TOTAL OVERLAPPING GENERAL FUND DEBT		$60,192,573
COMBINED TOTAL DEBT		$356,724,258(2)

Ratios to 2023-24 Assessed Valuation:
Direct Debt ($127,920,000).. 0.90%
Total Direct and Overlapping Tax and Assessment Debt...... 2.09%
Combined Total Debt 2.52%

(1) Excludes the Bonds described herein.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

The principal of and interest on the Bonds are payable solely from the proceeds of an ad valorem *property tax levied by the County on taxable property within the District in an amount sufficient for the payment thereof. (See "THE BONDS – Security and Sources of Payment" herein). Articles XIIIA, XIIIB, XIIIC and XIIID of the Constitution, Propositions 98 and 111, 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 County to levy taxes on behalf of the District and for the District to 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 County on behalf of the District to levy* ad valorem *property 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 XIIIA, Article XIIIC, and all applicable laws.*

Article XIIIA of the California Constitution

Article XIIIA ("Article XIIIA") of the State Constitution limits the amount of *ad valorem* property taxes on real property to 1% of "full cash value" as determined by the county assessor. Article XIIIA defines "full cash value" to mean "the county assessor's valuation of real property as shown on the 1975-76 bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment," subject to exemptions in certain circumstances of property transfer or reconstruction. Determined in this manner, the full cash value is also referred to as the "base year value." The full cash value is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors.

Article XIIIA has been amended to allow for temporary reductions of assessed value in instances where the fair market value of real property falls below the adjusted base year value described above. Proposition 8—approved by the voters in November of 1978—provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the base year value, adjusted for inflation. Reductions in assessed value could result in a corresponding increase in the annual tax rate levied by the County to pay debt service on the Bonds. See "THE BONDS – Security and Sources of Payment" and "TAX BASE FOR REPAYMENT OF BONDS – Assessed Valuations" herein.

Article XIIIA requires a vote of two-thirds or more of the qualified electorate of a city, county, special district or other public agency to impose special taxes, while totally precluding the imposition of any additional *ad valorem* property, sales or transaction tax on real property. Article XIIIA exempts from the 1% tax limitation any taxes above that level required to pay debt service (a) on any indebtedness approved by the voters prior to July 1, 1978, or (b) as the result of an amendment approved by State voters on June 3, 1986, on any bonded indebtedness approved by two-thirds or more of the votes cast by the voters for the acquisition or improvement of real property on or after July 1, 1978, or (c) on 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% or more of the votes cast on the proposition, but only if certain accountability measures are included in the proposition. The tax for payment of the Bonds falls within the exception described in (c) of the immediately preceding sentence, the tax for payment of the bonds issued by the District under the 2012 Authorization (as defined herein) falls within the exception described in (c) of the immediately preceding sentence, and the tax for payment of bonds issued by the District under the 2001 Authorization (as defined herein) falls within the exception described in (b) of the immediately preceding sentence. In addition, Article XIIIA requires the approval of two-thirds or more of all members of the State legislature to change any state taxes for the purpose of increasing tax revenues.

Proposition 19

On November 3, 2020, State voters approved Proposition 19, a legislatively referred constitutional amendment ("Proposition 19"), which amends Article XIIIA to: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by wildfire or natural disaster, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) dedicate most of the potential new State revenue generated from Proposition 19 toward fire protection. The District cannot make any assurance as to what effect the implementation of Proposition 19 will have on District revenues or the assessed valuation of real property in the District.

Legislation Implementing Article XIIIA

Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. 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 relevant 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.

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

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

Proposition 50 and Proposition 171

On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIIIA of the State Constitution to allow owners of property that was "substantially damaged or destroyed" by a disaster, as declared by the Governor, (the "Damaged Property"), to transfer their existing base year value (the "Original Base Year Value") to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the "Original Cash Value"); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50 percent of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the "Replacement Base Year Value") depends on the relation of the full cash value of the replacement property (the "Replacement Cash Value") to the Original Cash Value: if the Replacement Cash Value exceeds 120 percent of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120 percent of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIIIA of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a "comparable replacement property" located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Inter-county transfers under Proposition 171 are more restrictive than intra-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a "reasonable size that is used as a site for a residence;" (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of "equal or lesser value" than the Original Cash Value.

Within the context of Proposition 171, "equal or lesser value" means that the amount of the Replacement Cash Value does not exceed either (1) 105 percent of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110 percent of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115 percent of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

State-Assessed Utility 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 the 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.

So long as the District is not a basic aid district (as described herein), taxes lost through any reduction in assessed valuation will be compensated by the State as equalization aid under the State's school financing formula. See "DISTRICT FINANCIAL INFORMATION" herein.

Article XIIIB of the California Constitution

Article XIIIB ("Article XIIIB") 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. As amended, Article XIIIB defines

(a) "change in the cost of living" with respect to school districts to mean the percentage change in California per capita income from the preceding year, and

(b) "change in population" with respect to a school district to mean the percentage change in the average daily attendance ("ADA") of the school district from the preceding fiscal year.

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 pursuant to the provisions of Article XIIIB, as amended.

The appropriations of an entity of local government subject to Article XIIIB 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 bonded debt service such as the Bonds, (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 State Legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIIIB 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.

Article XIIIB 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 pursuant to Section 8.5 of Article XVI of the State Constitution. See "Propositions 98 and 111" below.

Article XIIIC and Article XIIID of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID (respectively, "Article XIIIC" and "Article XIIID"), 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 XIIIC 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 XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4. Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIIIA of the California Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. 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.

Propositions 98 and 111

On November 8, 1988, voters of the State of California 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 changed State funding of public education below the university level and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as

“K-14 school districts”) at a level equal to the greater of (a) the same percentage of the State general fund revenues as the percentage appropriated to such districts in the 1986-87 fiscal year, and (b) the amount actually appropriated to such districts from the State 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 changed how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount are, instead of being returned to taxpayers, transferred to K-14 school districts. Any such transfer to K-14 school districts is excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year is automatically increased by the amount of such transfer. These additional moneys 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 XIIIB surplus. The maximum amount of excess tax revenues which can be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Since the Accountability Act is unclear in some details, there can be no assurances that the State Legislature or a court might not interpret the Accountability Act to require a different percentage of State general fund revenues to be allocated to K-14 school districts, or to apply the relevant percentage to the State’s budgets in a different way than is proposed in the Governor’s budget.

On June 5, 1990, the voters of the State of California approved Proposition 111 (Senate Constitutional Amendment No. 1) called the “Traffic Congestion Relief and Spending Limitation Act of 1990” (“Proposition 111”) which further modified Article XIIIB 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:

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

b. <u>Treatment of Excess Tax Revenues</u>. “Excess” tax revenues with respect to Article XIIIB 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 for such district. 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.

c. <u>Exclusions from Spending Limit</u>. Two exceptions were added to the calculation of appropriations which are subject to the Article XIIIB spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the State 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 State Legislature and the Governor, which was expected to raise over $15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

d. Recalculation of Appropriations Limit. The Article XIIIB 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.

e. School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the "first test") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to per capita personal income) and enrollment (the "second test"). Under Proposition 111, schools will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in California per capita personal income. Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a "credit" to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, California voters approved an amendment (commonly known as Proposition 39) to the California Constitution. Proposition 39 is an initiated Constitutional amendment that(1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. As adopted, the constitutional amendments may be changed only with another State-wide vote of the people. The statutory provisions could be changed by a majority vote of both houses of the State 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 (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55% of the voters. These provisions require such bonds may be issued only if the tax rate per $100,000 of taxable property value projected to be levied as the result of any single election would not exceed $60 (for a unified school district), $30 (for a high school or elementary school district), or $25 (for a community college district) when assessed valuation is projected to increase in accordance with Article XIIIA of the State Constitution. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the State Legislature and approval by the Governor.

Jarvis v. Connell

On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California). The Court of Appeal held that either a final budget bill, an emergency appropriation, a self-executing authorization pursuant to state statutes (such as continuing appropriations) or the California Constitution or a federal mandate is necessary for the State Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District's budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the California Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amends the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. 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 amends 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, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on State transportation bonds, to borrow or change the distribution of State fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for State mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was expected to be approximately $1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, was expected to be an increase in the State's general fund costs by approximately $1 billion annually for several decades. See "DISTRICT FINANCIAL INFORMATION – State Dissolution of Redevelopment Agencies" herein.

Proposition 55

The California Children's Education and Health Care Protection Act of 2016 (also known as "Proposition 55") is a constitutional amendment approved by the voters of the State on November 8, 2016. Proposition 55 extends, through 2030, the increases to personal income tax rates for high-income taxpayers that were approved as part of Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"). Proposition 30 increased the marginal personal income tax rate by: (i) 1% for taxable income over $250,000 but less than $300,001 for single filers (over $500,000 but less than $600,001 for joint filers and over $340,000 but less than $408,001 for head-of-household filers), (ii) 2% for taxable income over $300,000 but less than $500,001 for single filers (over $600,000 but less than $1,000,001 for joint filers and over $408,000 but less than $680,001 for head-of-household filers), and (iii) 3% for taxable income over $500,000 for single filers (over $1,000,000 for joint filers and over $680,000 for head-of-household filers).

The revenues generated from the personal income tax increases will be included in the calculation of the Proposition 98 Minimum Funding Guarantee (defined herein) for school districts and community college districts. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Propositions 98 and 111" herein. From an accounting perspective, the revenues generated from the personal income tax increases are being 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 board is prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

Proposition 2

On November 4, 2014, State voters approved the Rainy Day Budget Stabilization Fund Act (also known as "Proposition 2"). Proposition 2 is a legislatively-referred constitutional amendment which makes certain changes to State budgeting practices, including substantially revising the conditions under which transfers are made to and from the State's Budget Stabilization Account (the "BSA") established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

Under Proposition 2, and beginning in fiscal year 2015-16 and each fiscal year thereafter, the State will generally be required to annually transfer to the BSA an amount equal to 1.5% of estimated

State general fund revenues (the "Annual BSA Transfer"). Supplemental transfers to the BSA (a "Supplemental BSA Transfer") are also required in any fiscal year in which the estimated State general fund revenues that are allocable to capital gains taxes exceed 8% of total estimated general fund tax revenues. Such excess capital gains taxes—net of any portion thereof owed to K-14 school districts pursuant to Proposition 98—will be transferred to the BSA. Proposition 2 also increases the maximum size of the BSA to an amount equal to 10% of estimated State general fund revenues for any given fiscal year. In any fiscal year in which a required transfer to the BSA would result in an amount in excess of the 10% threshold, Proposition 2 requires such excess to be expended on State infrastructure, including deferred maintenance.

For the first 15-year period ending with the 2029-30 fiscal year, Proposition 2 provides that half of any required transfer to the BSA, either annual or supplemental, must be appropriated to reduce certain State liabilities, including making certain payments owed to K-14 school districts, repaying State interfund borrowing, reimbursing local governments for State mandated services, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. Following the initial 15-year period, the Governor and the Legislature are given discretion to apply up to half of any required transfer to the BSA to the reduction of such State liabilities. Any amount not applied towards such reduction must be transferred to the BSA or applied to infrastructure, as described above.

Proposition 2 changes the conditions under which the Governor and the Legislature may draw upon or reduce transfers to the BSA. The Governor does not retain unilateral discretion to suspend transfers to the BSA, nor does the Legislature retain discretion to transfer funds from the BSA for any reason, as previously provided by law. Rather, the Governor must declare a "budget emergency," defined as an emergency within the meaning of Article XIIIB of the Constitution or a determination that estimated resources are inadequate to fund State general fund expenditures, for the current or ensuing fiscal year, at a level equal to the highest level of State spending within the three immediately preceding fiscal years. Any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the BSA are limited to the amount necessary to address the budget emergency, and no draw in any fiscal year may exceed 50% of funds on deposit in the BSA unless a budget emergency was declared in the preceding fiscal year.

Proposition 2 also requires the creation of the Public School System Stabilization Account (the "PSSSA") into which transfers will be made in any fiscal year in which a Supplemental BSA Transfer is required (as described above). Such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. A transfer to the PSSSA will only be made if certain additional conditions are met, as follows: (i) the minimum funding guarantee was not suspended in the immediately preceding fiscal year, (ii) the operative Proposition 98 formula for the fiscal year in which a PSSSA transfer might be made is "Test 1," (iii) no maintenance factor obligation is being created in the budgetary legislation for the fiscal year in which a PSSSA transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the fiscal year in which a PSSSA transfer might be made is higher than the immediately preceding fiscal year, as adjusted for ADA growth and cost of living. Proposition 2 caps the size of the PSSSA at 10% of the estimated minimum guarantee in any fiscal year, and any excess funds must be paid to K-14 school districts. Reductions to any required transfer to the PSSSA, or draws on the PSSSA, are subject to the same budget emergency requirements described above. However, Proposition 2 also mandates draws on the PSSSA in any fiscal year in which the estimated minimum funding guarantee is less than the prior year's funding level, as adjusted for ADA growth and cost of living.

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

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

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

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

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC and Article XIIID of the California Constitution and Propositions 22, 26, 30, 39, 51, 55 and 98 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

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DISTRICT FINANCIAL INFORMATION

The information in this section concerning the District's general fund finances 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 *property tax required to be levied by the County on taxable property within the District in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources of Payment" herein.*

State Funding of Education

School district revenues consist primarily of guaranteed State moneys, local property taxes and funds received from the State in the form of categorical aid under ongoing programs of local assistance. All State aid is subject to the appropriation of funds in the State's annual budget.

Revenue Limit Funding. Previously, school districts operated under general purpose revenue limits established by the State Department of Education. In general, revenue limits were calculated for each school district by multiplying the ADA for such district by a base revenue limit per unit of ADA. Revenue limit calculations were subject to adjustment in accordance with a number of factors designed to provide cost of living adjustments ("COLAs") and to equalize revenues among school districts of the same type. Funding of a school district's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Since fiscal year 2013-14, school districts have been funded based on uniform funding grants assigned to certain grade spans. See "—Local Control Funding Formula" herein.

The following table reflects the District's historical P-2 ADA and the revenue limit rates per unit of ADA for fiscal years 2006-07 through 2012-13.

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AVERAGE DAILY ATTENDANCE AND REVENUE LIMIT
FISCAL YEARS 2006-07 THROUGH 2012-13
Jefferson Elementary School District

Academic Year	Enrollment[(1)]	Average Daily Attendance[(2)]	ADA Base Revenue Limit[(3)]	ADA Funded Base Revenue Limit[(3)]
2006-07	5,961	5,736	$5,293.14	$5,293.14
2007-08	5,905	5,707	5,534.14	5,534.14
2008-09	5,993	5,803	5,849.14	5,390.33
2009-10	5,945	5,729	6,099.14	4,979.64[(4)]
2010-11	5,978	5,789	6,075.14	4,983.86
2011-12	6,192	6,002	6,212.14	4,932.32[(5)]
2012-13	6,235	6,029	6,414.14	4,985.59

(1) Enrollment as of October CBEDS in each school year.
(2) Reflects ADA as of the second principal reporting period (P-2 ADA), ending on or before the last attendance month prior to April 15 of each school year. An attendance month is each four week period of instruction beginning with the first day of school for any school district. ADA figures exclude enrollment from County operated programs.
(3) Deficit revenue limit funding, when provided for in State budgetary legislation, reduced the revenue limit allocations received by school districts by applying a deficit factor to the base revenue limit for the given fiscal year, and resulted from an insufficiency of appropriation funds in the State budget to provide for State aid owed to school districts. The State's practice of deficit revenue limit funding was most recently reinstated beginning in fiscal year 2008-09 and discontinued following the implementation of the LCFF (as defined herein).
(4) $252 per ADA reduction (one time).
(5) $13 per ADA reduction (one time).
Source: Jefferson Elementary School District.

Local Control Funding Formula. State Assembly Bill 97 (Stats. 2013, Chapter 47) ("AB 97"), as amended by Senate Bill 91 (Stats. 2013, Chapter 49) ("SB 91"), established the current system for funding school districts, charter schools and county offices of education.

The primary component of AB 97 was the implementation of the Local Control Funding Formula ("LCFF"), which replaced the revenue limit funding system for determining State apportionments, as well as the majority of categorical program funding. State allocations are now provided on the basis of target base funding grants per unit of ADA (a "Base Grant") assigned to each of four grade spans. Each Base Grant is subject to certain adjustments and add-ons, as discussed below. During the implementation period of the LCFF, an annual transition adjustment was calculated for each school district, equal to such district's proportionate share of appropriations included in the State budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. In each year, school 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 Base Grants per unit of ADA for each grade span, as of the first year of the LCFF's implementation, were as follows: (i) $6,845 for grade K-3; (ii) $6,947 for grades 4-6; (iii) $7,154 for grades 7-8; and (iv) $8,289 for grades 9-12. During the implementation period of the LCFF, Base Grants were required to be adjusted annually for COLAs by applying the implicit price deflator for government goods and services. The provision of COLAs is now subject to appropriation for such adjustment in the annual State budget. The differences among Base Grants are linked to differentials in statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels. See "– State Budget" herein for information on the adjusted Base Grants provided by current State budgetary legislation.

The Base Grants for 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 early grades and the provision of career technical education in high schools. Unless otherwise collectively bargained for, school districts serving students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site in order to continue receiving the adjustment to the K-3 Base Grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period.

The State budget for fiscal year 2021-22 also implemented a plan to expand the LCFF to include Transitional Kindergarten (TK) to all four-year olds. This plan is expected to phase in cohorts of TK students over a four-year period, concluding in fiscal year 2025-26. As a result, school districts that serve TK students will be eligible to receive an add-on equal to $2,813, multiplied by such district's second principal reporting period ADA for TK students for the current fiscal year. Beginning in fiscal year 2023-24, this add-on is subject to COLA adjustments to the same degree as LCFF Base Grants. For fiscal year 2023-24, the District has a budgeted ADA of 121 TK students. AB 97 also provides additional add-ons to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during fiscal year 2012-13.

School districts that serve students of limited English proficiency ("EL" students), students from low income families that are eligible for free or reduced priced meals ("LI" students) and foster youth are eligible to receive additional funding grants. Enrollment counts are unduplicated, such that students may not be counted as both EL and LI (foster youth automatically meet the eligibility requirements for free or reduced priced meals, and are therefore not discussed herein separately). AB 97 authorizes a supplemental grant add-on (each, a "Supplemental Grant") for school districts that serve EL/LI students, equal to 20% of the applicable Base Grant multiplied by such districts' percentage of unduplicated EL/LI student enrollment. School districts whose EL/LI populations exceed 55% of their total enrollment are eligible for a concentration grant add-on (each, a "Concentration Grant") equal to 65% of the applicable Base Grant multiplied by the percentage of such district's unduplicated EL/LI student enrollment in excess of the 55% threshold.

The table on the following page shows a breakdown of the District's ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment, for fiscal years 2015-16 through 2022-23, and budgeted amounts for fiscal year 2023-24. However, the District's actual pupil attendance, and associated ADA and enrollment figures, may be impacted by the current coronavirus outbreak. See "– Considerations Regarding COVID-19" herein.

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ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
FISCAL YEARS 2015-16 THROUGH 2023-24
Jefferson Elementary School District

	Average Daily Attendance(1)				Enrollment	
Fiscal Year	TK-3	4-6	7-8	Total ADA	Total Enrollment(2)	% of EL/LI Enrollment(3)
2015-16	2,724	2,035	1,365	6,124	6,336	73.53
2016-17	2,692	2,003	1,370	6,065	6,275	72.34
2017-18	2,617	1,952	1,330	5,898	6,096	72.16
2018-19	2,558	1,879	1,307	5,744	5,986	70.97
2019-20	2,463	1,894	1,282	5,639	5,862	69.87
2020-21(4)	2,321	1,836	1,298	5,455	5,597	67.09
2021-22	2,004	1,656	1,116	4,776	5,101	65.20
2022-23	1,940	1,592	1,088	4,620	4,960	64.39
2023-24(5)	1,928	1,475	1,092	4,495	4,844	63.93

(1) Except for fiscal year 2023-24, reflects ADA as of P-2 ADA, ending on or before the last attendance month prior to April 15 of each school year. An attendance month is each four week period of instruction beginning on the Monday of the week in which the first day of school begins. For fiscal year 2019-20, due to the outbreak of COVID-19, P-2 ADA only reflects full school months from July 1, 2019 through February 29, 2020 (aka Hold-Harmless provision). See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein. Excludes County-operated programs and charter school students. In addition, due to the hold harmless provision provided for in the 2020-21 State Budget, the District was funded based on its 2019-20 ADA through fiscal year 2021-22.
(2) Except for fiscal year 2023-24, reflects certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System ("CALPADS") in each school year and used to calculate each school district's unduplicated EL/LI student enrollment. Adjustments may be made to the certified EL/LI counts by the California Department of Education. CALPADS figures exclude preschool and adult transitional students. Excludes charter school students.
(3) Percentage of unduplicated EL/LI students will be based on a rolling average of such district's EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.
(4) Represents calculated actuals. Due to COVID-19, the District was not required to report P-2 ADA. Pursuant to SB 98, the District's funded ADA for fiscal year 2020-21 is based on the District's 2019-20 ADA. See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein. Excludes County-operated programs.
(5) Budgeted.
Source: Jefferson Elementary School District.

For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target ("ERT") add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding, implementation of COLAs in fiscal years 2014-15 through 2020-21, and restoration of categorical funding to pre-recession levels. The ERT add-on will be paid incrementally over the implementing period of the LCFF. The District does not qualify for the ERT add-on.

Prior to fiscal year 2022-23, the sum of a school district's adjusted Base, Supplemental and Concentration Grants was multiplied by such district's P-2 ADA for the current or prior year, whichever is greater. The 2022-23 State budget amended the LCFF calculation to allow the sum of a school district's adjusted Base, Supplemental and Concentration Grants to be multiplied by such district's P-2 ADA for the current year, prior year or average of three prior years, whichever is greater. The funding amount generated by this calculation, together with any applicable ERT, or categorical block or TK grant add-ons, will yield a district's total LCFF allocation (with certain adjustments applicable to necessary small schools). Generally, the amount of annual State apportionments received by a school district will amount to the difference between such total LCFF allocation and such district's share of applicable local property taxes. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues may significantly affect appropriations made by the Legislature to school districts.

Certain schools districts, known as "community funded" districts (of previously as "basic aid" school districts), have allocable local property tax collections that equal or exceed such districts' total LCFF allocation, and result in the receipt of no State apportionment aid. Community funded school districts receive only special categorical funding, which is deemed to satisfy the "basic aid" requirement of $120 per student per year guaranteed by Article IX, Section 6 of the State Constitution. The implication for community funded districts is that the legislatively determined allocations to school districts, and other politically determined factors, are less significant in determining their primary funding sources. Rather, property tax growth and the local economy are the primary determinants. The District does not currently qualify as a community funded district.

Accountability. Regulations adopted by the State Board of Education require that school districts increase or improve services for EL/LI students in proportion to the increase in funds apportioned to such districts on the basis of the number and concentration of such EL/LI students, and detail the conditions under which school districts can use supplemental or concentration funding on a school-wide or district-wide basis.

School districts are also required to adopt local control and accountability plans ("LCAPs") disclosing annual goals for all students, as well as certain numerically significant student subgroups, to be achieved in eight areas of State priority identified by the LCFF. LCAPs may also specify additional local priorities. LCAPs must specify the actions to be taken to achieve each goal, including actions to correct identified deficiencies with regard to areas of State priority. LCAPs were first required to be adopted in fiscal year 2014-15, and are updated annually. The State Board of Education has developed and adopted a template LCAP for use by school districts.

Support and Intervention. AB 97, as amended by SB 91, established a new system of support and intervention to assist school districts meet the performance expectations outlined in their respective LCAPs. School districts must adopt their LCAPs (or annual updates thereto) in tandem with their annual operating budgets, and not later than five days thereafter submit such LCAPs or updates to their respective county superintendents of schools. On or before August 15 of each year, a county superintendent may seek clarification regarding the contents of a district's LCAP (or annual update thereto), and the district is required to respond to such a request within 15 days. Within 15 days of receiving such a response, the county superintendent can submit non-binding recommendations for amending the LCAP or annual update, and such recommendations must be considered by the respective school district at a public hearing within 15 days. A district's LCAP or annual update must be approved by the county superintendent by October 8 of each year if the superintendent determines that (i) the LCAP or annual update adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the actions and strategies outlined in the LCAP.

A school district is required to receive additional support if its respective LCAP or annual update thereto is not approved, if the district requests technical assistance from its respective county superintendent, or if the district does not improve student achievement across more than one State priority for one or more student subgroups. Such support can include a review of a district's strengths and weaknesses in the eight State priority areas, or the assignment of an academic expert to assist the district identify and implement programs designed to improve outcomes. Assistance may be provided by the California Collaborative for Educational Excellence, a state agency created by the LCFF implementing legislation and charged with assisting school districts achieve the goals set forth in their LCAPs. The State Board of Education has developed rubrics to assess school district performance and the need for support and intervention.

The State Superintendent of Public Instruction (the "State Superintendent") is further authorized, with the approval of the State Board of Education, to intervene in the management of persistently underperforming school districts. The State Superintendent may intervene directly or assign an academic trustee to act on his or her behalf. In so doing, the State Superintendent is authorized (i) to modify a district's LCAP, (ii) impose budget revisions designed to improve student outcomes, and (iii) stay or rescind actions of the local governing board that would prevent such district from improving student outcomes; provided, however, that the State Superintendent is not authorized to rescind an action required by a local collective bargaining agreement.

Other Revenue Sources

Federal and Local Sources. The federal government provides funding for several of the District's programs, including special education programs, programs under the Every Student Succeeds Act, and specialized programs such as Drug Free Schools, Innovative Strategies, and Vocational & Applied Technology. In addition, school districts may receive additional local revenues beyond local property tax collections, such as from leases and rentals, interest earnings, interagency services, developer fees (discussed below), redevelopment revenues (discussed below) foundation revenues, parcel taxes (discussed below) and other local sources.

Developer Fees. The District maintains a fund, separate and apart from the general fund, to account for developer fees collected by the District. Annual developer fees received by the District during fiscal years 2017-18 through 2022-23 were $244,920, $314,000, $355,034, $443,018, $51,856, and $226,754 (unaudited), and currently projects receipt of $220,000 for fiscal year 2023-24.

Parcel Tax. Parcel taxes are "special taxes" for purposes of the State Constitution, and as such must be approved by at least two-thirds of the voters voting on the relevant proposition. On November 8, 2016, the voters of the District approved a nine year parcel tax to raise funds to augment the District's operating budget, beginning July 1, 2017. The measure provides for a levy of a tax of $68 per parcel. The parcel tax provides an exemption for property owners for parcels used solely for owner-occupied, single family residential purposes, who are either (i) 65 years of age or older, (ii) persons receiving Supplemental Security Income for a disability, regardless of age, or (iii) receiving Social Security Disability Insurance benefits, regardless of age, whose yearly income does not exceed 250 percent of the 2012 federal poverty guidelines issued by the United States Department of Health and Human Services. The parcel tax generated $1,245,758 for fiscal year 2017-18, $1,248,682 for fiscal year 2018-19, $1,253,835 for fiscal year 2019-20, $1,248,308 for fiscal year 2020-21, $1,245,912 for fiscal year 2021-22, $1,240,519 in fiscal year 2022-23, and is projected to generate $1,248,682 for fiscal year 2023-24.

On November 8, 2023, the Board adopted a resolution calling for a parcel tax measure to be consolidated with the Statewide March 5, 2024 general election. The measure, if approved, would allow the District to levy a per-parcel tax of $88 for nine years, commencing July 1, 2026, subject to the same exemptions as its existing parcel tax.

Future Lease Revenues. The District has elected to lease unused space in certain buildings that it owns to unrelated entities. The lease terms range from one to three years and are all renewable upon written agreement. The future minimum lease payments received or expected to be received under these lease agreements for fiscal years 2016-17 through 2022-23 are $174,092 (actual), $181,420 (actual), $166,292 (actual), $134,409 (actual), $96,169 (actual), $124,002 (actual), $135,950 (actual) and is projected to be $272,643 in fiscal year 2023-24.

Redevelopment Revenues. The District has historically received certain tax offset revenue from the County as a part of certain redevelopment projects within the County (the "Tax Offset Revenues"). The Tax Offset Revenues received were deposited directly into the general fund of the District and offset the State apportionment received by the District. The District received $1,206,797 in fiscal year 2017-18, $1,117,728 in fiscal year 2018-19, $1,155,770 in fiscal year 2019-20, $897,564 in fiscal year 2020-21, $695,419 in fiscal year 2021-22, $1,032,334 in fiscal year 2022-23, and is projected to receive $1,031,879 in fiscal year 2023-24. Since these revenues offset State apportionment, the District does not budget for receipt of such funds since the District's total LCFF allocation will not change due to receipt thereof.

State Dissolution of Redevelopment Agencies

On December 30, 2011, the State Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos* ("*Matosantos*"), finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in the State ceased to exist as a matter of law on February 1, 2012.

ABx1 26 was modified by Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12) ("AB 1484"), which, together with ABx1 26, is referred to herein as the "Dissolution Act." The Dissolution Act provides that all rights, powers, duties and obligations of a redevelopment agency under the California Community Redevelopment Law that have not been repealed, restricted or revised pursuant to ABx1 26 will be vested in a successor agency, generally the county or city that authorized the creation of the redevelopment agency (each, a "Successor Agency"). All property tax revenues that would have been allocated to a redevelopment agency, less the corresponding county auditor-controller's cost to administer the allocation of property tax revenues, are now allocated to a corresponding Redevelopment Property Tax Trust Fund ("Trust Fund"), to be used for the payment of pass-through payments to local taxing entities, and thereafter to bonds of the former redevelopment agency and any "enforceable obligations" of the Successor Agency, as well as to pay certain administrative costs. The Dissolution Act defines "enforceable obligations" to include bonds, loans, legally required payments, judgments or settlements, legal binding and enforceable obligations, and certain other obligations.

Among the various types of enforceable obligations, the first priority for payment is tax allocation bonds issued by the former redevelopment agency; second is revenue bonds, which may have been issued by the host city, but only where the tax increment revenues were pledged for repayment and only where other pledged revenues are insufficient to make scheduled debt service payments; third is administrative costs of the Successor Agency, equal to at least $250,000 in any year, unless the oversight board reduces such amount for any fiscal year or a lesser amount is agreed to by the Successor Agency; then, fourth is tax revenues in the Trust Fund in excess of such amounts, if any, will be allocated as residual distributions to local taxing entities in the same proportions as other tax revenues. Moreover, all unencumbered cash and other assets of former redevelopment agencies will also be allocated to local taxing entities in the same proportions as tax revenues. Notwithstanding the foregoing portion of this paragraph, the order of payment is subject to modification in the event a Successor Agency timely reports to the Controller and the Department of Finance that application of the foregoing will leave the Successor Agency with amounts insufficient to make scheduled payments on enforceable obligations. If the county auditor-controller verifies that the Successor Agency will have insufficient amounts to make scheduled payments on enforceable obligations, it shall report its findings to the Controller. If the Controller agrees there are insufficient funds to pay scheduled payments on enforceable obligations, the amount of such deficiency shall be deducted from the amount remaining to be distributed to taxing agencies, as described as the fourth distribution above, then from amounts available to the Successor Agency to defray administrative costs. In addition, if a taxing agency entered into an agreement pursuant to Health and Safety Code Section 33401 for payments from a redevelopment agency under which the payments were to be subordinated to certain obligations of the redevelopment agency, such subordination provisions shall continue to be given effect.

As noted above, the Dissolution Act expressly provides for continuation of pass-through payments to local taxing entities. Per statute, 100% of contractual and statutory two percent pass-throughs, and 56.7% of statutory pass-throughs authorized under the Community Redevelopment Law Reform Act of 1993 (AB 1290, Chapter 942, Statutes of 1993) ("AB 1290"), are restricted to educational facilities without offset against revenue limit apportionments by the State. Only 43.3% of AB 1290 pass-throughs are offset against State aid so long as the District uses the moneys received for land acquisition, facility construction, reconstruction, or remodeling, or deferred maintenance as provided under Education Code Section 42238(h).

ABX1 26 states that in the future, pass-throughs shall be made in the amount "which would have been received had the redevelopment agency existed at that time," and that the County Auditor-Controller shall "determine the amount of property taxes that would have been allocated to each redevelopment agency had the redevelopment agency not been dissolved pursuant to the operation of [ABX1 26] using current assessed values and pursuant to statutory [pass-through] formulas and contractual agreements with other taxing agencies."

Successor Agencies continue to operate until all enforceable obligations have been satisfied and all remaining assets of the Successor Agency have been disposed of. AB 1484 provides that once the debt of the Successor Agency is paid off and remaining assets have been disposed of, the Successor Agency shall terminate its existence and all pass-through payment obligations shall cease.

The District can make no representations as to the extent to which its revenue limit apportionments from the State may be offset by the future receipt of residual distributions or from unencumbered cash and assets of former redevelopment agencies any other surplus property tax revenues pursuant to the Dissolution Act.

Considerations Regarding COVID-19

General. An outbreak of disease or similar public health threat, such as the ongoing coronavirus ("COVID-19") pandemic, or fear of such an event, could have an adverse impact on the District's financial condition and operating results.

The spread of COVID-19 continues to have significant negative impacts throughout the world, including in the District. The World Health Organization has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the State and the United States. The purpose behind these declarations was to coordinate and formalize emergency actions and across federal, State and local governmental agencies, and to proactively prepare for the then-expected wider spread of the virus.

To date there have been millions of confirmed cases in the United States, and over one million deaths related to COVID-19. Although vaccines and vaccine boosters are currently widely available, no representation can be made as to whether the number of cases will continue to grow. The COVID-19 outbreak resulted in the imposition of restrictions on mass gatherings and widespread temporary closings of businesses, universities and schools through much of 2020 and portions of 2021, as well as supply chain issues and significant increases in inflation as these restrictions and closures have been lifted. Stock markets in the U.S. and globally have been volatile, with significant declines attributed to coronavirus concerns.

Federal Response. On March 27, 2020 the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed by the President of the United States. The CARES Act appropriated over $2 trillion to, among other things, (i) provide cash payments to individuals, (ii) expand unemployment assistance and eligibility, (iii) provide emergency grants and loans for small businesses, (iv) provide loans and other assistance to corporations, including the airline industry, (v) provide funding for hospitals and community health centers, (vi) expand funding for safety net programs, including child nutrition programs, and (vii) provide aid to state and local governments. On December 27, 2020, the President of the United States signed the Coronavirus Relief and Response Supplemental Appropriations Act, 2021 ("CRRSA"), which included approximately $900 billion worth of provisions for additional COVID-related relief, including extension of or additional funding for various relief programs implemented by the CARES Act. The CRRSA provided approximately $82 billion of COVID-19 related relief for education, including $54.3 billion for K-12 schools (largely through Title I funding), $22.7 billion for higher education and $4 billion for state governors to spend at their discretion. On March 12, 2021, the President signed the American Rescue Plan Act of 2021 (the "American Rescue Plan"), which provides approximately $1.9 trillion in federal economic stimulus intended to accelerate the recovery from the COVID-19 pandemic. The American Rescue Plan provides direct payments to individuals, extends unemployment benefits, provides funding to distribute COVID-19 vaccines and provides funding for schools, higher education institutions, state, tribal governments and businesses.

State Response. In response to the COVID-19 pandemic, on March 17, 2020, Senate Bill 89 ("SB 89") and Senate Bill 117 ("SB 117") were signed by the Governor, both of which took effect immediately. SB 89 amended the Budget Act of 2019 by appropriating $500,000,000 from the State general fund for any purpose related to the Governor's March 4, 2020 emergency proclamation. SB 117, among other things, (i) specified that for school districts that comply with Executive Order N–26–20, the ADA reported to the State Department of Education for the second period and the annual period for apportionment purposes for the 2019-20 school year only includes all full school months from July 1, 2019 through February 29, 2020, (ii) prevented the loss of funding related to an instructional time penalty because of a school closed due to the COVID–19 by deeming the instructional days and minutes requirements to have been met during the period of time the school was closed due to COVID–19, (iii) required a school district to be credited with the ADA it would have received had it been able to operate its After School Education and Safety Program during the time the school was closed due to COVID–19, and (iv) appropriated $100,000,000 from the State general fund to the State Superintendent to be apportioned to certain local educational agencies for purposes of purchasing personal protective equipment, or paying for supplies and labor related to cleaning school sites. Additionally, the Governor, on March 4, 2021, signed into law Assembly Bill 86 ("AB 86"), urgency legislation which provided approximately $6.6 billion to accelerate the return of in-person school instruction and expand student support. See also "DISTRICT FINANCIAL INFORMATION – State Budget Measures" herein.

On June 29, 2020, Senate Bill 98 ("SB 98"), the education omnibus bill to the 2020-21 State budget, was signed by the Governor, which took effect immediately. SB 98 provided that distance learning could be offered by a school district during the 2020-21 academic year on a local educational agency or schoolwide level as a result of an order or guidance from a State public health officer or a local public health officer or for pupils who are medically fragile or would be put at risk by in-person instruction, or who are self-quarantining because of exposure to COVID-19. SB 98 provided requirements for distance learning, including, but not limited to: (i) confirmation or provision of access for all pupils to connectivity and devices adequate to participate in the educational program and complete assigned work, (ii) content aligned to grade level standards that is provided at a level of quality and intellectual challenge substantially equivalent to in-person instruction, (iii) support for pupils who are not performing at grade level or need support in other areas, (iv) special education services, (v) designated and integrated instruction in English language development for English learners, and (vi) daily live interaction with certificated employees and peers.

District Response. As a result of the outbreak of COVID-19, the District closed its schools for in-person learning for the remainder of the 2019-20 school year effective March 16, 2020 and began instruction through distance learning. The District opened the 2020-21 school year in an all distance learning environment. In accordance with the State's school reopening guidelines, the District has phased into a hybrid model (a blend of in-person instruction and distance learning and a full distance (no in-person instruction)), based on parent choice, beginning on April 12, 2021 with respect to grades PK, TK, K, 1, 2, 6 and Special Day Class (SDC), April 19, 2021, for grades 3, 4, 5 and 7 and April 26, 2021 for grade 8. The District concluded the 2020-21 school year with in-person instruction. In-person instruction has continued into the 2021-22 and 2022-23 school years.

State law allows school districts to apply for a waiver to hold them harmless from the loss of LCFF funding based on attendance and state instructional time penalties when they are forced to close schools due to emergency conditions. In addition, the Governor enacted Executive Order N-26-20 ("Executive Order N-26-20"), which (i) generally streamlined the process of applying for such waivers for closures related to COVID-19 and (ii) directed school districts to use LCFF apportionment to fund distance learning and high quality educational opportunities, provide school meals and, as practicable, arrange for the supervision of students during school hours.

The District has received or has been awarded $19,612,015 in COVID-19-related relief funding, of which $3,759,118 is unspent. This funding includes: $99,879 pursuant to SB 117 for personal protective equipment, $4,302,804 in Coronavirus Relief Funds pursuant to the CARES Act based on the District's LCFF Supplemental and Concentration Grant funding for learning loss mitigation, $617,996 in CARES Act Elementary and Secondary School Emergency Relief (ESSER) funding based on Title I status, $298,547 in federal Governor's Emergency Education Relief (GEER) funding related to students with disabilities, $491,367 in additional Proposition 98 funding based on the District's 2019-20 LCFF allocation, and $2,447,328 in ESSER II funding pursuant to the CRRSA and $5,501,131 in ESSER III funding pursuant to the American Rescue Plan. The District expects to receive $3,866,286 (of which it expects to receive $1,065,210 in fiscal year 2023-24) for Expanded Learning Opportunities Grants and has received $1,986,677 for In-person Instruction Grant pursuant to AB 86.

Additionally, the District has received $6,411,855 in Learning Recovery Emergency Block Grant funds and expects to receive $3,011,264 in Arts Music and Instructional Materials Discretionary Block Grant funds through the State's 2022-23 Budget. See "-State Budget Measures" herein. The District has used the COVID-19-related funding, in part, to: purchase Chromebooks and hotspots for students to use for remote learning, distance learning software, teacher laptops, additional counselors, social-emotional training, staff development; invested in the infrastructure required to provide distanced instruction; prepared classrooms for in-person instruction in accordance with health department guidance, including ventilation upgrades, purchasing air purifiers, filters, cleaning supplies, rental storage units and personal protective equipment; and investing in thermal scanners for school sites, and support to provide meals to all individuals from age 2 through 18. The District is using current Learning Loss Mitigation funding, in part, to: extend the school year to address learning loss, additional mental health supports, direct services for English Learners and other at risk youth, and ongoing professional development for staff. However, while the District currently believes it will receive the funds identified above, no assurances can be given that the District will ultimately receive the moneys it expects to receive from the sources listed above, or any additional future State or federal funds related to COVID-19, Learning Loss Mitigation, or the timing of receipt of such funds.

Other potential impacts to the District associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges relating to establishing distance learning programs or other measures to permit instruction while schools remain closed, disruption of the regional and local economy with corresponding decreases in tax revenues, including property tax revenue, sales tax revenue and other revenues, increases in tax delinquencies, potential declines in property values, and decreases in new home sales, and real estate development. The economic consequences and the volatility in the U.S. and global stock markets resulting from the spread of COVID-19, and responses thereto by local, State, and the federal governments, could have a material impact on the investments in the State pension trusts, which could materially increase the unfunded actuarial accrued liability of the STRS Defined Benefit Program and PERS Schools Pool, which, in turn, could result in material changes to the District's required contribution rates in future fiscal years. See "JEFFERSON ELEMENTARY SCHOOL DISTRICT – District Retirement Systems" herein.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, the effectiveness of available vaccines in containing the spread or mutation of the virus, and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: the Governor's office (http://www.gov.ca.gov), California Department of Public Health (https://covid19.ca.gov/) and the County Department of Health (https://www.co.monterey.ca.us/government/departments-a-h/health). The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such websites.

The ultimate impact of COVID-19 on the District's operations and finances is unknown. There can be no assurances that the spread of COVID-19, or the responses thereto by local, State, or the federal government, will not materially adversely impact the local, state and national economies or the assessed valuation of property within the District, or adversely impact enrollment or ADA within the District and, notwithstanding available state or federal assistance, materially adversely impact the financial condition or operations of the District. See also "TAX BASE FOR REPAYMENT OF BONDS – Assessed Valuations" herein.

Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

Budget Process

State Budgeting Requirements. The District is required by provisions of the State Education Code to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts. The budget process for school districts was substantially amended by Assembly Bill 1200 ("AB 1200"), which became State law on October 14, 1991. Portions of AB 1200 are summarized below. Additional amendments to the budget process were made by Assembly Bill 2585, effective as of September 9, 2014, including the elimination of the dual budget cycle option for school districts. All school districts must now be on a single budget cycle.

School districts must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first.

The county superintendent will 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, and will determine if the budget allows the district to meet its current obligations, if the budget is consistent with a financial plan that will enable the district to meet its multi-year financial commitments, whether the budget includes the expenditures necessary to implement a LCAP, and whether the budget's ending fund balance exceeds the minimum recommended reserve for economic uncertainties.

On or before September 15, the county superintendent will approve, conditionally approve or disapprove the adopted budget for each school district. Budgets will be disapproved if they fail the above standards. The district board must be notified by September 15 of the county superintendent's recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent's recommendations. The committee must report its findings no later than September 20. Any recommendations made by the county superintendent must be made available by the district for public inspection. No later than October 22, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget may be disapproved.

A school district whose budget has been disapproved must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent's recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final school district budgets and not later than November 8, must approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to Education Code Section 42127.1. No later than November 8, the county superintendent must notify the State Superintendent of Public Instruction of all school districts whose budget has been disapproved. Until a school district's budget is approved, the school district will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Interim Financial Reports. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county office of education 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 subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the fiscal year or 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 two subsequent fiscal years.

The District has never had an adopted budget disapproved by the county superintendent of schools and has never received a "qualified" or "negative" certification of an Interim Financial Report pursuant to A.B. 1200.

General Fund Budgeting

The following table summarizes the District's adopted general fund budgets for fiscal years 2018-19 through 2023-24, audited statements of revenues, expenditures and changes in fund balance for fiscal years 2018-19 through 2021-22, and unaudited actuals for fiscal year 2022-23:

GENERAL FUND BUDGETS AND ACTUAL RESULTS
FISCAL YEARS 2018-19 THROUGH 2023-24
Jefferson Elementary School District

	2018-19[1]		2019-20[1]		2020-21[1]		2021-22[1]		2022-23		2023-24
	Adopted Budget	Audited Actual	Adopted Budget	Audited Actual	Adopted Budget	Audited Actual	Adopted Budget	Audited Actual	Adopted Budget[2]	Unaudited Actuals[3]	Adopted Budget[3]
REVENUES											
LCFF	$60,821,661	$60,993,673	$61,627,347	$61,479,061	$55,189,323	$59,729,729	$61,580,395	$63,140,054	$63,409,195	$68,454,561	$69,257,050
Federal	2,698,214	2,628,062	2,778,043	3,162,462	3,152,023	7,419,410	2,809,876	5,556,616	4,992,671	6,939,023	6,195,646
Other State	8,654,772	8,768,409	6,013,709	8,015,371	5,931,788	10,940,444	6,339,757	10,181,268	7,125,705	21,853,093	10,984,597
Other Local	2,655,148	2,764,009	2,094,367	2,747,160	2,150,100	2,423,294	2,407,693	1,619,615	2,160,394	2,860,589	2,454,198
TOTAL	74,829,795	75,154,153	72,513,466	75,404,054	66,423,234	80,512,877	73,137,721	80,497,553	77,687,965	100,107,266	88,891,491
EXPENDITURES:											
Certificated Salaries	34,339,045	34,068,900	32,847,188	33,046,640	33,003,979	31,697,192	32,910,959	32,757,168	30,771,101	33,779,169	35,873,023
Classified Salaries	9,241,159	9,092,677	9,014,208	8,897,146	9,241,457	8,626,003	9,496,320	9,522,135	9,304,243	10,264,528	10,953,438
Employee Benefits	19,120,395	18,807,005	19,076,270	20,212,308	18,725,195	18,399,556	20,145,420	19,247,794	20,160,825	19,906,563	21,752,190
Books & Supplies	5,541,423	4,309,173	3,302,015	2,430,998	2,893,349	6,240,031	3,434,723	3,705,072	3,324,563	3,984,348	4,781,302
Services and Other Operating Expenditures	8,153,084	7,409,419	8,091,906	6,916,450	7,705,292	5,462,365	8,527,257	8,625,324	11,085,415	12,208,850	12,633,037
Capital Outlay	1,386,519	60,266	6,500	1,322,019	6,500	424,733	6,500	9,289,745[8]	3,000	3,193,108	3,000
Other Outgo[4]	2,322,488	2,092,825	2,447,525	1,919,456	2,037,307	1,290,984	1,615,703	1,301,095	641,739	402,971	591,237
TOTAL	80,104,113	75,840,265	74,785,612	74,745,017	73,613,079	72,140,864	76,136,882	84,891,841	75,290,886	83,739,538	86,587,227
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(5,274,318)	(686,112)	(2,272,146)	659,037	(7,189,845)	8,372,013	(2,999,161)	(4,394,288)	2,397,079	16,367,728	2,304,264
OTHER FINANCING SOURCES/(USES):											
Operating Transfers In	2,227,132	1,267,872	1,079,247	--	1,876,400	--	847,022	1,781,534	2,147,022	477,742	1,125,991
Operating Transfers Out	(436,458)	(435,372)	(35,000)	(592,191)	(35,000)	(501,597)	(150,000)	(11,061,711)[10]	--	--	--
Other sources/uses	--	--	--	--	--	--	--	10,679,010[11]	--	--	--
TOTAL	1,790,674	832,500	1,044,247	(592,191)	1,841,400	(501,597)	697,022	1,398,833	2,147,022	477,742	1,125,991
NET INCREASE (DECREASE) IN FUND BALANCE	(3,483,644)	146,388	(1,227,899)	66,846	(5,348,445)	7,870,416	(2,302,139)	(2,995,455)	4,544,101	16,845,470	3,430,255
Fund Balance, beginning of year	13,593,254	13,593,254	17,954,409[6]	17,954,409[6]	18,064,220[6][9]	18,064,220[6][9]	25,934,636[6]	25,934,636[6]	16,857,436[7]	16,857,436[7]	35,303,378[7]
Audit Adjustments	--	--	--	--	--	--	--	--	--	1,600,472	--
Special Reserve Fund for Other Than Capital Outlay[5]	--	4,214,767	--	--	--	--	--	--	--	--	--
Fund Balance, end of year	$10,109,610	$17,954,409	$16,726,510	$18,021,255	$12,715,775	$25,934,636	$23,632,497	$22,939,181	$21,401,537	$35,303,378	$38,733,633

[1] From the District's audited financial statements for fiscal years 2017-18 through 2021-22, respectively.
[2] From the District's Second Interim Financial Report for fiscal year 2022-23 approved by the Board on March 8, 2023. Totals may not add due to rounding.
[3] From the District's Unaudited Actuals for fiscal year 2022-23, approved by the Board on September 13, 2023. Totals may not add due to rounding.
[4] The categories Other Outgo (excluding Transfers of Indirect Costs) and Other Outgo (Transfers of Indirect Costs) were combined for comparison purposes.
[5] Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects does not meet the definition of special revenue fund under GASB Statement No. 54. Although this fund is authorized by statute and will remain open for internal reporting purposes, this fund has been combined with the general fund for presentation in the District's financial statements.
[6] Includes Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects.
[7] Does not include Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects.
[8] Includes expenditures related to the District's 2021 Certificates.
[9] As a result of the implementation of GASB Statement No. 84, Fiduciary Activities, the District reclassified certain of its associated student body activity previously reported as fiduciary funds to the general fund.
[10] Represents transfer of $1,658,821 to the general fund, $9,200,000 to the Special Reserve Post Employment Benefit Fund and $202,890 to Non-Major Governmental Funds.
[11] Represents the proceeds from the execution and delivery of the 2021 Certificates held by a trustee, which were recognized and expended in fiscal year 2021-22. The "other sources/uses" row was inadvertently excluded from the table in "APPENDIX A – THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS – Required Supplementary Information – Budgetary Comparison Schedule – General Fund" attached hereto, but the subtotal of Other Financing Sources (uses) includes such proceeds.

Financial Statements

Audited financial statements for the District for the fiscal year ended June 30, 2022, and prior fiscal years are on file with the District and available for public inspection at the Office of Business Services of the District, 101 Lincoln Avenue, Daly City, CA 94015, telephone: (650) 991-1000. The District's audited financial statements for the year ended June 30, 2022 are attached hereto as Appendix A. The following tables reflect the District's revenues, expenditures and fund balances for fiscal years 2017-18 through 2021-22 in the revised reporting format:

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SUMMARY OF GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEARS 2017-18 THROUGH 2021-22
Jefferson Elementary School District

	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22
REVENUES					
Local Control Funding Formula	$58,906,529	$60,993,673	$61,479,061	$59,729,729	$63,140,054
Federal	2,649,143	2,628,062	3,162,462	7,419,410	5,556,616
Other State	6,570,520	8,768,409	8,015,371	10,940,444	10,181,268
Other Local	2,840,485	2,887,712	2,747,160	2,423,294	1,619,615
TOTAL REVENUES	70,966,677	75,277,856	75,404,054	80,512,877	80,497,553
EXPENDITURES					
Instruction	45,966,385	47,892,439	44,720,962	47,129,503	46,660,690
Instruction-related Services:					
Supervision of instruction	2,790,468	3,170,787	2,496,431	1,412,070	2,028,500
Instructional library, media and technology	598,792	610,782	625,011	495,731	764,150
School site administration	5,068,195	5,207,792	5,544,762	5,901,928	5,693,370
Pupil Services					
Home-to-school transportation	1,347,343	1,251,576	1,286,918	424,670	1,525,596
Food services	4,110	2,796	100,598	4,306	232,768
All other pupil services	4,991,588	5,208,009	5,295,082	4,774,523	5,595,277
Ancillary Services	259,347	9,676	1,490,583	82,378	12,960
Community Services	--	--	--	--	1,200
General Administration					
Data processing	1,239,449	1,480,433	1,461,172	1,631,467	1,827,472
All other administration	3,198,104	3,298,310	3,550,695	3,703,484	3,826,873
Plant Services	5,095,510	5,107,377	4,710,252	4,653,918	5,821,918
Facility acquisition and construction	124,925	173,455	--	--	--
Capital Outlay	--	--	1,338,214	450,180	8,914,949[5]
Other Outgo	2,182,444	2,426,833	2,124,337	1,476,706	1,542,610
Debt Service - Principal	--	--	--	--	--
Debt Service - Interest	--	--	--	--	443,508
TOTAL EXPENDITURES	72,866,660	75,840,265	74,745,017	72,140,864	84,891,841
EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	(1,899,983)	(562,409)	659,037	8,372,013	(4,394,288)
OTHER FINANCING SOURCES/(USES)					
Operating Transfers In	--	--	--	--	1,781,534
Other sources					10,679,010[6]
Operating Transfers Out	(538,305)[2]	(435,372)[3]	(592,191)[4]	(501,597)[4]	(11,061,711)[7]
TOTAL OTHER FINANCING SOURCES/(USES)	(538,305)	(435,372)	(592,191)	(501,597)	1,398,833
NET CHANGE IN FUND BALANCES	(2,438,288)	(997,781)	66,846	7,870,416	(2,995,455)
FUND BALANCES, JULY 1 (as restated)[1]	21,390,478	18,952,190	17,954,409	18,064,220[8]	25,934,636
FUND BALANCES, JUNE 30,	$18,952,190	$17,954,409	$18,021,255	$25,934,636	$22,939,181

[1] The District's special reserve fund for other than capital outlays projects fund does not meet the definition of special revenue fund under GASB No. 54. Thus, to conform with GASB No. 54, the beginning fund balance of the special reserve fund for other than capital outlays projects has been combined with the general fund for fiscal years 2017-18 through 2021-22.
[2] Represents transfers of $500,000 to the Special Reserve Capital Outlay Fund and $38,305 to Non-Major Governmental Funds.
[3] Represents transfers of $200,000 to the Special Reserve Capital Outlay Fund and $235,372 to Non-Major Governmental Funds.
[4] Represents a transfer to the Cafeteria Non-Major Governmental Fund.
[5] Includes expenditures related to the District's 2021 Certificates.
[6] Represents the proceeds from the execution and delivery of the 2021 Certificates held by a trustee, which were recognized and expended in fiscal year 2021-22
[7] Represents transfer of $1,658,821 to the general fund, $9,200,000 to the Special Reserve Post Employment Benefit Fund and $202,890 to Non-Major Governmental Funds.
[8] As a result of the implementation of GASB Statement No. 84, Fiduciary Activities, the District reclassified certain of its associated student body activity previously reported as fiduciary funds to the general fund.
Source: Jefferson Elementary School District.

State Budget Measures

The following information concerning the State's budgets has been obtained from publicly available information which the District believes to be reliable; however, the District does not guarantee the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information herein 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 *property tax required to be levied by the County in an amount sufficient for the payment thereof.*

2023-24 State Budget. On June 27, 2023, the Governor signed the State budget for fiscal year 2023-24 (the "2023-24 Budget"). The following information is drawn from the DOF and LAO summaries of the 2023-24 Budget.

The 2023-24 Budget reports that, after two years of growth, the State is projected to face a downturn in revenues driven by a declining stock market, persistently high inflation, rising interest rates and job losses in high-wage sectors. The 2023-24 Budget forecasts that the State will face a $31.7 billion shortfall in fiscal year 2023-24. In its summary of the 2023-24 Budget, the LAO calculates the State's budget shortfall to be lower, at $26.5 billion, and results from the administration including in its calculation the cost of some policies that had not yet been adopted by the State legislature.

To close the budget gap, the 2023-24 Budget includes a series of measures intended to avoid deep reductions to priority programs that marked budgetary shortfalls over the past two decades:

- *Fund Shifts* – $9.3 billion in shifts of spending commitments from the State general fund to other sources.

- *Reductions/Pullbacks* – $8.1 billion in State general fund spending reductions or pullbacks of previously approved spending.

- *Delays* – $7.9 billion in delayed spending across multiple years, without reducing the amount of funding over the same period.

- *Revenue and Internal Borrowing* – $6.1 billion in revenue, primarily from the Managed Care Organization tax, and internal borrowing from special fund balances not projected for programmatic purposes.

- *Trigger Reductions* – $340 million in reductions that will be restored in the proposed State budget for fiscal year 2024-25 if there are sufficient resources to do so.

For fiscal year 2022-23, the 2023-24 Budget projects total general fund revenues and transfers of $205.1 billion and authorizes expenditures of $234.6 billion. The State is projected to end the 2022-23 fiscal year with total reserves of $54.2 billion, including $21.1 billion in the traditional general fund reserve, $22.3 billion in the BSA, $9.9 billion in the PSSSA and $900 million in the Safety Net Reserve Fund. For fiscal year 2023-24, the 2023-24 Budget projects total general fund revenues and transfers of $208.7 billion and authorizes expenditures of $225.9 billion. The State is projected to end the 2023-24 fiscal year with total reserves of $37.8 billion, including $3.8 billion in the traditional general fund reserve, $22.3 billion in the BSA, $10.8 billion in the PSSSA and $900 million in the Safety Net Reserve Fund. The 2023-24 Budget indicates that maintaining this level of reserves provides a prudent insurance policy, as the State continues to face revenue risks and uncertainty. Significantly, prolonged storm activity over the winter caused a tax filing delay affecting over 99% of tax filers in 55 of the State's 58 counties. This delay pushed the projected receipt of $42 billion in State tax receipts into October, representing nearly one-fourth of the 2022-23 fiscal year's total projected personal income taxes, and nearly one third of the corporation tax.

The ending balance in the BSA is at the constitutional maximum amount, requiring any amounts in excess thereof to be dedicated to infrastructure improvements. The 2023-24 Budget also includes revised deposits to the PSSSA of $4.8 billion and $1.8 billion attributable to fiscal years 2021-22 and 2022-23, respectively, and authorizes a deposit in fiscal year 2023-24 of $902 million. The balance of $9.9 billion in the PSSSA in fiscal year 2022-23 triggers school district reserve caps in fiscal year 2023-24. See "CONSTITUIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2" herein.

The 2023-24 Budget sets total funding for all K-12 education programs at $129.2 billion, including $79.5 billion from the State general fund and $49.7 billion from other sources. The minimum funding guarantee in fiscal year 2023-24 is set at $108.3 billion, including $77.5 billion from the State general fund. The 2023-24 Budget also makes retroactive increases to the minimum funding guarantee in fiscal years 2021-22 and 2022-23, setting them at $110.6 billion and $107.4 billion, respectively. Test 1 is projected to be in effect over this three year period. For fiscal year 2023-24, the minimum funding guarantee increases by $952 million (or 0.90%) relative to the revised 2022-23 level, and results from projected increases in property tax revenues that offset declines associated with lower State general fund revenue estimates. To accommodate enrollment increases related to the expansion of transitional kindergarten (as further described below), the 2023-24 Budget rebenches the Test 1 percentage, from approximately 38.2% to 38.5%, to increase the percentage of State general fund revenues that count towards the minimum funding guarantee.

Other significant features relating to K-12 education funding include the following:

- *Local Control Funding Formula:* The 2023-24 Budget funds a COLA of 8.22% to LCFF apportionments. When combined with declining enrollment adjustments, this increases year-over-year discretionary funds available to local educational agencies by approximately $3.4 billion. As a result, the adjusted LCFF Base Grants for fiscal year 2023-24 are as follows: (i) $10,951 for grades TK-3, (ii) $10,069 for grades 4-6, (iii) $10,367 for grades 7 and 8, and (iv) $12,327 for grades 9-12. The LAO notes that the 2023-24 Budget uses approximately $1.6 billion in one-time, prior-year Proposition 98 resources to support the ongoing costs of the LCFF in fiscal year 2023-24. The LAO notes that this creates a structural gap, in that using one-time funds to cover ongoing costs will create a deficit in the Proposition 98 budget the following year. The 2023-24 Budget also provides an increase of $80 million in ongoing Proposition 98 funding for county offices of education serving students in juvenile court and other alternative school settings. Finally, to complement efforts to identify and address student group and school site equity gaps through school district LCAPs, the 2023-24 Budget provides $300 million in ongoing Proposition 98 funding to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps, and $2 million in ongoing Proposition 98 funding to support the work of equity leads within the Statewide system of support.

- *Categorical Programs*: $556.3 million in ongoing Proposition 98 funding to reflect an 8.22% COLA for specified categorical programs that remain outside of the LCFF.

- *Universal Transitional Kindergarten*: The funding levels in the 2023-24 Budget reflect $357 million in ongoing Proposition 98 funding to support the first year of expanded eligibility for transition kindergarten to include all children turning five years old between September 2, and February 2 in fiscal year 2022-23 (roughly 29,000 children). Additionally, the 2023-24 Budget reflects $238 million of Proposition 98 funding to support one additional classified or certificated staff person in every transitional kindergarten class in fiscal year 2022-23. The 2023-24 Budget includes $597 million in ongoing Proposition 98 funding to support the second year of expanded eligibility to include all children turning five years old between September 2 and April 2 (roughly 42,000 children), beginning in fiscal year 2023-24. Additionally, the 2023-24 Budget includes $165 million to support one additional certificated or classified employee in every transitional kindergarten class. The 2023-24 Budget also makes certain adjustments to the transitional kindergarten program, including (i) requiring that, commencing with the 2025-26 fiscal year, transitional kindergarten classrooms maintain a 1:10 adult-to-student ratio, (ii) enabling local educational agencies, in fiscal years 2023-24 and 2024-25, to enroll children whose fourth birthday falls between June 2 and September 1 in transitional kindergarten if classrooms meet the 1:10 ratio and maintain a total class size of 20 or less students, and (iii) extending the deadline for credentialed teachers to have earned 24 early education college credits, or its equivalent, or earned a child development teacher permit or early childhood education specialist credential. Finally, the 2023-24 Budget delays, to fiscal year 2024-25, $550 million of funding previously approved to support the construction or retrofit of full-day kindergarten and preschool facilities.

- *Literacy*: $250 million in one-time Proposition 98 funding for high-poverty schools, using evidence-based practices, to train and hire literacy coaches and reading specialists for one-on-one and small group interventions for struggling readers. The 2023-24 Budget also provides $1 million in one-time Proposition 98 funding to support efforts to begin screening students in kindergarten through second grade for risk of reading difficulties, including dyslexia. Finally, the 2023-24 Budget provides $1 million in one-time Proposition 98 funding to create a literacy roadmap to help educators navigate literacy resources provided by the State.

- *Educator Workforce*: The 2023-24 Budget includes a number of statutory changes to reduce barriers for those interested in entering the teacher profession, including (i) increasing the per-candidate allocation for the Teacher and School Counselor Residency Program, (ii) allowing greater time for residency candidates to complete their service requirements, (iii) providing additional ways for teachers to complete their teaching credentials, and (iv) allowing relocated U.S. military service members, or their spouses, to be issued a State teaching credential if they possess a valid, out-of-state credential. The 2023-24 Budget also provides $10 million in one-time Proposition 98 funding for grants to local education agencies to provide culturally relevant support and mentorship for educators to become school administrators.

- *Arts and Cultural Enrichment:* On November 8, 2022, State voters approved Proposition 28, which requires that an amount equal to 1% of the prior year's minimum funding guarantee be allocated to schools to increase arts instruction and arts programs in public education. The 2023-24 Budget includes approximately $938 million to fund this mandate. The 2023-24 Budget also reflects a reduction of approximately $200 million in one-time Proposition 98 funding previously approved for the Arts, Music and Instructional Materials Block Grant.

- *Learning Recovery*: The 2022-23 State budget established the Learning Recovery Emergency Fund and appropriated $7.9 billion in one-time Proposition 98 funding to establish a block grant to support local educational agencies in establishing learning recovery initiatives. The 2023-24 Budget delays approximately $1.1 billion of such funding to fiscal years 2025-26 through 2027-28.

- *Home-to-School Transportation*: The 2022-23 State budget provided $1.5 billion in one-time Proposition 98 funding, available over five years, to support the greening of school buses as part of a Statewide zero-emissions initiative. The 2023-24 Budget delays $1 billion of this funding to fiscal years 2024-25 and 2025-26.

- *Nutrition:* $154 million in additional ongoing Proposition 98 funding, and $110 million in one-time Proposition 98 funding, to fully fund the universal school meals program in fiscal years 2022-23 and 2023-24.

- *Teacher Development*: $20 million in one-time Proposition 98 funding to support the Bilingual Teacher Professional Development Program. The 2023-24 Budget also provides $6 million in one-time federal funds to support grants to teacher candidates enrolled in a special education teacher preparation program who agree to teach at a high-need school site.

- *Reversing Opioid Overdoses*: $3.5 million in ongoing Proposition 98 funding for all middle school, high school and adult school sites to maintain at least two doses of medication to reverse an opioid overdose on campus.

- *Restorative Justice*: $7 million in one-time Proposition 98 funding to support local educational agencies opting to implement restorative justice best practices.

- *School Safety*: $119.6 million in one-time federal funds authorized by the Bipartisan Safer Communities Act to support local educational agency activities related to improving school climates and school safety.

- *After School Education*: $3 million in one-time federal funds to support after school programs in rural school districts.

- *Facilities*: The 2023-24 Budget reflects a decrease of $100 million in State general fund support for the State school facilities program. The 2023-24 Budget includes $30 million in one-time Proposition 98 funding to support eligible facilities costs for the Charter School Facility Grant Program, and $15 million in one-time Proposition 98 funding to support grants to local educational agencies to acquire and install commercial dishwashers.

For additional information regarding the 2023-24 Budget, see the DOF and LAO websites at www.dof.ca.gov and www.lao.ca.gov. However, the information presented on such website is not incorporated herein by any reference.

Future Actions and Events. The District cannot predict what additional actions will be taken in the future by the State legislature and the Governor to address changing State revenues and expenditures. The District also cannot predict the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions or results could produce a significant shortfall of revenue and cash, and could consequently impair the State's ability to fund schools. State budget shortfalls in future fiscal years may also have an adverse financial impact on the financial condition of the District. However, the obligation to levy *ad valorem* property taxes upon all taxable property within the District for the payment of principal of and interest on the Bonds would not be impaired.

JEFFERSON ELEMENTARY SCHOOL DISTRICT

The information in this section concerning the operations of the District and the District's operating budget are 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 *property tax required to be levied by the County in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources for Payment" herein.*

Introduction

The District was established in 1866 and serves pre-kindergarten through 8th grade students from four contiguous areas in the County – the cities of Daly City and Colma, unincorporated Broadmoor Village, and a small section of the city of Pacifica. The population served by the District is approximately 107,197. The District operates 10 elementary schools, one K-8 school, three intermediate schools and a Pre-K Child Development Center. The District's P-2 average daily attendance for fiscal year 2023-24 is budgeted to be 4,495 students. The District has a 2023-24 total assessed valuation of $14,164,997,704.

Unless otherwise indicated, the following financial, statistical and demographic data has been provided by the District. Additional information concerning the District and copies of the most recent and subsequent audited financial reports of the District may be obtained by contacting: Jefferson Elementary School District, 101 Lincoln Avenue, Daly City, CA 94015, telephone: (650) 991-1000, Attention: Superintendent. The District may impose a charge for copying, mailing and handling.

Administration

The governing board of the District (the "Board") consists of five elected members. Members are elected at-large to serve staggered four-year terms. Elections for positions to the Board are held every two years, alternating between two and three available positions. A president is elected by members of the Board each year. Current members of the Board, together with their offices and the dates their terms expire, are listed below:

Board Member	Office	Term Expires
Andrea Jordan	President	November 2024
Shakeel Ali	Vice President	November 2026
Manufou Liaiga-Anoa'i	Clerk	November 2024
Aaron Rashba	Member	November 2026
Anthony Tsujisaka	Member	November 2026

Ms. Sandy Mikulik, the Superintendent of the District, is responsible for administering the affairs of the District in accordance with the policies of the Board. Michael A. Lauro currently serves as the Assistant Superintendent of Business Services/Chief Business Officer of the District. Brief biographies follow:

Sandy Mikulik, Superintendent. Ms. Mikulik was appointed as Superintendent of the District in July 2023. Before her appointment as Superintendent of the District she served as a Data Specialist, Literary Coach, and Teacher at the American International School in Vietnam from July 2019 to July 2022. Prior thereto, since July 2011, Ms. Mikulik served the District in various capacities, including as the Assistant Superintendent, Director of Curriculum, and Instruction, School Administrator Coach and Workforce Housing Liaison. Prior to joining the District, she was a principal and elementary school teacher at San Bruno Park School District. She received her Bachelor of Science degree from the

University of California, Davis in Applied Behavioral Sciences, her Masters degree from San Francsico State University in Educational Administration, and holds California Administrative Services and California Multiple Subject Teaching credentials from San Francisco State University.

Michael A. Lauro, Assistant Superintendent of Business Services/Chief Business Officer. Mr. Lauro joined the District in June 2020 as Director of Fiscal Services, and became Assistant Superintendent of Business Services/Chief Business Officer in January 2022. Mr. Lauro has 8.5 years of school business experience, and has held various positions including Certificated/Classified Payroll technician and Budget Analyst for a Los Angeles County school district, and was the Fiscal Services Manager at Portola Valley School District in the County. He received his Bachelor of Science from California State University, Chico in Business Administration and Finance; and his School Business Management/Chief Business Official certification from the University of Southern California and the California Association of School Business Officials (CASBO).

Recent Enrollment Trends

On average throughout the District, the regular education pupil-teacher ratio is approximately 24:1 for grades TK-3, 32:1 in grades 4-6, and 33:1 in grades 7-8. District enrollment decreased by 23.44% between 2012-13 and 2022-23, representing an annual compound decrease rate of -2.4%. The following table shows a 10-year enrollment history for the District and the budgeted enrollment for fiscal year 2023-24.

ANNUAL ENROLLMENT
FISCAL YEARS 2013-14 THROUGH 2023-24
Jefferson Elementary School District

Year	Enrollment	Annual Change	Annual % Change
2013-14	6,327	--	--
2014-15	6,282	(45)	(0.71)%
2015-16	6,336	54	0.86
2016-17	6,275	(61)	(0.96)
2017-18	6,096	(179)	(2.85)
2018-19	5,986	(110)	(1.80)
2019-20	5,862	(124)	(2.07)
2020-21	5,597	(265)	(4.52)
2021-22	5,101	(496)	(8.86)
2022-23	4,960	(141)	(2.76)
2023-24(1)	4,844	(116)	(2.34)

Note: Fiscal years 2013-14 through 2022-23 reflect certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System ("CALPADS") in each school year and used to calculate each school district's unduplicated EL/LI student enrollment. CALPADS figures exclude preschool and adult transitional students.
(1) Budgeted.
Source: Jefferson Elementary School District.

Charter School

The State legislature enacted the Charter Schools Act of 1992 (State Education Code Sections 47600 – 47616.5) to permit teachers, parents, students, and community members to establish schools that would be free from most State and district regulations. Revised in 1998, the State's charter school law states that local boards are the primary charter approving agency and that county panels can appeal a denied charter. State education standards apply, and charter schools are required to use the same student assessment instruments. The charter school is exempt from State and local education rules and regulations, except as specified in the legislation.

The District has certain fiscal oversight and other responsibilities with respect to both independent and affiliated charter schools established within its boundaries. However, independent charter schools receive funding directly from the State, and such funding would not be reported in the District's audited financial statements. Affiliated charter schools receive their funding from the District, and would be reflected in the District's audited financial statements.

There is one independent charter school currently operating within the District (the "Charter School") and a 9-12 charter school sponsored by the Jefferson Union High School District. The Charter School is a virtual school which draws enrollment from San Mateo County and adjacent counties. Twenty-five (25) K-8 students and fourteen (14) 9-12 grade students residing in the District's attendance boundaries during fiscal year 2022-23 attended the Charter School. The following table shows enrollment figures for the Charter School for the past 10 fiscal years.

CHARTER SCHOOL ENROLLMENT
FISCAL YEARS 2012-13 THROUGH 2022-23
Jefferson Elementary School District

Fiscal Year	Independent Charter School
2012-13	791
2013-14	828
2014-15	831
2015-16	807
2016-17	749
2017-18	746
2018-19	1,142
2019-20	1,114
2020-21	1,056
2021-22	1,125
2022-23	1,008

Source: Jefferson Elementary School District.

Labor Relations

The District currently employs 331 full-time and 16 part-time certificated employees, and 85 full-time and 165 part-time classified employees. The District employees, except management, confidential and some part-time employees, are represented by the bargaining units noted in the following table:

LABOR RELATIONS
Jefferson Elementary School District

Labor Organization	Number of Employees In Organization	Contract Expiration Date
American Federation of Teachers	250	June 30, 2024
California School Employees Association	243	June 30, 2025

Source: Jefferson Elementary School District.

District Retirement Systems

The information set forth below regarding the District's retirement programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the District, the Municipal Advisor or the Underwriter.

STRS. All full-time certificated employees, as well as certain classified employees, are members of the California State Teachers' Retirement System ("STRS"). STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the "STRS Defined Benefit Program"). The STRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended from time to time.

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, none of the employee, employer nor State contribution rates to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. Previously, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program increased significantly prior to the implementation of AB 1469 (defined below). In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State passed the legislation described below to increase contribution rates.

Prior to July 1, 2014, K-14 school districts were required by such statutes to contribute 8.25% of eligible salary expenditures, while participants contributed 8% of their respective salaries. On June 24, 2014, the Governor signed AB 1469 ("AB 1469") into law as a part of the State's fiscal year 2014-15 budget. AB 1469 seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014 (the "2014 Liability"), within 32 years, by increasing member, K-14 school district and State contributions to STRS. Commencing July 1, 2014, the employee contribution rate increased over a three-year phase-in period in accordance with the following schedule:

MEMBER CONTRIBUTION RATES
STRS (Defined Benefit Program)

Effective Date	STRS Members Hired Prior to January 1, 2013	STRS Members Hired After January 1, 2013
July 1, 2014	8.150%	8.150%
July 1, 2015	9.200	8.560
July 1, 2016	10.250	9.205

Source: AB 1469.

Pursuant to the Reform Act (defined below), the contribution rates for members ("PEPRA Members") hired after the Implementation Date (defined below) will be adjusted if the normal cost increases by more than 1% since the last time the member contribution was set. The contribution rate for employees ("Classic Members") hired before the Implementation Date (defined below) increased from 9.205% of creditable compensation for fiscal year commencing July 1, 2017 to 10.205% of creditable compensation effective July 1, 2018. For fiscal year commencing July 1, 2021, the contribution rate was 10.250% for Classic Members and 10.205% for PEPRA Members. For fiscal year commencing July 1, 2022, the contribution rate is 10.250% for Classic Members and 10.205% for PEPRA Members. For fiscal year commencing July 1, 2023, the contribution rate will be 10.250% for Classic Members and 10.205% for PEPRA Members.

Pursuant to AB 1469, K-14 school districts' contribution rate increased over a seven-year phase-in period in accordance with the following schedule:

K-14 SCHOOL DISTRICT CONTRIBUTION RATES
STRS (Defined Benefit Program)

Effective Date	K-14 school districts
July 1, 2014	8.88%
July 1, 2015	10.73
July 1, 2016	12.58
July 1, 2017	14.43
July 1, 2018	16.28
July 1, 2019	18.13
July 1, 2020	19.10

Source: AB 1469.

Based upon the recommendation from its actuary, for fiscal year 2021-22 and each fiscal year thereafter the STRS Teachers' Retirement Board (the "STRS Board"), is required to increase or decrease the K-14 school districts' contribution rate to reflect the contribution required to eliminate the remaining 2014 Liability by June 30, 2046; provided that the rate cannot change in any fiscal year by more than 1% of creditable compensation upon which members' contributions to the STRS Defined Benefit Program are based; and provided further that such contribution rate cannot exceed a maximum of 20.25%. In addition to the increased contribution rates discussed above, AB 1469 also requires the STRS Board to report to the State Legislature every five years (commencing with a report due on or before July 1, 2019) on the fiscal health of the STRS Defined Benefit Program and the unfunded actuarial obligation with respect to service credited to members of that program before July 1, 2014. The reports are also required to identify adjustments required in contribution rates for K-14 school districts and the State in order to eliminate the 2014 Liability.

On June 27, 2019, the Governor signed SB 90 ("SB 90") into law as a part of the 2019-20 Budget. Pursuant to SB 90, the State Legislature appropriated $2.246 billion to be transferred to the Teacher's Retirement Fund for the STRS Defined Benefit Program to pay in advance, on behalf of employers, part of the contributions required for fiscal years 2019-20 and 2020-21, resulting in K-14 school districts having to contribute 1.03% less in fiscal year 2019-20 and 0.70% less in fiscal year 2020-21, resulting in employer contribution rates of 17.1% in fiscal year 2019-20 and 18.4% in fiscal year 2020-21. In addition, the State made a contribution of $1.117 billion to be allocated to reduce the employer's share of the unfunded actuarial obligation determined by the STRS Board upon recommendation from its actuary. This additional payment was reflected in the June 30, 2020 actuarial valuation. Subsequently, the State's 2020-21 Budget redirected $2.3 billion previously appropriated to STRS and PERS pursuant to SB 90 for long-term unfunded liabilities to further reduce the employer contribution rates in fiscal year 2020-21 and 2021-22. As a result, the effective employer contribution rate was 16.15% in fiscal year 2020-21 and 16.92% in fiscal year 2021-22. The employer contribution rate was 19.1% in fiscal year 2022-23 and is 19.1% in fiscal year 2023-24.

The District's contributions to STRS were $4,806,134 in fiscal year 2017-18, $5,425,622 in fiscal year 2018-19, $5,527,498 in fiscal year 2019-20, $5,026,311 in fiscal year 2020-21, $5,381,023 in fiscal year 2021-22 and $6,278,813 (unaudited) in fiscal year 2022-23. The District has budgeted $6,687,919 for its contribution to STRS for fiscal year 2023-24.

The State also contributes to STRS, currently in an amount equal to 8.328% for fiscal year 2023-24. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990. However, the maximum increase or decrease in a given year is limited to 0.5% of payroll under the STRS valuation policy. Once the State has eliminated its share of the STRS' unfunded actuarial obligation, the State contribution will be immediately reduced to the base contribution rate of 2.017% of payroll.

In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

PERS. Classified employees working four or more hours per day are members of the California Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants at June 30, 2022 included 1,601 public agencies and 1,335 K-14 school districts and charter schools. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the "Schools Pool").

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. Pursuant to SB 90, the State Legislature appropriated $904 million to the Schools Pool, including transfers in fiscal years 2019-20 and 2020-21 to the Public Employees Retirement Fund to pay, in advance on behalf of K-14 school district employers, part of the contributions required for K-14 school district employers for such fiscal years, as well as additional amounts to be applied toward certain unfunded liabilities for K-14 school district employers. In June 2020, SB 90 was amended by Assembly Bill 84/Senate Bill 111 ("AB 84"). Under AB 84, $144 million of the State contribution under SB 90 was deemed to satisfy a portion of the State's required contribution in fiscal year 2019-20, and the amounts previously allocated toward future liabilities were redirected such that, $430 million will satisfy a portion of the employer contribution rate in fiscal year 2020-21, and $330 million will satisfy a portion of the employer contribution rate in fiscal year 2021-22. As a result of the payments made by the State pursuant to SB 90, as amended by AB 84, the employer contribution rate was 19.721% for fiscal year 2019-20, 20.7% in fiscal year 2020-21, and 22.91% for fiscal year 2021-22. The employer contribution rate was 25.37% in fiscal year 2022-23 and is 26.68% in fiscal year 2023-24. Classic Members contribute at a rate established by statute, which is 7% in fiscal year 2023-24, while PEPRA Members contribute at an actuarially determined rate, which was 8% in fiscal year 2023-24. See "—California Public Employees' Pension Reform Act of 2013" herein.

The District's contributions to PERS were $1,347,192 in fiscal year 2017-18, $1,556,081 in fiscal year 2018-19, $1,776,169 in fiscal year 2019-20, $1,783,786 in fiscal year 2020-21, $2,771,715 in fiscal year 2021-22 and $2,790,830 (unaudited) in fiscal year 2022-23. The District has budgeted $3,241,950 for its contribution to PERS for fiscal year 2023-24.

State Pension Trusts. Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: www.calstrs.com; (ii) PERS: www.calpers.ca.gov. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Both STRS and PERS have substantial statewide unfunded liabilities. The amount of these unfunded liabilities will vary depending on actuarial assumptions, returns on investments, salary scales and participant contributions. The following table summarizes information regarding the actuarially-determined accrued liability for both STRS and PERS. Actuarial assessments are "forward-looking" information that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

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FUNDED STATUS
STRS (Defined Benefit Program) and PERS (Schools Pool)
(Dollar Amounts in Millions) (1)
Fiscal Years 2012-13 through 2021-22

STRS

Fiscal Year	Accrued Liability	Value of Trust Assets (MVA)(2)	Unfunded Liability (MVA)(2)	Value of Trust Assets (AVA)(3)	Unfunded Liability (AVA)(3)
2012-13	$222,281	$157,176	$74,374	$148,614	$73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261
2017-18	297,603	211,367	101,992	190,451	107,152
2018-19	310,719	225,466	102,636	205,016	105,703
2019-20	322,127	233,253	107,999	216,252	105,875
2020-21	332,082	292,980	60,136	242,363	89,719
2021-22	346,089	283,340	85,803	257,537	88,552

PERS

Fiscal Year	Accrued Liability	Value of Trust Assets (MVA)	Unfunded Liability (MVA)	Value of Trust Assets (AVA)(3)	Unfunded Liability (AVA)(3)
2012-13	$61,487	$49,482	$12,005	$56,250	$5,237
2013-14	65,600	56,838	8,761	--(4)	--(4)
2014-15	73,325	56,814	16,511	--(4)	--(4)
2015-16	77,544	55,785	21,759	--(4)	--(4)
2016-17	84,416	60,865	23,551	--(4)	--(4)
2017-18	92,071	64,846	27,225	--(4)	--(4)
2018-19(5)	99,528	68,177	31,351	--(4)	--(4)
2019-20(6)	104,062	71,400	32,662	--(4)	--(4)
2020-21	110,507	86,519	23,988	--(4)	--(4)
2021-22	116,982	79,386	37,596	--(4)	--(4)

(1) Amounts may not add due to rounding.
(2) Reflects market value of assets, including the assets allocated to the SBPA reserve. Since the benefits provided through the SBPA are not a part of the projected benefits included in the actuarial valuations summarized above, the SBPA reserve is subtracted from the STRS Defined Benefit Program assets to arrive at the value of assets available to support benefits included in the respective actuarial valuations.
(3) Reflects actuarial value of assets.
(4) Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.
(5) For the fiscal year 2020-21 actuarially determined contribution, the additional $430 million State contribution made pursuant to AB 84 did not directly impact the actuarially determined contribution as it was not yet in the Schools Pool by the June 30, 2019 actuarial valuation date. The additional State contribution was treated as an advance payment toward the unfunded accrued liability contribution with required employer contribution rate correspondingly reduced.
(6) For the fiscal year 2021-22 actuarially required contribution, the impact of the additional $330 million State contribution made pursuant to AB 84 is directly reflected in the actuarially determined contribution, because the additional payment was in the Schools Pool as of the June 30, 2020 actuarial valuation date, which served to reduce the required employer contribution rate by 2.16% of payroll.

Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

The STRS Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the STRS Defined Benefit Program. Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2010, through June 30, 2015) (the "2017 Experience Analysis"), on February 1, 2017, the STRS Board adopted a new set of actuarial assumptions that reflect member's increasing life expectancies and current economic trends. These new assumptions were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2016 (the "2016 STRS Actuarial Valuation"). The new actuarial assumptions include, but are not limited to: (i) adopting a generational mortality methodology to reflect past improvements in life expectancies and provide a more dynamic assessment of future life spans, (ii) decreasing the investment rate of return (net of investment and administrative expenses) to 7.25% for the 2016 STRS Actuarial Valuation and 7.00% for the June 30, 2017 actuarial evaluation, and (iii) decreasing the projected wage growth to 3.50% and the projected inflation rate to 2.75%.

Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2015, through June 30, 2018) (the "2020 Experience Analysis"), on January 31, 2020, the STRS Board adopted a new set of actuarial assumptions that were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2019 (the "2019 STRS Actuarial Valuation"). While no changes were made to the actuarial assumptions discussed above, which were established as a result of the 2017 Experience Analysis, certain demographic changes were made, including: (i) lowering the termination rates to reflect a continued trend of lower than expected teachers leaving their employment prior to retirement, and (ii) adopting changes to the retirement rates for both Classic Members and PEPRA Members to better reflect the anticipated impact of years of service on retirements. The 2022 STRS Actuarial Valuation (defined below) continues using the Entry Age Normal Actuarial Cost Method.

The STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2022 (the "2022 STRS Actuarial Valuation") reports that, based on an actuarial value of assets, the unfunded actuarial obligation decreased by approximately $1.17 billion since the 2021 STRS Actuarial Valuation and the funded ratio increased by 1.4% to 74.4% over such time period, despite a negative investment return in 2021-22. The main reason for the increase in the funded ratio was the recognition of the deferred investment gains from prior years, primarily an investment gain of 27.2% in 2020-21, which has been partially offset by the impact of the less-than-assumed investment return for the most recently completed fiscal year (2021-22). For actuarial purposes, the STRS Board has approved the use of an actuarial value of assets, which smooths the volatility of investment returns by reflecting only one-third of the net accumulated investment gains or losses in a year. The investment gains that were set aside in the 2021 STRS Actuarial Valuation were more than sufficient to cover the full impact of the negative investment return in 2021-22. Another reason for the improved funding levels and decrease in unfunded actuarial obligation were the additional supplemental payments made by the State in 2021-22 ($584 million in 2021-22 above what was required by the contribution rate adopted by the STRS Board). Using the Fair Market Value of Assets, the funded ratio has decreased by 6.7% since 2021 Actuarial Valuation from 81.9% to 75.2%, primarily due to the actual market returns for the 2021-22 fiscal year being less than the assumed investment return of 7%. The STRS Board has no authority to adjust rates to pay down the portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990 (the "Unallocated UAO"). There was a decrease in the surplus (a negative unfunded actuarial obligation) for the Unallocated UAO from $469 million as of June 30, 2021 to $359 million as of June 30, 2022.

According to the 2022 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 100.3%. This finding assumes adjustments to contribution rates in line with the funding plan and STRS Board policies, the future recognition of the currently deferred asset gains, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption.

In its Annual Comprehensive Financial Report for fiscal year ending June 30, 2022, STRS reported a money weighted net return on investment of negative 2.4% and time-weighted net return on investments of negative 1.3% for fiscal year 2021-22, ending with the total fund value of $301.6 billion as of June 30, 2022. When STRS released the preliminary investment return for fiscal year 2021-22 on July 29, 2022, STRS noted that it is the first negative return since 2009, reflecting the ongoing volatility in the global financial markets impacted by inflation, rising interest rates, COVID-19 and the war in Ukraine. Due in part to the 27.2% return in fiscal year 2020-21, STRS projected in the Annual Comprehensive Financial Report that it remains in position to be fully funded by 2046.

On November 2, 2022, STRS released its 2022 Review of Funding Levels and Risks (the STRS 2022 Review of Funding Levels and Risks"), which is based on the 2021 STRS Actuarial Valuation and reflects all relevant changes that have occurred since 2021 STRS Actuarial Valuation, including the negative 2.4% money-weighted investment loss reported for the 2021-22 fiscal year. The key results and findings noted in the STRS 2022 Review of Funding Levels and Risks were that (i) the State's share of the STRS unfunded actuarial obligation is still projected to be eliminated prior to 2046 (currently projected to be eliminated by fiscal year 2029-30), but not as early as projected in the June 30, 2021 valuation, (ii) the current contribution rates for the State and employers are projected to be sufficient to eliminate their share of the STRS unfunded actuarial obligation by 2046 and contribution rate increases are not expected to be needed for fiscal year 2023-24, (iii) the largest risk facing STRS' ability to reach full funding remains investment-related risk, especially considering the Defined Benefit Program continues to mature, which will increase the system's sensitivity to investment experience, and the State's share of the unfunded actuarial obligation could quickly increase if STRS were to experience another year in which the investment return is significantly below the assumed rate of return, (iv) anticipated continued decreases in enrollment in K-12 public schools could lead to future declines in the size of the active membership, resulting in lower than anticipated payroll growth, which could negatively impact STRS' ability to achieve full funding, requiring contribution rate increases, especially among employers, (v) a recession resulting in a period of low investment returns and a decline in the size of the active membership could hurt STRS ability to reach full funding, and (vi) the ability of the funding plan to allow STRS to reach full funding is dependent on STRS meeting its current actuarial assumptions over the long term, while uncertainty around inflation, investment markets and payroll growth could put pressure on STRS' ability to meet some of its long-term actuarial assumptions. In addition, with respect to investment related risks, the STRS 2022 Review of Funding Levels and Risks notes that once the State's supplemental contribution rate is reduced to zero (as discussed above), if it were ever needed to be increased again, the STRS Board will be limited to increases of only 0.5% of payroll each year, which could take the STRS Board years before it is able to increase the rate to the levels necessary to reduce any newly realized unfunded actuarial obligation.

Between 2019 and 2020, the number of teachers actively working dropped from 451,000, to about 448,000. Between 2020 and 2021, the number of active teachers continued to drop to about 429,000, which resulted in a payroll that remained flat, below the 3.5% annual payroll growth assumption. In 2022, the total number of active members was back to the levels last seen prior to the start of the COVID-19 pandemic, increasing by approximately 20,000 over the last fiscal year. The total payroll increased by more than 6% over the last fiscal year, resulting in STRS collecting more contributions from employers than expected. The STRS 2022 Review of Funding Levels and Risks notes that, a likely contributor to the decline in active membership in 2020-21 was the higher than expected retirements STRS experienced that fiscal year and the uncertainties related to the COVID-19 pandemic. Although an increase in retirements would normally not impact long-term funding, decisions made by employers about whether to replace the teachers who have retired can impact STRS ability to reach full funding by 2046, especially if it leads to an overall reduction in the number of teachers working in the State and a reduction in total payroll. The STRS 2022 Review of Funding Levels and Risks, also notes that another area of particular concern related to payroll growth and the number of teachers in the State is the decreasing population of children enrolled in K-12 schools in the State. Total enrollment in public schools in the State dropped 271,000, or 4.4% reduction, between 2019-20 and 2021-22. Several factors contributed to the drop of enrollment during that time period, including the increase in the number of homeschool students and students enrolled in private schools during the COVID-19 pandemic. The STRS 2022 Review of Funding Levels and Risks notes that it is unclear whether the decrease in overall enrollment is permanent or simply a temporary effect of the COVID-19 pandemic. See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein. In September 2022, the State updated its projection of K-12 enrollment for the State, which assumes the number of children enrolled in K-12 schools will decline approximately 9% over the next 10 years.

On July 27, 2023, STRS reported a net return on investments of 6.3% for fiscal year 2022-23, ending with the total fund value of $315.6 billion as of June 30, 2023. The 2022-23 return keeps STRS on track long term, as the 3-,5-,10-, 20-, and 30-year returns, including the 10.1% 3-year return, all surpass the actuarial assumption of 7.0%, despite inflation, rising interest rates and global uncertainty. Due in part to the 27.2% return in fiscal year 2020-21, STRS remains in position to be fully funded by 2046.

In recent years, the PERS Board of Administration (the "PERS Board") has taken several steps, as described below, intended to reduce the amount of the unfunded accrued actuarial liability of its plans, including the Schools Pool.

On March 14, 2012, the PERS Board voted to lower the PERS' rate of expected price inflation and its investment rate of return (net of administrative expenses) (the "PERS Discount Rate") from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over a three year phase-in period in accordance with the following schedule: 7.375% for the June 30, 2017 actuarial valuation, 7.25% for the June 30, 2018 actuarial valuation and 7.00% for the June 30, 2019 actuarial valuation. The new discount rate went into effect July 1, 2017 for the State and July 1, 2018 for K-14 school districts and other public agencies. Lowering the PERS Discount Rate means employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Reform Act (defined below) will also see their contribution rates rise. The PERS Funding Risk Mitigation Policy recently triggered an automatic decrease of 0.2% in the PERS Discount Rate due to the investment return in fiscal year 2020-21, lowering such rate to 6.8%.

On April 17, 2013, the PERS Board approved new actuarial policies aimed at returning PERS to fully-funded status within 30 years. The policies included a rate smoothing method with a 30-year fixed amortization period for gains and losses, a five-year increase of public agency contribution rates, including the contribution rate at the onset of such amortization period, and a five year reduction of public agency contribution rates at the end of such amortization period. The new actuarial policies were first included in the June 30, 2014 actuarial valuation and were implemented with respect the State, K-14 school districts and all other public agencies in fiscal year 2015-16.

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The new actuarial assumptions were first reflected in the Schools Pool in the June 30, 2015 actuarial valuation. The increase in liability due to the new assumptions will be amortized over 20 years with increases phased in over five years, beginning with the contribution requirement for fiscal year 2016-17. The new demographic assumptions affect the State, K-14 school districts and all other public agencies.

On February 14, 2018, the PERS Board approved a new actuarial amortization policy with an effective date for actuarial valuations beginning on or after June 30, 2019, which includes (i) shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years, (ii) requiring that amortization payments for all unfunded accrued liability bases established after the effective date be computed to remain a level dollar amount throughout the amortization period, (iii) removing the 5-year ramp-up and ramp-down on unfunded accrued liability bases attributable to assumptions changes and non-investment gains/losses established on or after the effective date and (iv) removing the 5-year ramp-down on investment gains/losses established after the effective date. While PERS expects that reducing the amortization period for certain sources of unfunded liability will increase future average funding ratios, provide faster recovery of funded status following market downturns, decrease expected cumulative contributions, and mitigate concerns over intergenerational equity, such changes may result in increases in future employer contribution rates.

The PERS Board is required to undertake an experience study every four years under its Actuarial Assumptions Policy and State law. As a result of the most recent experience study, on November 17, 2021 (the "2021 Experience Study"), the PERS Board approved new actuarial assumptions, including (i) lowering the inflation rate to 2.30% per year, (ii) increasing the assumed real wage inflation assumption to 0.5%, which results in a total wage inflation of 2.80%, (iii) increasing the payroll growth rate to 2.80%, and (iv) certain changes to demographic assumptions relating to modifications to the mortality rates, retirement rates, and disability rates (both work and non-work related), and rates of salary increases due to seniority and promotion. These actuarial assumptions will be incorporated into the actuarial valuation for fiscal year ending June 30, 2021 and will first impact contribution rates for school districts in fiscal year 2022-23. Based on the timing of the study, the member data used in the analysis, which runs through June 30, 2019, does not include the impacts of COVID-19. Preliminary analysis of the system experience since the beginning of the pandemic has shown demographic experience (e.g. retirements, deaths, etc.) did differ from the current actuarial assumptions in some areas, which will be more precisely quantified in future actuarial valuations.

On November 15, 2021, the PERS Board selected a new asset allocation mix through its periodic Asset Liability Management Study that will guide the fund's investment portfolio for the next four years, retained the current 6.8% discount rate and approved adding 5% leverage to increase diversification. The new asset allocation takes effect July 1, 2022 and will impact contribution rates for employers and PEPRA employees beginning in fiscal year 2022-23.

In November 2022, PERS released its 2022 Annual Review of Funding Levels and Risk (the "2022 PERS Funding Levels and Risk Report"), which provided a summary of the current funding levels of the system, the near-term outlook for required contributions and risks faced by the system in the near and long-term. The results presented in the 2022 PERS Funding Levels and Risk Report are based on the June 30, 2021 annual valuations, which have been projected forward to June 30, 2022 based on preliminary investment performance for the year ending June 30, 2022. The unfavorable investment returns during the year ending June 30, 2022 resulted in decreases to the funded ratios for PERS plans. The funded status of the Schools Pool decreased from 78.3% as of June 30, 2021 to a projected 69% as of June 30, 2022. The 2022 PERS Funding Levels and Risk Report notes that the pandemic has potential to alter the experience of the retirement in several different areas, including investment returns, inflation, deaths, retirements, terminations, disability retirements, and pay increases. See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein. The 2022 PERS Funding Levels and Risk Report notes that over the next several years, inflation and near-term economic decline, also have the potential to either increase required contributions or add additional financial strain on employers and their ability to make required contributions. PERS and its members are potentially impacted by high inflation because wages generally keep pace with inflation over the long-term, many retirees are likely to receive higher cost-of-living adjustments but will likely still lose purchasing power, and increases in wages exceeding the assumed increases and higher COLAs result in higher contributions for employers. In addition, many forecasters are predicting an economic slowdown in the near future, which could lead to lower investment returns, increased investment volatility, and higher unemployment. If the system experiences lower than expected investment returns, the potential impact on required contributions, combined with the impacts of high inflation, could push contribution rates to levels that would prove challenging for some employers.

The Schools Pool Actuarial Valuation as of June 30, 2022 (the "2022 PERS Actuarial Valuation"), reported that from June 30, 2021 to June 30, 2022 the funded ratio of the Schools Pool decreased by 10.4% (from 78.3% to 67.9%), which was primarily due to investment return in 2021-22 being lower than expected. The investment return for the year ending June 30, 2022 was approximately -6.1% reduced for administrative expenses, lower than the assumed return of 6.8%, leading to an investment experience loss. This loss will be amortized over 20 years with a five-year ramp (phase-in). When PERS released the preliminary investment returns for fiscal year 2021-22 on July 20, 2022, PERS noted that volatile global financial markets, geopolitical instability, domestic interest rate hikes, and inflation all had an impact on the investment return. Non-investment experience produced a net loss of approximately $1.6 billion, driven by annuitant cost-of-living adjustments greater than assumed and salary increases greater than assumed. These experience losses generated new unfunded liability, increasing the unfunded liability component of the required employer contribution rate for the next 20 years in accordance with the actuarial amortization policy. The 2022 PERS Actuarial Valuation reports that the contribution rate for fiscal year 2024-25 is projected to be 27.8%, the contribution rate for fiscal year 2025-26 is projected to be 28.5%, the contribution rate for fiscal year 2026-27 is projected to be 28.9%, the contribution rate for fiscal year 2027-28 is projected to be 30.3%, and the contribution rate for fiscal year 2028-29 is projected to be 30.1%. The projected contribution rates in the 2022 PERS Actuarial Valuation reflect an investment loss for fiscal year 2022-23 based on preliminary investment return information released by the PERS Investment Office. Further, projected rates reflect the anticipated decrease in normal cost due to new hires entering lower cost benefit tiers. The projections assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits or funding will occur during the projection period. Future contribution requirements may differ significantly. The actual long-term cost of the plan will depend on the actual benefits and expenses paid and the actual investment experience of the fund. The PERS actuary noted in the 2022 PERS Actuarial Valuation that, during the period between the valuation date and the publication of the 2022 PERS Actuarial Valuation, inflation has been higher than the expected inflation rate of 2.3% per annum. Since Inflation influences cost-of-living increases for retirees and beneficiaries and active member pay increases, higher inflation is likely to put at least some upward pressure on contribution requirements and downward pressure on the funded status in the June 30, 2023 valuation.

On July 19, 2023. PERS reported a preliminary net return on investment of 5.8% for fiscal year 2022-23. When factoring in PERS' discount rate of 6.8% — comparable to an assumed annual rate of return – and the 2022-23 preliminary return of 5.8%, the estimated funded status now stands at 72%. As of June 30, 2023, assets were valued at $462.8 billion. The final investment return for fiscal year 2022-23 will be calculated based on audited figures and will be reflected in contribution levels for the State and school district employers in fiscal year 2024-25.

The District can make no representations regarding the future program liabilities of STRS, or whether the District will be required to make additional contributions to STRS in the future above those amounts required under AB 1469. The District can also provide no assurances that the District's required contributions to PERS will not increase in the future.

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 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For PEPRA Members, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

GASB Statement Nos. 67 and 68. On June 25, 2012, GASB approved Statements Nos. 67 and 68 ("Statements") with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government's balance sheet (previously, such unfunded liabilities are typically included as notes to the government's financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

For fiscal year ending June 30, 2022, the District's proportionate share of the net STRS pension liability was $26,112,190. As of such date, the District's proportionate share of the net PERS pension liability was $3,955,567.

For additional information, see "APPENDIX A – THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS – Note 14 – Employee Retirement Systems" herein.

Other Post-Employment Benefits

Plan Description. The District administers a single-employer defined benefit healthcare plan (the "Plan"). The Plan provides medical and dental insurance benefits (the "Post-Employment Benefits") to eligible retirees and their spouses until age 65. Post-Employment Benefits are eligible to be received for a period of ten years, or until such employee reaches age 65, whichever occurs first. Membership of the Plan consists of 29 retirees currently receiving benefits, and 444 active plan members. Retirees are eligible if they retire directly from the District on or after age 55 for classified employees and age 50 for certificated employees having served with the District for at least 10 years. The Post-Employment Benefits are capped for all employees at the time of retirement and they end at age 65.

Funding Policy. The contribution requirements of Plan members and the District are established and may be amended by the District, the District's bargaining units and unrepresented groups. The District's funding policy is based on a "pay-as-you-go" basis for the cost of providing coverage to current retirees. The District contributed $599,477 for fiscal year 2017-18, $584,584 for fiscal year 2018-19, $598,932 for fiscal year 2019-20, $636,800 for fiscal year 2020-21, $576,091 in fiscal year 2021-22 and $531,098 (unaudited) for fiscal year 2022-23, with all contributions used for premiums of health and medical benefits for retired employees.

For fiscal year 2023-24, the District has a budgeted a contribution of $363,782 to the Plan, all of which is expected to be used for current premiums of health and medical benefits for retired employees. See "APPENDIX A – THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS – Note 13 -Total Other Post Employment Benefit (OPEB) Liability" attached hereto.

The District has segregated funds in an internal service fund ("Internal Service Fund") to begin funding its accrued liability with respect to the Post-Employment Benefits (discussed below). The District had $17,873,429 in the Internal Service Fund as of June 30, 2023. The District has not budgeted a deposit into the Internal Service Fun for fiscal year 2023-24. These funds, however, will not be deposited into an irrevocable trust and are available for general fund purposes upon formal action of the Board.

GASB Statement Nos. 74 and 75. On June 2, 2015, GASB Statement No. 74 and GASB Statement No. 75 with respect to pension accounting and financial reporting standards for public sector post-retirement benefit programs and the employers that sponsor them. GASB Statement No. 74 replaces GASB Statements No. 43 and 57 and GASB Statement No. 75 replaces GASB Statement No. 45.

Most of GASB Statement No. 74 applies to plans administered through trusts, in which contributions are irrevocable, trust assets are dedicated to providing other post–employment benefits to plan members, and trust assets are legally protected from creditors. GASB Statements No. 74 and No. 75 will require a liability for OPEB obligations, known as the NOL, to be recognized on the balance sheet of the plan and the participating employer's financial statements. In addition, an OPEB expense (service cost plus interest on total OPEB liability plus current-period benefit changes minus member contributions minus assumed earning on plan investments plus administrative expenses plus recognition of deferred outflows minus recognition of deferred inflows) will be recognized in the income statement of the participating employers. In the notes to its financial statements, employers providing other post-employment benefits will also have to include information regarding the year-to-year change in the NOL and a sensitivity analysis of the NOL to changes in the discount rate and healthcare trend rate. The required supplementary information will also be required to show a 10-year schedule of the plan's net OPEB liability reconciliation and related ratios, and any actuarially determined contributions and investment returns.

Under GASB Statement No. 74, the measurement date must be the same as the plan's fiscal year end, but the actuarial valuation date may be any date up to 24 months prior to the measurement date. For the Total OPEB Liability (the "TOL"), if the valuation date is before the measurement date, the results must be projected forward from the valuation date to the measurement date using standard actuarial roll-forward techniques. For plans that are unfunded or have assets insufficient to cover the projected benefit payments, a discount rate reflecting a 20-year tax-exempt municipal bond yield or index rate must be used. For plans with assets that meet the GASB Statement No. 74 requirements, a projection of the benefit payments and future Fiduciary Net Position (the "FNP") is performed based on the funding policy and assumptions of the plan, along with the methodology specified in GASB.

GASB Statement No. 74 has an effective date for plan fiscal years beginning after June 15, 2016 and GASB Statement No. 75 is effective for employer fiscal years beginning after June 15, 2017. The District has recognized GASB Statement No. 74 and GASB Statement No. 75 in their financial statements for fiscal year 2021-22. See "APPENDIX A – THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS – Note 1 – Summary of Significant Accounting Policies" attached hereto.

Actuarial Study. The District has implemented Governmental Accounting Standards Board Statement #75, Financial Reporting for Postemployment Benefit Plans Other Than Pensions ("GASB 75"), pursuant to which the District has commissioned and received several actuarial studies of its liability with respect to the Post-Employment Benefits. The GASB Statement No. 74 and GASB Statement No. 75 require biennial actuarial valuations for all plans. The actuarial study, dated as of September 6, 2023 (the "Study"), concluded that, as of June 30, 2022, the TOL with respect to such benefits, was $15,984,161, the FNP was $0, and the NOL was $15,984,161. The TOL is the amount of the actuarial present value of projected benefits payments attributable to employees' past service based on the actuarial cost method used. The FNP are the net assets (liability) of the qualifying irrevocable trust or equivalent arrangement. The NOL is TOL minus the FNP.

Cybersecurity

The District, like many 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 is potentially subject to multiple 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 access to the District's systems for the purposes of misappropriating assets or information or causing operational disruption or damage. The District carries cybersecurity insurance.

No assurance can be given that the District's efforts to manage cyber threats and attacks will, in all cases, be successful or that any such attack will not materially impact the operations or finances of the District. The District is also reliant on other entities and service providers, such as the Paying Agent, the County or the Dissemination Agent in connection with compliance by the District with its continuing disclosure undertakings. No assurance can be given that the District may not be affected by cyber threats and attacks against other entities or service providers in a manner which may affect the Owners of the Bonds, e.g., systems related to the timeliness of payments on the Bonds or compliance with disclosure filings pursuant to the Continuing Disclosure Certificate.

Risk Management

The District's risk management activities are recorded in the general fund. Employee life, health, dental and disability programs are administered by the general fund through the purchase of commercial insurance and participation in a public entity risk pool. The District participates in the San Mateo County

Schools Insurance Group public entity risk pool ("SMCSIG") which covers the District for up to $250,000 per occurrence for both property and liability. Excess coverage for liability is purchased through SMCSIG up to $5,000,000 through Public Risk Innovation, Solutions, and Management (PRISM), formerly known as CSAC Excess Insurance Authority, and from $5,000,000 to $55,000,000 is purchased through the SMCSIG from School Excess Liability Fund ("SELF"). Excess coverage for property is purchased through the SMCSIG up to $1,000,000,000 from Alliant Insurance Services, Inc. Public Entity Property Insurance Program. "APPENDIX A – THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS – Note 11 – Risk Management" herein.

Joint Powers Agreements

The District is a member of the SMCSIG and Municipal, Colleges, Schools Insurance Group ("MCSIG"), joint powers authorities (collectively, "JPAs"). The District pays an annual premium to the entity for its dental, workers' compensation, and property liability coverage. The relationship between the District and the JPAs are such that they are not a component unit of the District for financial reporting purposes. During the year ended June 30, 2020, the District made payments of $2,966,849 to SMCSIG. During the year ended June 30, 2021, the District made payments of $2,545,783 to SMCSIG. During the year ended June 30, 2022, the District made payments of $2,547,582 to SMCSIG. During the year ended June 30, 2023, the District made payments of $2,539,824 to SMCSIG. "APPENDIX A – THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS – Note 12 – Joint Ventures (Joint Powers Agreements)" herein.

District Debt Structure

Short-Term Debt. The District currently has no outstanding short-term debt.

Long-Term Debt. A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2022 is shown below:

	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022
General obligation bonds	$121,720,000	--	$(5,380,000)	$116,340,000
Unamortized debt premiums	4,585,840	--	(603,791)	3,982,049
Certificates of participation[(1)]	--	$11,030,000	--	11,030,000
Unamortized debt discounts	--	(350,990)	11,700	(339,290)
Compensated absences	359,538	226,421	(119,846)	466,113
Totals	$126,665,378	$10,905,431	$(6,091,937)	$131,478,872

(1) The District's Certificates of Participation (2021 Workforce Housing Project) were defeased with the proceeds of the Election of 2022 Series A Bonds.

Source: Jefferson Elementary School District.

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General Obligation Bonds.

2001 Authorization. The District received authorization at an election held on November 6, 2001, by at least two-thirds of the votes cast by eligible voters within the District, to issue $52,000,000 maximum principal amount of general obligation bonds (the "2001 Authorization"). The District issued an initial series of bonds (the "Series 2002 Bonds") on March 28, 2002 in the original principal amount of $15,000,000, a second series of bonds (the "Series 2004 Bonds") on February 4, 2004 in the original principal amount of $20,000,000, and a third series of bonds (the "Series 2005 Bonds") in September 1, 2005 in the original principal amount of $17,000,000. There is no more principal remaining from the 2001 Authorization for the issuance of additional general obligation bonds.

On January 30, 2007, the District issued its 2007 General Obligation Refunding Bonds in the aggregate principal amount of $9,229,269.12 (the "2007 Refunding Bonds"), the proceeds of which were utilized to advance refund a portion of the District's Series 2002 Bonds. On March 8, 2012, the District issued its 2012 General Obligation Refunding Bonds in the aggregate principal amount of $17,175,000 (the "2012 Refunding Bonds"), the proceeds of which were utilized to currently refund the outstanding Series 2002 Bonds and a portion of the outstanding Series 2004 Bonds. On May 14, 2013, the District issued its 2013 General Obligation Refunding Bonds in the aggregate principal amount of $15,395,000 (the "2013 Refunding Bonds"), the proceeds of which were utilized to advance refund a portion of the Series 2005 Bonds. On August 15, 2017, the District issued its 2017 General Obligation Refunding Bonds in the aggregate principal amount of $16,205,000 (the "2017 Refunding Bonds"), the proceeds of which were utilized to currently refund all of the District's outstanding 2007 Refunding Bonds and advance refund a portion of the District's outstanding 2012 Refunding Bonds. On October 27, 2020, the District issued its 2020 General Obligation Refunding Bonds in an aggregate principal amount of $49,680,000 (the "2020 Refunding Bonds"), a portion of the proceeds of which were utilized to advance refund a portion of the 2013 Refunding Bonds.

2012 Authorization. The District received authorization at an election held on November 6, 2012 (the "2012 Authorization"), at which the requisite 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of $67,500,000 principal amount of general obligation bonds of the District. On June 11, 2013, the District issued its Election of 2012 General Obligation Bonds Series A in an aggregate principal amount of $17,500,000 (the "Election of 2012 Series A Bonds"). On November 13, 2014, the District issued its Election of 2012 General Obligation Bonds, Series B in an aggregate principal amount of $17,500,000 (the "Election of 2012 Series B Bonds"). On November 17, 2015, the District issued its Election of 2012 General Obligation Bonds, Series C in an aggregate principal amount of $17,500,000 (the "Election of 2012 Series C Bonds"). On August 15, 2017, the District issued its Election of 2012 General Obligation Bonds, Series D in an aggregate principal amount of $15,000,000 (the "Election of 2012 Series D Bonds"). A portion of the proceeds from the 2020 Refunding Bonds were utilized to advance refund a portion of the Election of 2012 Series A Bonds and advance refund all of the Election of 2012 Series B Bonds. There is no more principal remaining from the 2012 Authorization for the issuance of additional general obligation bonds.

2018 Authorization. Pursuant to the 2018 Authorization, the voters of the District authorized the issuance of not-to-exceed $30,000,000 of general obligation bonds. On April 30, 2019, the District issued its Election of 2018 General Obligation Bonds, Series A in an aggregate principal amount of $15,000,000 (the "Election of 2018 Series A Bonds"). On October 27, 2020, the District issued its Election of 2018 General Obligation Bonds, Series B in an aggregate principal amount of $15,000,000 (the "Election of 2018 Series B Bonds"). There is no more principal remaining from the 2018 Authorization for the issuance of additional general obligation bonds.

2022 Authorization. Pursuant to the 2022 Authorization, the voters of the District authorized the issuance of not-to-exceed $45,000,000 of general obligation bonds. On November 8, 2022, the District issued its Election of 2022 Series A Bonds in an aggregate principal amount of $22,500,000. The Bonds are the second issuance of bonds under the 2022 Authorization. After the issuance of the Bonds, $12,500,000 of the 2022 Authorization will remain.

The table below indicates the annual debt service for all of the District's currently outstanding general obligation bonds (assuming no optional redemptions are made).

OUTSTANDING GENERAL OBLIGATION BONDS ANNUAL DEBT SERVICE
Jefferson Elementary School District

	2001 Authorization		2012 Authorization		2018 Authorization			2022 Authorization		
September 1	2013 Refunding Bonds	2017 Refunding Bonds	Election of 2012 Series C Bonds	Election of 2012 Series D Bonds	Election of 2018 Series A Bonds	Election of 2018 Series B Bonds	2020 Refunding Bonds	Election of 2022 Series A Bonds	The Bonds	Combined Debt Service
2024	$720,862.50	$1,393,250.00	$903,443.76	$946,937.50	$494,562.50	$1,026,325.00	$2,012,271.66	$2,657,150.00	$371,176.11	$10,525,979.03
2025	--	1,389,000.00	923,693.76	1,020,937.50	494,562.50	942,575.00	2,850,307.02	977,150.00	1,441,262.50	10,039,488.28
2026	--	1,477,500.00	972,193.76	1,004,937.50	494,562.50	995,775.00	2,925,247.00	977,150.00	443,762.50	9,291,128.26
2027	--	2,659,000.00	1,017,443.76	1,043,187.50	494,562.50	1,050,575.00	3,048,427.40	977,150.00	443,762.50	10,734,108.66
2028	--	2,682,080.56	1,014,443.76	1,122,937.50	494,562.50	1,102,175.00	3,176,071.00	977,150.00	443,762.50	11,013,182.82
2029	--	--	1,075,443.76	1,151,937.50	829,562.50	825,575.00	6,171,416.00	977,150.00	443,762.50	11,474,847.26
2030	--	--	1,092,193.76	1,225,800.00	862,812.50	848,775.00	6,307,406.00	977,150.00	443,762.50	11,757,899.76
2031	--	--	1,138,893.76	1,271,250.00	898,562.50	875,175.00	2,109,346.00	977,150.00	443,762.50	7,714,139.76
2032	--	--	1,183,643.76	1,324,450.00	931,562.50	904,575.00	2,186,716.00	977,150.00	443,762.50	7,951,859.76
2033	--	--	1,225,518.76	1,378,650.00	966,812.50	926,775.00	2,285,556.00	1,342,150.00	443,762.50	8,569,224.76
2034	--	--	1,275,362.50	1,433,850.00	1,008,775.00	954,425.00	2,369,625.00	1,383,900.00	658,762.50	9,084,700.00
2035	--	--	1,331,762.50	1,488,350.00	1,049,175.00	985,575.00	2,463,990.00	1,432,650.00	678,012.50	9,429,515.00
2036	--	--	1,385,400.00	--	1,091,975.00	1,015,075.00	2,558,365.00	1,482,900.00	705,762.50	8,239,477.50
2037	--	--	1,438,400.00	--	1,131,975.00	1,045,843.76	2,669,115.00	1,539,400.00	726,512.50	8,551,246.26
2038	--	--	2,147,600.00	--	1,179,175.00	1,075,550.00	1,455,740.00	1,591,650.00	750,512.50	8,200,227.50
2039	--	--	2,231,600.00	--	1,228,175.00	1,109,193.76	1,511,240.00	1,644,650.00	782,512.50	8,507,371.26
2040	--	--	2,319,200.00	--	1,273,775.00	1,141,668.76	1,572,085.00	1,703,150.00	807,012.50	8,816,891.26
2041	--	--	--	--	1,329,000.00	142,975.00	1,635,365.00	1,761,650.00	834,262.50	5,703,252.50
2042	--	--	--	--	1,381,300.00	--	1,700,945.00	1,829,900.00	859,012.50	5,771,157.50
2043	--	--	--	--	1,435,675.00	--	1,768,690.00	1,891,762.50	890,425.00	5,986,552.50
2044	--	--	--	--	1,491,962.50	--	1,843,465.00	1,954,825.00	924,500.00	6,214,752.50
2045	--	--	--	--	--	--	--	2,026,062.50	956,000.00	2,982,062.50
2046	--	--	--	--	--	--	--	2,099,687.50	984,250.00	3,083,937.50
2047	--	--	--	--	--	--	--	2,175,175.00	1,019,250.00	3,194,425.00
2048	--	--	--	--	--	--	--	2,247,000.00	1,060,500.00	3,307,500.00
2049	--	--	--	--	--	--	--	2,319,900.00	1,102,500.00	3,422,400.00
Total	$720,862.50	$9,600,830.56	$22,676,237.60	$14,413,225.00	$20,563,087.50	$16,968,606.28	$54,621,389.08	$40,900,762.50	$19,102,326.11	$199,567,327.13

Source: Jefferson Elementary School District

LIMITATION ON REMEDIES; BANKRUPTCY

General. State law contains certain safeguards to protect the financial solvency of school districts. See "DISTRICT FINANCIAL INFORMATION – Budget Process" herein. If the safeguards are not successful in preventing a school district from becoming insolvent, the State Superintendent, operating through an administrator appointed thereby, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") on behalf of the school district for the adjustment of its debts, assuming that the school district meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. School districts are not themselves authorized to file a bankruptcy proceeding, and they are not subject to involuntary bankruptcy.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the automatic stay provisions of Bankruptcy Code Sections 362 and 922 generally would prohibit creditors from taking any action to collect amounts due from the District or to enforce any obligation of the District related to such amounts due, without consent of the District or authorization of the bankruptcy court (although such stays would not operate to block creditor application of pledged special revenues to payment of indebtedness secured by such revenues). In addition, as part of its plan of adjustment in a chapter 9 bankruptcy case, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Moreover, regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

Statutory Lien. Pursuant to Government Code Section 53515, the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax, and such lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the Bonds are executed and delivered. See "THE BONDS – Security and Sources of Payment" herein. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed, unless the Bonds are determined to be secured by a pledge of "special revenues" within the meaning of the Bankruptcy Code and the pledged *ad valorem* property taxes are applied to pay the Bonds in a manner consistent with the Bankruptcy Code.

Special Revenues. If the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be "special revenues" within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* property revenues should not be subject to the automatic stay. "Special revenues" are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. State law prohibits the use of the tax proceeds for any purpose other than payment of the Bonds and the Bond proceeds can only be used to finance or refinance the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* property tax revenues collected for the payments of bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

Possession of Tax Revenues; Remedies. The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the County's pooled investment fund, as described in "THE BONDS – Application and Investment of Bond Proceeds" herein and "APPENDIX E – SAN MATEO COUNTY TREASURY POOL" attached hereto. If the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County does not voluntarily pay such tax revenues to the owners of the Bonds, it is not entirely clear what procedures the owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. Further, should those investments suffer any losses, there may be delays or reductions in payments on the Bonds.

Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor's Rights. The proposed form of the approving opinion of Bond Counsel attached hereto as APPENDIX B is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights. Bankruptcy proceedings, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), generally certain corporations with more than $1,000,000,000 of average annual adjusted financial statement income, interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax.

The excess of the stated redemption price at maturity of a Bond over the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the Bond Owner will increase the Bond Owner's basis in the applicable Bond.

Bond Counsel's opinion as to the exclusion from gross income of interest (and original issue discount) on the Bonds is based upon certain representations of fact and certifications made by the District and others and is subject to the condition that the District complies with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that interest (and original issue discount) on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar Bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest on the Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE BONDS THERE MIGHT BE FEDERAL, STATE, OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE, OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE, OR LOCAL TAX TREATMENT OF THE BONDS INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE BONDS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest (and original issue discount) on the Bonds for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

Although Bond Counsel has rendered an opinion that interest on the Bonds is excluded from gross income for federal income tax purposes provided that the District continues to comply with certain requirements of the Code, the ownership of the Bonds and the accrual or receipt of interest with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Bonds.

A copy of the proposed form of opinion of Bond Counsel for the Bonds is attached hereto as APPENDIX B.

LEGAL MATTERS

Continuing Disclosure

Current Undertaking. In connection with the issuance of the Bonds, the District has covenanted for the benefit of bondholders (including Beneficial Owners of the Bonds) to provide certain financial information and operating data relating to the District (the "Annual Reports") by not later than nine months following the end of the District's fiscal year (which currently ends June 30), commencing with the report for the 2021-22 fiscal year, and to provide notices of the occurrence of certain Listed Events. The Annual Reports and notices of Listed Events will be filed by the District in accordance with the requirements of S.E.C. Rule 15c2-12(b)(5) (the "Rule"). The specific nature of the information to be contained in the Annual Reports or the notices of Listed Events is included in APPENDIX C – "FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. These covenants have been made in order to assist the Underwriter in complying with the Rule.

Prior Undertakings. Within the past five years, the District has not failed to file in a timely manner the annual reports and notices of listed events required in connection with its prior continuing disclosure undertakings.

Legality for Investment in California

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

Absence of Material Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* property taxes or to collect other revenues or contesting the District's ability to issue and retire the Bonds.

The District is subject to lawsuits and claims in the ordinary course of its operations. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the finances of the District.

Information Reporting Requirements

On May 17, 2006, the President signed the Tax Increase Prevention and Reconciliation Act of 2005 ("TIPRA"). Under Section 6049 of the Internal Revenue Code of 1986, as amended by TIPRA, interest paid on tax-exempt obligations is subject to information reporting in a manner similar to interest paid on taxable obligations. The effective date of this provision is for interest paid after December 31, 2005, regardless of when the tax-exempt obligations were issued. The purpose of this change was to assist in relevant information gathering for the IRS relating to other applicable tax provisions. TIPRA provides that backup withholding may apply to such interest payments made after March 31, 2007 to any bondholder who fails to file an accurate Form W-9 or who meets certain other criteria. The information reporting and backup withholding requirements of TIPRA do not affect the excludability of such interest from gross income for federal income tax purposes.

Legal Opinion

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as Bond Counsel. A copy of the proposed form of such legal opinion is attached to this Official Statement as APPENDIX B.

Financial Statements

The financial statements with supplemental information for the year ended June 30, 2022, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated March 31, 2023 of Eide Bailly LLP (the "Auditor"), are included in this Official Statement as APPENDIX A. In connection with the inclusion of the financial statements and the report of the Auditor thereon in APPENDIX A to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

RATING

Moody's has assigned a rating of "Aa1" to the Bonds.

Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, 7 World Trade Center at 250 Greenwich, New York, New York 10007. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price for the Bonds.

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

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter has agreed, pursuant to a purchase contract by and between the District and the Underwriter (the "Purchase Contract"), to purchase all of the Bonds for a purchase price of $10,472,449.25 (which is equal to the principal amount of the Bonds of $10,000,000.00, plus net original issue premium of $508,949.25, and less Underwriter's discount of $36,500.00).

The Purchase Contract for the Bonds provide that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions. The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover hereof. The offering prices may be changed from time to time by the Underwriter.

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ADDITIONAL INFORMATION

Quotations from and summaries and explanations of the Bonds, the Resolution providing for issuance of the Bonds, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

Some of the data contained herein has been taken or constructed from District records. Appropriate District officials, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. This Official Statement has been approved by the District's Board of Education.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended only 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, beneficial or otherwise, of any of the Bonds.

JEFFERSON ELEMENTARY SCHOOL DISTRICT

By /s/ Michael A. Lauro
Assistant Superintendent of Business Services/Chief Business Officer

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APPENDIX A

THE DISTRICT'S FISCAL YEAR 2021-22 AUDITED FINANCIAL STATEMENTS

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Annual Financial Report
June 30, 2022

Jefferson Elementary School District

Independent Auditor's Report

To the Governing Board
Jefferson Elementary School District
Daly City, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Elementary School District (District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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Responsibilities of Management for the Financial Statements

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

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

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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Budgetary Comparison Schedule – General Fund, Schedule of Changes in the District's Total OPEB Liability and Related Ratios, Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of the District's Contributions for Pension, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, combining non-major governmental fund financial statements, and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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 schedule of expenditures of federal awards, combining non-major governmental fund financial statements, and other supplementary information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated on March 31, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Eide Bailly LLP

Menlo Park, California
March 31, 2023

This section of the Jefferson Elementary School District's 2021-2022 annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2022.

This management's discussion and analysis should be read in conjunction with the District's financial statements, including notes and supplementary information that immediately follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $25,638,734. Of this amount, $46,429,232 in deficit represents unrestricted net position. In common with school districts in California, the District reported net pension liabilities for its proportionate share of the unfunded California State Teachers' System (CalSTRS) and California Public Employees' Retirement system (CalPERS) pension liabilities. The District's share of the pension liabilities and related deferrals is $56,022,944. In addition, the District recorded total Other Postemployment Benefits (OPEB) liability and related deferrals of $15.6 million.

- The District's total net position increased by $12,416,509. The increase was mainly due to additional COVID 19 funding.

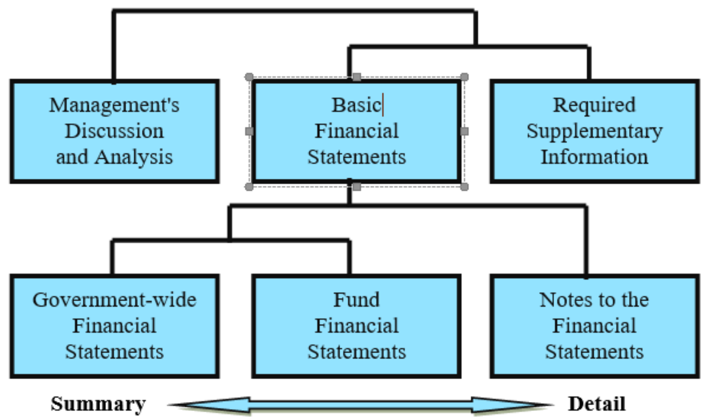
- At the close of the current fiscal year, the District's governmental funds reported combined fund balances of $84,771,113, a decrease of $4,494,192 in comparison to the prior year. This decrease is mostly due to capital outlay projects throughout the District.

- The District's total outstanding long-term debt other than pension and OPEB increased by $4,813,494 during the current fiscal year mainly due to issuance of the certificates of participation.

- The District continues to maintain the required 3% reserve for economic uncertainty. The District reserves were above the State required minimum. The District believes that reserves are a vital part of financial stability, including cash flow and protection from a history of State and Federal funding cuts.

Overview of Financial Statements

Components of the Financial Section



This annual report consists of three parts: Management's Discussion and Analysis (this section), the Basic Financial Statements and Required Supplementary Information. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements of the basic financial statements are *Government-wide Financial Statements* that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are *Fund Financial Statements* that focus on individual parts of the District, reporting the District's operation in more detail than the government-wide statements.

The *Fund Financial Statements* can be further broken down into two types:

- *Governmental Fund Statements* which tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.

- *Fiduciary Fund Statements*, providing information about the financial relationship in which the District acts solely as trustee or agent for the benefit of others to whom the resources belong.

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and *Statement of Activities* report information about the District as a whole and about its activities. These statements include all assets, deferred outflows, liabilities, and deferred inflows of the District using the accrual basis of accounting which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in it. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, which is one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net position will serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the overall health of the District, you need to consider additional non-financial factors including the condition of the District's school buildings and other facilities.

In the government-wide financial statements, the District's activities are reported as governmental activities. Most of the District's services are included here such as regular and special education, transportation and administration. Funding received from the State of California through the revenue limit, along with categorical and special education funding received from the federal and state government fund most of these activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

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

- Some funds are required by state law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that certain revenues have been properly used.

Governmental Funds

Most of the District's basic services are reported in Governmental Funds which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides.

Governmental Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information that explains the relationship (or differences) between them.

Fiduciary Funds

The District is the trustee, or fiduciary, for its scholarship funds. All of the District's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Financial Analysis of the District as A Whole

	Governmental Activities	
	2022	2021
Assets		
Current and other assets	$ 98,637,362	$ 100,007,182
Capital assets	141,487,713	128,320,150
Total assets	240,125,075	228,327,332
Deferred outflows of resources	28,482,471	36,148,215
Liabilities		
Current liabilities	15,152,043	12,970,026
Long-term liabilities	179,656,895	221,719,404
Total liabilities	194,808,938	234,689,430
Deferred inflows of resources	48,159,874	16,563,892
Net Position		
Net investment in capital assets	26,567,863	27,751,320
Restricted	45,500,103	38,192,060
Unrestricted	(46,429,232)	(52,721,155)
Total net position	$ 25,638,734	$ 13,222,225

The District's net position was $25,638,734 for the fiscal year ended June 30, 2022 up from $13,222,225 in the prior year. Of this amount, $26,567,863 is invested in capital assets and an additional $45,500,103 is restricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the school board's ability to use those assets for day-to-day operations. The unrestricted net position shows a deficit amount of $46,429,232 which reflects the recognition of $71,606,109 of the District's Proportionate Share of Net Pension Liability and OPEB liability. Our analysis above focuses on the net position and changes in net position of the District's governmental activities.

Changes in Net Position

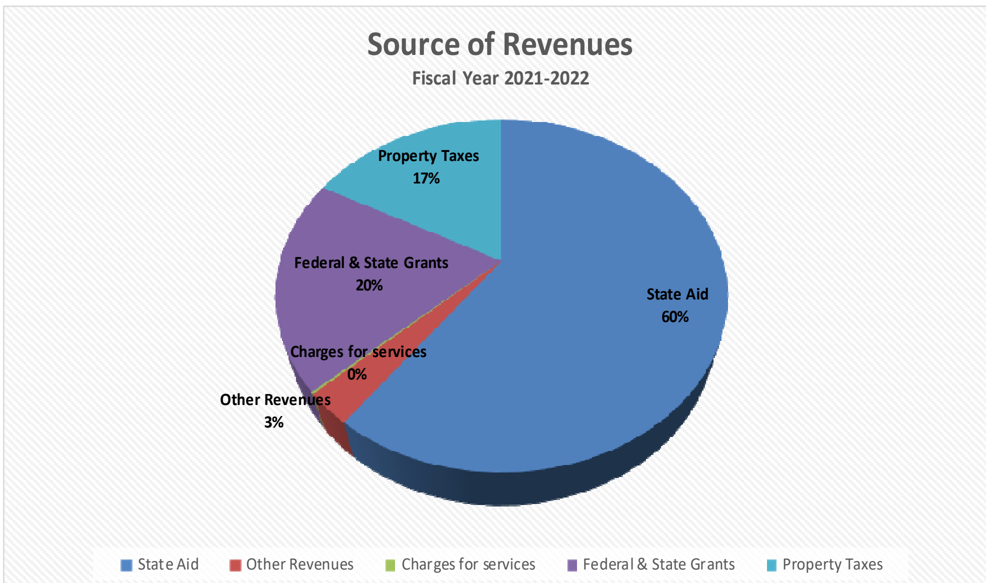
A summary of total District revenues, expenses and changes in net position is presented in the table below:

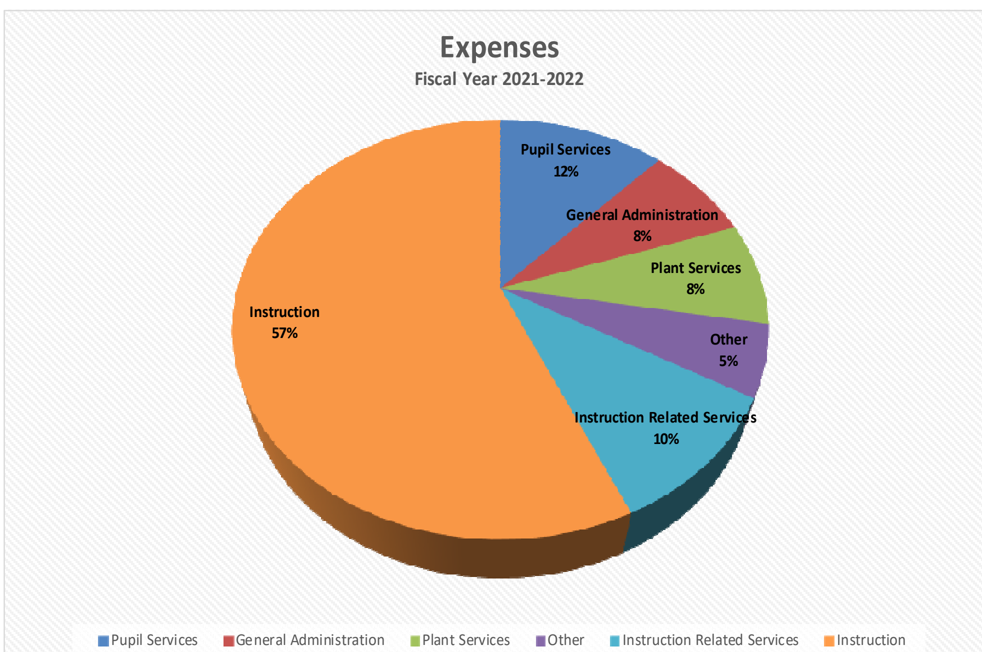
	Governmental Activities 2022	Governmental Activities 2021
Revenues		
Program revenues		
Charges for services	$ 158,043	$ 245,627
Operating grants and contributions	18,312,537	21,747,159
General revenues		
Federal and State aid not restricted	56,460,243	57,058,778
Property taxes	17,354,898	13,718,765
Other general revenues	1,515,444	2,563,227
Total revenues	93,801,165	95,333,556
Expenses		
Instruction-related	54,343,735	66,324,787
Pupil services	9,838,416	8,828,002
Administration	6,285,683	6,420,962
Plant services	6,447,004	5,776,110
All other services	4,469,818	6,019,328
Total expenses	81,384,656	93,369,189
Change in net position	$ 12,416,509	$ 1,964,367

Governmental Activities

For fiscal year 2021-2022, total District revenues were $93,801,165 down from $95,333,556 in the prior year. Total District expenses were $81,384,656. The difference of $12,416,509 is the increase in net position bringing the total net position as of June 30, 2022 to $25,638,734. The main operating sources of revenue for the District are property taxes, State aid and Federal and State categorical grants. State aid in the current year was up by $2,894,953 to $58,665,473. The other general revenue showed a decrease of $1,047,783.

As reported in the Statement of Activities, the cost of all of the District's governmental activities this year was $81,384,656. The amount that our local taxpayers ultimately financed for these activities through property taxes and other general revenues was $62,914,076. We received state, federal and local grant subsidies in the amount of $18,312,537 which are mainly grants related to COVID. The decrease in expenses is related to a pension adjustment due high returns on investments with CalPERS. While this adjustment is necessary to comply with generally accepted accounting principles but such adjustment have no impact on our budget. Our pension liabilities decreased by $47,190,521.





Financial Analysis of the District's Funds

As the District completed fiscal year 2021-2022, District governmental funds reported a combined fund balance of $84,771,113 which is a $4,494,192 decrease from the previous fiscal year.

District's Fund Balances

		Balances and Activity		
Governmental Fund	June 30, 2021	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	June 30, 2022
General	$ 25,934,636	$ 92,958,097	$ 95,953,552	$ 22,939,181
Student Activity Fund	43,000	59,158	47,209	54,949
Child Development	630,575	2,567,940	2,613,910	584,605
Cafeteria	701,330	3,492,659	2,993,039	1,200,950
Deferred Maintenance	309,700	(6,771)	-	302,929
Special Reserve Fund for Postemployment Benefits	8,750,915	9,008,702	-	17,759,617
Building	21,763,499	(264,007)	9,157,266	12,342,226
Capital Facilities	1,072,270	28,711	56,917	1,044,064
County School Facilities	12,309	(270)	-	12,039
Special Reserve Fund for Capital Outlay Projects	21,059,785	(460,605)	34,900	20,564,280
Bond Interest and Redemption	8,987,286	8,136,613	9,157,626	7,966,273
Total	$ 89,265,305	$ 115,520,227	$ 120,014,419	$ 84,771,113

- The primary reasons for the changes are:
- The General Fund is our principal operating fund. The fund balance shows a net decrease of $2,995,455.
- The fund balance in the Building Fund (Bond Fund) decreased by $9,421,273. This was the result of expenditures by the District in connection with Measures I and U projects.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget periodically. The significant budget adjustments fell into the following categories:

- Significant revenue revisions made to the 2021-2022 Budget were due to increased federal aid as a result of additional COVID-19 and Learning Loss Mitigation funding passed through the State from the U.S. Department of Education and U.S. Department of Treasury.
- Budgeted expenditures increased by $4.6 million due to additional expenses incurred that were learning loss mitigation or COVID-19 related and funded by the grants mentioned above.

The final revised budget for the General Fund reflected a net decrease to the ending balance of $10,318,668. The actual increase was $2,995,455 due to timing of certain projects funded with our certificate of participation program.

Capital Assets at Year End Net of Depreciation

At June 30, 2022, the District had $141,487,713 (net of depreciation) in a broad range of capital assets, including land, buildings and furniture and equipment. The District uses $5,000 as its capitalization threshold.

	Governmental Activities	
	2022	2021
Land and construction in progress	$ 32,249,550	$ 17,307,358
Buildings and improvements	106,324,185	107,845,715
Equipment	2,913,978	3,167,077
Total	$ 141,487,713	$ 128,320,150

Outstanding Long Term Liabilities

	Governmental Activities	
	2022	2021
Long-Term Liabilities		
General obligation bonds	$ 116,340,000	$ 121,720,000
Certificates of participation	11,030,000	-
Unamortized discounts	(339,290)	-
Unamortized premiums	3,982,049	4,585,840
Compensated absences	466,113	359,538
Total OPEB liability	18,110,266	15,001,586
Aggregate net pension liability	30,067,757	77,258,278
Total	$ 179,656,895	$ 218,925,242

Outstanding Long term liabilities decreased by a net amount of $39,268,347 during the 2021-2022 fiscal year. The decrease is mainly due to a decrease in the net pension liabilities in the current year.

Economic Factors and Next Year's Budget rates

At the time of preparation of the District's 2021-2022 budget, the State budget proposal included a COLA of 5.07 percent. Average daily attendance was kept at 2019-2020 P-2 "hold-harmless" levels and the estimated Unduplicated Pupil Count percentage for supplemental and concentration grants was adjusted slightly to 65.20%. The District has been experiencing declining enrollment (498 students lost from fiscal year 20-21 to fiscal year 21-22), however the "hold-harmless" ADA provision will keep JESD funded on FY 19-20 levels. This provision ends after FY 2021-2022, and will revert back to funding based on current or prior year's ADA, or the computed average ADA using the prior three years' ADA, whichever is greater. The FCMAT LCFF calculator was used for revenue projections and Minimum Proportionality Percentage (MPP) estimates.

Contacting the District Financial Management

This financial report is designed to provide our parents, citizens, taxpayers, 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 any questions regarding this report or need additional financial information, please contact Michael Lauro, Chief Business Official, at Jefferson Elementary School District, 101 Lincoln Avenue, Daly City, CA 94015.

	Governmental Activities
Assets	
Deposits and investments	$ 89,993,856
Receivables	8,621,899
Stores inventories	21,607
Capital assets not depreciated	32,249,551
Capital assets, net of accumulated depreciation	109,238,162
Total assets	240,125,075
Deferred Outflows of Resources	
Refunding related	3,750,683
OPEB related	4,008,470
Pension Related	20,723,318
Total deferred outflows of resources	28,482,471
Liabilities	
Accounts payable	12,602,576
Interest payable	1,285,794
Unearned revenue	1,263,673
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	5,832,462
Long-term liabilities other than OPEB and pensions due in more than one year	125,646,410
Total other postemployment benefits liability (OPEB)	18,110,266
Aggregate net pension liabilities	30,067,757
Total liabilities	194,808,938
Deferred Inflows of Resources	
OPEB related	1,481,369
Pension Related	46,678,505
Total deferred inflows of resources	48,159,874
Net Position	
Net investment in capital assets	26,567,863
Restricted for	
Debt service	9,133,457
Capital projects	21,923,312
Educational programs	13,242,384
Food service	1,200,950
Unrestricted	(46,429,232)
Total net position	$ 25,638,734

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities				
Instruction	$ 46,126,583	$ 13,767	$ 10,488,058	$ (35,624,758)
Instruction-related activities				
Supervision of instruction	2,002,850	468	581,782	(1,420,600)
Instructional library, media, and technology	757,161	2,426	76,270	(678,465)
School site administration	5,457,141	479	923,096	(4,533,566)
Pupil services				
Home-to-school transportation	1,641,861	-	86,485	(1,555,376)
Food services	2,999,281	55,806	3,233,116	289,641
All other pupil services	5,197,274	2,158	1,367,483	(3,827,633)
Administration				
Data processing	1,853,687	-	565	(1,853,122)
All other administration	4,431,996	2,666	409,421	(4,019,909)
Plant services	6,447,004	5,319	635,653	(5,806,032)
Ancillary services	61,305	80	1,594	(59,631)
Community services	71,700	590	3,913	(67,197)
Interest on long-term liabilities	2,794,203	-	-	(2,794,203)
Other outgo	1,542,610	74,284	505,101	(963,225)
Total governmental activities	$ 81,384,656	$ 158,043	$ 18,312,537	(62,914,076)
General Revenues and Subventions				
Property taxes, levied for general purposes				7,891,171
Property taxes, levied for debt service				8,217,815
Taxes levied for other specific purposes				1,245,912
Federal and State aid not restricted to specific purposes				56,460,243
Interest and investment earnings				603,325
Miscellaneous				912,119
Subtotal, general revenues				75,330,585
Change in Net Position				12,416,509
Net Position - Beginning				13,222,225
Net Position - Ending				$ 25,638,734

	General Fund	Special Reserve Postemploymnent Benefits	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds
Assets						
Deposits and investments	$ 36,987,332	$ 8,535,824	$ 13,519,772	$ 20,552,359	$ 10,398,569	$ 89,993,856
Receivables	7,415,575	23,793	39,125	57,288	1,086,118	8,621,899
Due from other funds	186,932	9,200,000	-	-	52,122	9,439,054
Stores inventories	-	-	-	-	21,607	21,607
Total assets	$ 44,589,839	$ 17,759,617	$ 13,558,897	$ 20,609,647	$ 11,558,416	$ 108,076,416
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 11,210,224	$ -	$ 1,216,112	$ 45,367	$ 130,873	$ 12,602,576
Due to other funds	9,252,122	-	559	-	186,373	9,439,054
Unearned revenue	1,188,312	-	-	-	75,361	1,263,673
Total liabilities	21,650,658	-	1,216,671	45,367	392,607	23,305,303
Fund Balances						
Nonspendable	30,000	-	-	-	21,607	51,607
Restricted	12,602,830	-	12,342,226	20,564,280	11,144,202	56,653,538
Committed	2,665,039	17,759,617	-	-	-	20,424,656
Assigned	3,369,956	-	-	-	-	3,369,956
Unassigned	4,271,356	-	-	-	-	4,271,356
Total fund balances	22,939,181	17,759,617	12,342,226	20,564,280	11,165,809	84,771,113
Total liabilities and fund balances	$ 44,589,839	$ 17,759,617	$ 13,558,897	$ 20,609,647	$ 11,558,416	$ 108,076,416

Total Fund Balance - Governmental Funds		$ 84,771,113
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 207,157,309	
Accumulated depreciation is	(65,669,596)	
Net capital assets		141,487,713
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(1,285,794)
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the governmental funds. Deferred outflows of resources amounted to and related to		
Debt refundings (deferred charge on refunding)	3,750,683	
Other postemployment benefits (OPEB)	4,008,470	
Net pension liability	20,723,318	
Total deferred outflows of resources		28,482,471
Deferred inflows of resources represent an acquisition of net position that applies to a future period and is not reported in the governmental funds. Deferred inflows of resources amount to and related to		
Other postemployment benefits (OPEB)	(1,481,369)	
Net pension liability	(46,678,505)	
Total deferred inflows of resources		(48,159,874)
Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		(30,067,757)
The District's OPEB liability is not due and payable in the current period, and is not reported as a liability in the funds.		(18,110,266)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of		
General obligation bonds	(120,322,049)	
Certificates of participation	(10,690,710)	
Compensated absences (vacations)	(466,113)	
Total long-term liabilities		(131,478,872)
Total net position - governmental activities		$ 25,638,734

	General Fund	Special Reserve Postemploymnent Benefits	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Local control funding formula	$ 63,140,054	$ -	$ -	$ -	$ -	$ 63,140,054
Federal sources	5,556,616	-	-	-	3,245,915	8,802,531
Other State sources	10,181,268	-	-	-	1,602,700	11,783,968
Other local sources	1,619,615	(191,298)	(264,007)	(460,605)	9,226,535	9,930,240
Total revenues	80,497,553	(191,298)	(264,007)	(460,605)	14,075,150	93,656,793
Expenditures						
Current						
Instruction	46,660,690	-	-	-	1,997,245	48,657,935
Instruction-related activities						
Supervision of instruction	2,028,500	-	-	-	107,447	2,135,947
Instructional library, media, and technology	764,150	-	-	-	-	764,150
School site administration	5,693,370	-	-	-	153,917	5,847,287
Pupil services						
Home-to-school transportation	1,525,596	-	-	-	-	1,525,596
Food services	232,768	-	-	-	2,710,876	2,943,644
All other pupil services	5,595,277	-	-	-	4	5,595,281
Administration						
Data processing	1,827,472	-	-	-	-	1,827,472
All other administration	3,826,873	-	-	-	241,515	4,068,388
Plant services	5,821,918	-	-	-	322,932	6,144,850
Ancillary services	12,960	-	-	-	47,209	60,169
Community services	1,200	-	-	-	73,013	74,213
Other outgo	1,542,610	-	-	-	-	1,542,610
Capital outlay	8,914,949	-	9,149,866	34,900	56,917	18,156,632
Debt service						
Principal	-	-	-	-	5,380,000	5,380,000
Interest and other	443,508	-	7,400	-	3,654,913	4,105,821
Total expenditures	84,891,841	-	9,157,266	34,900	14,745,988	108,829,995
Excess (Deficiency) of Revenues Over Expenditures	(4,394,288)	(191,298)	(9,421,273)	(495,505)	(670,838)	(15,173,202)
Other Financing Sources (Uses)						
Transfers in	1,781,534	9,200,000	-	-	202,890	11,184,424
Other sources	10,679,010	-	-	-	-	10,679,010
Transfers out	(11,061,711)	-	-	-	(122,713)	(11,184,424)
Net Financing Sources (Uses)	1,398,833	9,200,000	-	-	80,177	10,679,010
Net Change in Fund Balances	(2,995,455)	9,008,702	(9,421,273)	(495,505)	(590,661)	(4,494,192)
Fund Balance - Beginning	25,934,636	8,750,915	21,763,499	21,059,785	11,756,470	89,265,305
Fund Balance - Ending	$ 22,939,181	$ 17,759,617	$ 12,342,226	$ 20,564,280	$ 11,165,809	$ 84,771,113

Total Net Change in Fund Balances - Governmental Funds		$ (4,494,192)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.		
This is the amount by which capital outlays exceeds depreciationin the period.		
Depreciation expense	$ (4,989,069)	
Capital outlays	18,156,632	
Net expense adjustment		13,167,563
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the difference between vacation earned and used.		(106,575)
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.		8,836,762
In the governmental funds, OPEB costs are based on employer contributions made to OPEB plans during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows, and net OPEB liability during the year.		(1,530,759)
Proceeds received from Certificates of Participation or Sale of Bonds is a revenue in the governmental funds, but it increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		(10,679,010)

Governmental funds report the effect of premiums, discounts, and the deferred charge on a refunding when the debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.	
Deferred charge on refunding recognized	(222,842)
Premium amortization	603,791
Discount amortization	(11,700)
Payment of principal on long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	
General obligation bonds	5,380,000
Interest on long-term liabilities is recorded as an expenditure in the funds when it is due; however, in the Statement of Activities, interest expense is recognized as the interest accretes or accrues, regardless of when it is due.	942,369
Change in net position of governmental activities	$ 11,885,407

	Private-Purpose Trust Fund
Assets	
Deposits and investments	$ 6,159
Receivables	17
Total assets	6,176
Net Position	
Held for individuals and organizations	6,176
Total net position	$ 6,176

	Private-Purpose Trust Fund
Additions	
Private donations	$ (198)
Interest	60
Total additions	(138)
Change in Net Position	(138)
Net Position - Beginning	6,314
Net Position - Ending	$ 6,176

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

Jefferson Elementary School District (District) was established in 1866 under the laws of the State of California. The District operates under a locally-elected five-member Board form of government and serves grades K-8 students. The District has eleven elementary schools, three intermediate schools and one state preschool.

A reporting entity is comprised of the primary government, component units, and other organizations to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Jefferson Elementary School District, this includes general operations, food service, and student related activities of the District.

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e. statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a servicer, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position.

Fiduciary funds are reported using the economic resources measurement focus.

Fund Accounting

District accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity (or retained earnings), revenues and expenditures or expenses as appropriate. Governmental resources allocated to individual funds are recorded for the purpose of carrying on specific activities in accordance with laws, regulations, or other appropriate requirements. The fund types and funds utilized by the District are described below:

Major Governmental Funds

- The General Fund serves as the general operating fund. It is used to account for all financial resources of the District except those required to be accounted for in another fund. The State defined Special Revenue Fund for Other Than Capital Outlay Projects, Fund 17, does not meet the definition of special revenue fund under generally accepted accounting principles. Although this fund is authorized by statute and will remain open for internal reporting purposes, this fund has been combined with the General Fund for presentation in the financial statements.

- **Special Reserve Fund for Postemployment Benefits** The Special Reserve Fund for Postemployment Benefits may be used pursuant to California Education Code Section 42840 to account for amounts the District has committed for the future cost of post employment benefits but has not contributed irrevocably to a separate trust for the post-employment benefit plan.

- The Building Fund is used to account for major governmental capital facilities and buildings from the sale of bond proceeds.

- The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of funds for capital outlay purposes (*Education Code* Section 42840).

Non-Major Governmental Funds

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

- **Student Activity Fund** The Student Activity Fund is used to account separately for the operating activities of the associated student body accounts that are not fiduciary in nature, including student clubs, general operations, athletics, and other student body activities.

- **Cafeteria Fund** The Cafeteria Fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code* Sections 38090-38093) and is 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).

- **Deferred Maintenance Fund** The Deferred Maintenance Fund is used to account separately for the District's contributions for deferred maintenance purposes. The Deferred Maintenance Fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (*Education Code* Section 17582).

- **Child Development Fund** The Child Development Fund is used to account separately for Federal, State, and **local** revenues to operate child development programs and is to be used only for expenditures for the operation of child development programs.

Capital Projects Funds The Capital Projects funds are used to account for the acquisition and/or construction of all major governmental general fixed assets. The District maintains the capital project funds described below:

- **Capital Facilities Fund** The Capital Facilities Fund is used to account for resources received from developer impact fees assessed under provisions of the California Environmental Quality Act (CEQA).

- **County School Facilities Fund** The County School Facilities 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), the 2004 State School Facilities Fund (Proposition 55), the 2006 State Schools Facilities Fund (Proposition 1D), or the 2016 State School Facilities Fund (Proposition 51) authorized by the State Allocation Board for new school facility construction, 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.).

Debt Service Funds The Debt Service funds are used to account for the payment of the District's debt. The District maintains the following funds described below:

- Bond Interest and Redemption Fund The Bond Interest and Redemption Fund is used for the repayment of bonds issued for a local educational agency (Education Code Sections 15125-15262).

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the District and are not available to support the District's own programs. Fiduciary funds are split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The three types of trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics.

Trust funds are used to account for resources held by the District under a trust agreement for individuals, private organizations, or other governments. The District's trust fund is the Foundation Trust Fund. This Fund is used to account for money received from gifts and bequests. Custodial funds are used to account for resources, not in a trust, that are held by the District for other parties outside the District's reporting entity.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds are accounted for on the accrual basis.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes, which are considered available if collected within 60 days. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

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

Unearned Revenue

Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. Principal and interest on long-term liabilities, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances.

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.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental columns of the statement of net position.

Prepaid Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Stores Inventory

Inventories consist of expendable food and supplies held for consumption and unused donated commodities. Inventories are stated at cost, on the weighted average basis. The costs of inventory items are recorded as expenditures in the governmental-type funds when consumed rather than when purchased.

Capital Assets and Depreciation

Capital assets are those purchased or acquired with an original cost of $5,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized but are expensed as incurred. Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives:

Asset Class	Estimated Useful Life in Years
Land	Not applicable
Site Improvements	20
School buildings and building improvements	20-50
Equipment	5-15
Vehicles	8

Interfund Activity

Transfers between governmental and proprietary activities in the government-wide financial statements are reported in the same manner as general revenues.

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

Compensated Absences

All vacation pay plus related payroll taxes are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees, therefore, are never paid sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. These liabilities are paid out of the general fund.

Accrued Liabilities, Long-Term Liabilities

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

However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the governmental fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases, and other long-term liabilities are recognized as liabilities in the governmental fund financial statements when due.

Debt Issuance Costs, Premiums and Discounts

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the Statement of Net Position. Debt premiums and discounts, as well as issuance costs, related to prepaid insurance costs are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of applicable bond premium or discount. Bond prepaid insurance costs are deferred and amortized over the life of the bonds.

In the fund financial statements, governmental funds recognized bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of the debt issued, premiums, or discounts are reported as other financing sources/uses, whereas, issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for deferred charges on refunding of debt, for pension related items, and for OPEB related items. The deferred charge on refunding resulted from the difference between the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB relate to differences between expected and actual earnings on investments, changes of assumptions, and other pension and OPEB related changes.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for deferred charges on refunding of debt, for pension related items, and for OPEB related items.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid by the fund in which the employee worked.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about additions to/deductions from the Plans have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

Fund Balances - Governmental Funds

As of June 30, 2022, fund balances of the governmental funds are classified as follows:

- **Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

- **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

- **Committed** – amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board.

- **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, only the governing board or chief business officer/assistant superintendent of business services may assign amounts for specific purposes.

- **Unassigned** – all other spendable amounts.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and other funds are available, then it applies amounts to the committed fund balance followed by assigned and then unassigned amounts.

Minimum Fund Balance Policy

The governing board adopted a minimum fund balance policy for the General Fund in order to protect the District against revenue shortfalls or unpredicted on-time expenditures. The policy requires a reserve for economic uncertainties consisting of unassigned amounts equal to no less than 5 percent of General Fund expenditures and other financing uses.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position reported as net of investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

Local Control Funding Formula (LCFF)/Property Tax

The District's LCFF is received from a combination of local property taxes, state apportionments, and other local sources.

The County is responsible for assessing, collecting, and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (March 1), and become delinquent if unpaid by August 1.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by Section 4705 of the California Revenue and Taxation Code. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll – approximately October 1 of each year.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. Actual results may vary for the amounts reported in the financial statements are disclosures.

Implementation of GASB Statement No. 87

As of July 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement did not have an impact on the District's financial statements.

Implementation of GASB Statement No. 89

As of July 1, 2021, The District adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The implementation of this Standard establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement did not have an impact on the District's financial statements.

Note 2 - Deposits and Investments

Summary of Deposits and Investments

Deposits and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

Governmental funds	$ 89,993,856
Fiduciary funds	6,159
Total deposits and investments	$ 90,000,015

Deposits and investments as of June 30, 2022, consist of the following:

Cash on hand and in banks	$ 141,849
Cash in revolving	30,000
Investments	89,828,166
Total deposits and investments	$ 90,000,015

Investments

The District's investments consist of the following at June 30, 2022:

Investment Type	Reported Amount	Average Maturity in Years
County Pool	$ 89,828,166	1.45

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; and collateralized mortgage obligations.

General Authorizations

Limitations as they relate to interest rate risk and concentration of credit risk are indicated in the schedules below:

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

Custodial Credit Risk - Deposits

Cash balances deposited with commercial banks are insured up to $250,000 by the Federal Depository Insurance Corporation. 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 (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 % of the total amount deposited by public agencies. The District is not exposed to custodial credit risk

Investments with County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of their 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. The pool is not registered with the Security Exchange Commission (SEC). Information regarding the characteristics of the entire investment pool can be found in the County's June 30, 2022 basic financial statements. A copy of that report may be obtained by contacting the Controller's Office, County of San Mateo, 555 County Center, Redwood City 94063.

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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by depositing substantially all of its funds in the County Treasury Pool. The cost and fair value of the deposits with the County Treasurer at June 30, 2022, approximate cost, and the weighted average maturity of the pool was 1.45 years.

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 San Mateo County and the State Investment Pools are not rated.

Note 3 - Receivables

Accounts receivable at June 30, 2022 consist of the following:

	General Fund	Special Reserve Postemploymnent Benefits	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total
Federal Government						
Categorical aid	$ 4,253,774	$ -	$ -	$ -	$ 527,888	$ 4,781,662
State Government						
LCFF apportionment	1,611,159	-	-	-	-	1,611,159
Categorical aid	973,381	-	-	-	190,587	1,163,968
Lottery	101,488	-	-	-	-	101,488
Local Government						
Interest	80,687	23,793	39,125	57,288	35,784	236,677
Other local sources	395,086	-	-	-	331,859	726,945
Total	$ 7,415,575	$ 23,793	$ 39,125	$ 57,288	$ 1,086,118	$ 8,621,899

Note 4 - Interfund Transactions

Interfund Receivables/Payables (Due To/Due From)

Interfund receivables and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivables and payable balances at June 30, 2022**,** between major and non-major governmental funds, and the internal service fund are as follows:

	Due From			
Due To	General Fund	Special Reserve Postemployment Benefits	Non-Major Governmental Funds	Total
General Fund	$ -	$ 9,200,000	$ 52,122	$ 9,252,122
Building Fund	559	-	-	559
Non-Major Governmental Funds	186,373	-	-	186,373
Total	$ 186,932	$ 9,200,000	$ 52,122	$ 9,439,054

All balances resulted from the time lag between the date that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Operating Transfers

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In the year ended June 30, 2022, interfund transfers were as follows:

	Transfer From			
Transfer To	General Fund	Special Reserve Post Employment Benefits Fund	Non-Major Governmental Funds	Total
General Fund	$ 1,658,821	$ 9,200,000	$ 202,890	$ 11,061,711
Non-Major Governmental Funds	122,713	-	-	122,713
Total	$ 1,781,534	$ 9,200,000	$ 202,890	$ 11,184,424

Note 5 - Capital Assets and Depreciation

Capital asset activity for the year ended June 30, 2022, is shown below:

	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022
Governmental Activities				
Capital assets not being depreciated				
Land	$ 4,259,156	$ -	$ -	$ 4,259,156
Construction in progress	13,048,202	18,156,632	(3,214,440)	27,990,394
Total capital assets not being depreciated	17,307,358	18,156,632	(3,214,440)	32,249,550
Capital assets being depreciated				
Land improvements	15,524,576	3,212,796	-	18,737,372
Buildings and improvements	148,588,056	1,644	-	148,589,700
Furniture and equipment	7,580,686	-	-	7,580,686
Total capital assets being depreciated	171,693,318	3,214,440	-	174,907,758
Total capital assets	189,000,676	21,371,072	(3,214,440)	207,157,308
Accumulated depreciation				
Land improvements	(4,106,816)	(691,307)	-	(4,798,123)
Buildings and improvements	(52,160,101)	(4,044,663)	-	(56,204,764)
Furniture and equipment	(4,413,609)	(253,099)	-	(4,666,708)
Total accumulated depreciation	(60,680,526)	(4,989,069)	-	(65,669,595)
Governmental activities capital assets, net	$ 128,320,150	$ 16,382,003	$ (3,214,440)	$ 141,487,713

Depreciation expense was charged as a direct expense to governmental functions as follows based upon use of asset:

Governmental Activities	
Instruction	$ 3,094,120
Supervision of instruction	135,823
Instructional library, media, and technology	48,592
School site administration	371,825
Home-to-school transportation	97,012
Food services	187,184
All other pupil services	355,800
Anciliary Services	1,092
Community Services	4,719
All General Administration	258,706
Data processing	116,208
Plant services	317,988
Total depreciation expenses governmental activities	$ 4,989,069

Note 6 - Accounts Payable

Accounts payable at June 30, 2022, consisted of the following:

	General Fund	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total
Salaries and benefits	$ 71,345	$ -	$ -	$ 13,632	$ 84,977
Vendor payables	11,138,879	1,216,112	45,367	117,241	12,517,599
Total	$ 11,210,224	$ 1,216,112	$ 45,367	$ 130,873	$ 12,602,576

Note 7 - Unearned Revenue

Unearned revenue at June 30, 2022, consisted of the following:

	General Fund	Non-Major Governmental Funds	Total
Federal financial assistance	$ 853,031	$ 41,551	$ 894,582
State categorical aid	330,861	33,810	364,671
Other local	4,420	-	4,420
Total	$ 1,188,312	$ 75,361	$ 1,263,673

Note 8 - Long Term Liabilities Other than OPEB and Pensions

A schedule of changes in long-term obligation for the year ended June 30, 2022, is shown below: The changes in the District's long-term liabilities other than OPEB and pensions during the year consisted of the following:

	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Due in One Year
Long-Term Liabilities					
General obligation bonds	$ 121,720,000	$ -	$ (5,380,000)	$ 116,340,000	$ 5,085,000
Unamortized debt premiums	4,585,840	-	(603,791)	3,982,049	603,791
Certificates of participation	-	11,030,000	-	11,030,000	-
Unamortized debt discounts	-	(350,990)	11,700	(339,290)	(11,700)
Compensated absences	359,538	226,421	(119,846)	466,113	155,371
Total	$ 126,665,378	$ 10,905,431	$ (6,091,937)	$ 131,478,872	$ 5,832,462

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local revenues. Compensated absences will be paid for by the fund for which the employee worked.

General Obligation Bonds

The outstanding general obligation bonded debt of the District at June 30, 2022, is as follows:

Issuance Date	Final Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2021	Issued	Redeemed/ Refunded	Bonds Outstanding June 30, 2022
2012	7/15/2018	2.00-5.00	$ 17,175,000	$ 1,805,000	$ -	$ (885,000)	$ 920,000
2013	9/1/2037	4.00-5.00	17,500,000	790,000	-	-	790,000
2013	9/1/2030	2.00-5.00	15,395,000	2,495,000	-	(520,000)	1,975,000
2016	9/1/2040	3.00-5.00	17,500,000	16,245,000	-	(260,000)	15,985,000
2017	9/1/2035	2.00-5.00	15,000,000	12,775,000	-	(510,000)	12,265,000
2017	9/1/2029	2.00-5.00	16,205,000	11,645,000	-	(1,480,000)	10,165,000
2018	9/1/2044	2.00-5.00	15,000,000	13,985,000	-	(755,000)	13,230,000
2021	9/1/2042	4.00-5.00	15,000,000	15,000,000	-	-	15,000,000
2021	9/1/2042	4.00-5.00	46,980,000	46,980,000	-	(970,000)	46,010,000
				$ 121,720,000	$ -	$ (5,380,000)	$ 116,340,000

Debt Service Requirements to Maturity

The current interest bonds mature as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2023	$ 5,085,000	$ 3,857,340	$ 8,942,340
2024	4,200,000	3,721,945	7,921,945
2025	4,285,000	3,154,241	7,439,241
2026	4,540,000	3,023,898	7,563,898
2027	4,920,000	2,881,583	7,801,583
2028-2032	33,885,000	11,272,897	45,157,897
2033-2037	26,205,000	7,203,288	33,408,288
2038-2042	24,145,000	3,257,836	27,402,836
2043-2045	9,075,000	413,417	9,488,417
Total	$ 116,340,000	$ 38,786,445	$ 155,126,445

Certificates of Participation

In July 2021, the District issued certificates of participation in the amount of $11,030,000 with interest rates ranging from 2 to 4 percent. As of June 30, 2022, the principal balance outstanding was $11,030,000. The certificates mature through 2051 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2023	$ -	$ 228,863	$ 228,863
2024	310,000	228,862	538,862
2025	310,000	225,762	535,762
2026	315,000	222,662	537,662
2027	320,000	219,512	539,512
2028-2032	1,650,000	1,028,750	2,678,750
2033-2037	1,820,000	869,760	2,689,760
2038-2042	2,020,000	665,436	2,685,436
2043-2047	2,265,000	419,584	2,684,584
2048-2051	2,020,000	127,878	2,147,878
Total	$ 11,030,000	$ 4,237,069	$ 15,267,069

Note 9 - Fund Balances

Fund balance is composed of the following elements:

	General Fund	Special Reserve for Post Employment	Building Fund	Special Reserve Fund for Capital Outlay Projects	Non-Major Governmental Funds	Total
Nonspendable						
Revolving cash	$ 30,000	$ -	$ -	$ -	$ -	$ 30,000
Stores inventories	-	-	-	-	21,607	21,607
Total nonspendable	30,000	-	-	-	21,607	51,607
Restricted						
Educational programs	10,149,852	-	-	-	639,554	10,789,406
Food service	-	-	-	-	1,179,343	1,179,343
Capital projects	-	-	12,342,226	20,564,280	1,359,032	34,265,538
Debt services	2,452,978	-	-	-	7,966,273	10,419,251
Total restricted	12,602,830	-	12,342,226	20,564,280	11,144,202	56,653,538
Committed						
Textbook adoptions	2,665,039	-	-	-	-	2,665,039
Postemployement benefits	-	17,759,617	-	-	-	17,759,617
Total committed	2,665,039	17,759,617	-	-	-	20,424,656
Assigned						
Health benefits reserve	1,960,226	-	-	-	-	1,960,226
School sites carryover	1,409,730	-	-	-	-	1,409,730
Total assigned	3,369,956	-	-	-	-	3,369,956
Unassigned						
Reserve for economic uncertainties	2,852,055	-	-	-	-	2,852,055
Remaining unassigned	1,419,301	-	-	-	-	1,419,301
Total unassigned	4,271,356	-	-	-	-	4,271,356
Total	$ 22,939,181	$ 17,759,617	$ 12,342,226	$ 20,564,280	$ 11,165,809	$ 84,771,113

Note 10 - Risk Management

The District's risk management activities are recorded in the General Fund. Employee life, health, dental and disability programs are administered by the General Fund through the purchase of commercial insurance and participation in a public entity risk pool. The District participates in the San Mateo County Schools' Insurance Group public entity risk pool (JPA) which covers the District for up to $250,000 per occurrence for both property and liability. Excess coverage for liability is purchased through the JPA up to $5,000,000 through the CSAC Excess Insurance Authority and from $5,000,000 to $55,000,000 is purchased through the JPA from the School Excess Liability Fund. Excess coverage for property is purchased through the JPA up to $1,000,000,000 from the Alliant Insurance Services, Inc. Public Entity Property Insurance Program. Refer to Note 12 for additional information regarding the JPA. There has been no reduction in coverage to date.

Note 11 - Joint Ventures (Joint Powers Agreements)

The District is a member of the San Mateo County Schools' Insurance Group, joint powers authority (JPA). The District pays an annual premium to the entity for its workers' compensation, dental, and property liability coverage. The relationship between the District and the JPA is such that it is not a component unit of the District for financial reporting purposes.

This JPA has budgeting and financial reporting requirements independent of member units and its financial statements are not presented in these financial statements; however, fund transactions between the JPA and the District are included in these statements.

Note 12 - Total Other Postemployment Benefit (OPEB) Liability

For the fiscal year ended June 30, 2022, the District reported total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense as follows:

OPEB Plan	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 18,110,266	$ 4,008,470	$ 1,481,369	$ 1,530,759

The details of the District's plan are as follows:

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses. No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Plan Membership

At July 1, 2021, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	31
Active employees	516
Total	547

Benefits Provided

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Retirees are eligible if they retire directly from the District on or after age 55 for classified employees and age 50 for certificated employees having served the District for 10 years. The benefits are capped for all employees at the time of retirement and they end at age 65.

Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

Contributions

The contribution requirements of Plan members and the District are established and may be amended by the District, the Teacher Education Association (TEA), the local California Service Employees Association (CSEA), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually through the agreements with the District, TEA, CSEA, and the unrepresented groups. For fiscal year 2021-2022, the District contributed $531,098 to the Plan, all of which was used for current premiums.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2022	
Valuation Date	June 30, 2021	
Experience Study	July 1, 2010 through June 30, 2015	
Actuarial Cost Method	Entry age normal	
Inflation	2.75	percent
Discount rate	1.92	percent
Healthcare cost trend rates	4.00	percent for 2021

The discount rate was based on the Bond Buyer 20-bond General Obligation Index

Mortality rates were based on the 2020 CalSTRS mortality study for certificated employees and the 2017 CalPERS mortality study for classified employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

Discount Rate

The discount rate used to measure the total OPEB liability was 1.92 percent (down from 3.13 percent). The projection of cash flows used to determine the discount rate assumed that the District contributions will be based on a pay as you go amount. Since the plan was unfunded, the discount rate was calculated using the 20 year bond municipal index.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance, June 30, 2021	$ 15,001,587
Service cost	1,139,474
Interest	360,482
Differences between expected and actual experience	1,172,803
Changes of assumptions or other inputs	1,012,011
Benefit payments	(576,091)
Net change in total OPEB liability	3,108,679
Balance, June 30, 2022	$ 18,110,266

Changes of assumptions and other inputs reflect a change in the discount rate from 3.13 percent in 2021 to 1.92 percent in 2022.

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

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

Discount Rate	Total OPEB Liability
1% decrease (0.92%)	$ 20,147,932
Current discount rate (1.92%)	18,110,266
1% increase (2.92%)	16,322,799

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or higher than the current healthcare costs trend rates:

Healthcare Cost Trend Rates	Total OPEB Liability
1% decrease (3.0%)	$ 16,227,207
Current healthcare cost trend rate (4.0%)	18,110,266
1% increase (5.0%)	20,331,893

OPEB Expense Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

For the year ended June 30, 2022, the District recognized OPEB expense of $1,530,759. At June 30, 2022, the District reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 531,098	$ -
Differences between expected and actual experience	1,085,280	943,824
Changes of assumptions	2,392,092	537,545
Total	$ 4,008,470	$ 1,481,369

The deferral related to the contributions subsequent to measurement date will be fully recognized in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 143,479
2024	143,479
2025	143,479
2026	143,479
2027	143,479
Thereafter	1,278,608
Total	$ 1,996,003

Note 13 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

For the fiscal year ended June 30, 2022, the District reported net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 26,112,190	$ 17,833,519	$ 35,664,828	$ 2,037,801
CalPERS	3,955,567	2,889,799	11,013,677	(2,721,825)
Total	$ 30,067,757	$ 20,723,318	$ 46,678,505	$ (684,024)

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans. The STRP provisions and benefits in effect at June 30, 2022, are summarized as follows:

	STRP Defined Benefit Program	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	16.92%	16.92%
Required state contribution rate	10.828%	10.828%

Contributions

Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the District's total contributions were $5,381,023.

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

At June 30, 2022, 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:

Proportionate share of net pension liability	$ 26,112,190
State's proportionate share of the net pension liability	13,138,641
Total	$ 39,250,831

The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively, was 0.0574 percent and 0.0591 percent, resulting in a net decrease in the proportionate share of 0.0017 percent.

For the year ended June 30, 2022, the District recognized pension expense of $2,037,801. In addition, the District recognized pension expense and revenue of $3,690,191 for support provided by the State. At June 30, 2022, 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
Pension contributions subsequent to measurement date	$5,381,023	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	8,687,264	12,230,532
Differences between projected and actual earnings on pension plan investments	-	20,655,415
Differences between expected and actual experience in the measurement of the total pension liability	65,412	2,778,881
Changes of assumptions	3,699,820	-
Total	$ 17,833,519	$ 35,664,828

The deferred outflow of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows of resources related to the difference between projected and actual earnings on pension plan investments are amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (5,245,237)
2024	(4,797,678)
2025	(4,916,739)
2026	(5,695,761)
Total	$ (20,655,415)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources
2023	$ 1,336,748
2024	1,062,374
2025	(820,200)
2026	(875,786)
2027	(2,650,014)
Thereafter	(610,039)
Total	$ (2,556,917)

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries. 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 2020 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions.

Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2021, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public Equity	42%	4.8%
Fixed income	15%	1.3%
Real estate	13%	3.6%
Private equity	12%	6.3%
Risk mitigating strategies	10%	1.8%
Inflation sensitive	6%	-3.3%
Cash/liquidity	2%	-0.4%

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 the contributions from plan members and employers will be made at statutory contribution rates. 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 occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 53,155,073
Current discount rate (7.10%)	26,112,190
1% increase (8.10%)	3,667,114

<u>California Public Employees' Retirement System (CalPERS)</u>

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) and the Safety Risk 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. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plans regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020 annual actuarial valuation reports, Schools Pool Actuarial Valuation, and the Risk Pool Actuarial Valuation Report, Safety. These reports and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2022, are summarized as follows:

	School Employer Pool (CalPERS)	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	22.91%	22.91%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the total District contributions were $2,771,715.

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $3,955,567. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively was 0.0641% and 0.0653% resulting in a net decrease in the proportionate share of 0.0012%.

For the year ended June 30, 2022, the District recognized pension credit of $2,721,825. At June 30, 2022, 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
Pension contributions subsequent to measurement date	$2,771,715	$ -
Change in proportion and differences between contributions made and District’s proportionate share of contributions	-	9,486,324
Differences between projected and actual earnings on pension plan investments	-	1,518,028
Differences between expected and actual experience in the measurement of the total pension liability	118,084	9,325
Changes of assumptions	-	-
Total	$ 2,889,799	$ 11,013,677

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (380,719)
2024	(350,106)
2025	(365,009)
2026	(422,194)
Total	$ (1,518,028)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 4.1 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (3,150,907)
2024	(3,070,120)
2025	(2,871,496)
2026	(285,042)
Total	$ (9,377,565)

Actuarial Methods and Assumptions

Total pension liability for the School Employer Pool (SEP) was determined by applying updated procedures to a financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries 90 percent of scale MP-2016.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten 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 rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	50%	5.98%
Fixed income	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.23%
Real assets	13%	4.93%
Liquidity	1%	-0.92%

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool 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 total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 6,669,642
Current discount rate (7.15%)	3,955,567
1% increase (8.15%)	1,702,303

Social Security

As established by Federal law, all public sector employees who are not members of either CalSTRS or CalPERS must be covered by social security or an alternative plan. The District has elected to use PARS as its alternative plan. Contributions made by the District and employee vest immediately. For employees who are members of CalPERS, the District and the employee each contribute 6.2 percent of the employee's gross earnings towards social security.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $3,690,191 (10.828 percent of annual payrolls). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on-behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements. On behalf payments have been included in the calculation of available reserves and have been included in the budgeted amounts reported in the General Fund - Budgetary Comparison Schedule.

Note 14 - Commitments and Contingencies

State and Federal Allowances, Awards and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. If the review or audit discloses exceptions, the District may incur a liability to grantor agencies.

Litigation

The District is involved in various litigations 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, 2022.

Construction Commitments

As of June 30, 2022, the District had the following commitments with respect to unfinished capital projects in the amount of $31,265,000.

Required Supplementary Information
June 30, 2022

Jefferson Elementary School District

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual	Final to Actual
Revenues				
Local control funding formula	$ 61,580,395	$ 63,140,056	$ 63,140,054	$ (2)
Federal sources	2,809,876	6,869,704	5,556,616	(1,313,088)
Other State sources	6,339,757	10,791,845	10,181,268	(610,577)
Other local sources	2,407,693	2,597,099	1,619,615	(977,484)
Total revenues [1]	73,137,721	83,398,704	80,497,553	(2,901,151)
Expenditures				
Current				
Certificated salaries	32,910,959	33,185,212	32,757,168	428,044
Classified salaries	9,496,320	10,048,083	9,522,135	525,948
Employee benefits	20,145,420	19,871,037	19,247,794	623,243
Books and supplies	3,434,723	6,290,087	3,705,072	2,585,015
Services and operating expenditures	8,527,257	11,106,153	8,625,324	2,480,829
Other outgo	1,615,703	2,124,195	1,301,095	823,100
Capital outlay	6,500	11,894,500	9,289,745	2,604,755
Total expenditures [1]	76,136,882	94,519,267	84,891,841	9,627,426
Excess (Deficiency) of Revenues Over Expenditures	(2,999,161)	(11,120,563)	(4,394,288)	6,726,275
Other Financing Sources (Uses)				
Transfers in	847,022	951,895	1,781,534	829,639
Transfers out	(150,000)	(150,000)	(11,061,711)	(10,911,711)
Net financing sources (uses)	697,022	801,895	1,398,833	596,938
Net Change in Fund Balances	(2,302,139)	(10,318,668)	(2,995,455)	7,323,213
Fund Balance - Beginning	25,934,636	25,934,636	25,934,636	-
Fund Balance - Ending	$ 23,632,497	$ 15,615,968	$ 22,939,181	$ 7,323,213

[1] Due to the consolidation of Fund 17, Special Reserve Fund for Other Than Capital Outlay Projects for reporting purposes into the General Fund, additional revenues and expenditures pertaining to the fund are included in the Actual (GAAP Basis) revenues and expenditures.

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual	Final to Actual
Revenues				
Other local sources	$ 120,000	$ 60,000	$ (191,298)	$ (251,298)
Total revenues	120,000	60,000	(191,298)	(251,298)
Other Financing Sources (Uses)				
Transfers in	-	134,000	9,200,000	9,066,000
Transfers out	-	847,022	-	(847,022)
Net financing sources (uses)	-	981,022	9,200,000	8,218,978
Net Change in Fund Balances	120,000	1,041,022	9,008,702	7,967,680
Fund Balance - Beginning	8,750,915	8,750,915	8,750,915	-
Fund Balance - Ending	$ 8,870,915	$ 9,791,937	$ 17,759,617	$ 7,967,680

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 1,139,474	$ 970,671	$ 843,469	$ 828,053	$ 904,935
Interest	360,482	402,495	455,435	426,849	352,569
Difference between expected and actual experience	1,172,804	-	(1,213,488)	-	-
Changes of assumptions	1,012,011	1,087,558	674,400	(72,203)	(749,642)
Benefit payments	(576,091)	(636,800)	(462,689)	(584,584)	(599,477)
Net change in total OPEB liability	3,108,680	1,823,924	297,127	598,115	(91,615)
Total OPEB Liability - Beginning	15,001,586	13,177,662	12,880,535	12,282,420	12,374,035
Total OPEB Liability - Ending	$ 18,110,266	$ 15,001,586	$ 13,177,662	$ 12,880,535	$ 12,282,420
Covered Payroll	$ 40,371,364	$ 41,520,549	$ 42,358,942	$ 42,562,454	$ 41,395,515
Total OPEB Liability as a Percentage of Covered Payroll	45%	36%	31%	30%	30%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2020	June 30, 2019	June 30, 2017

Note: In the future, as data becomes available, ten years of information will be presented.

	2022	2021	2020	2019	2018	2017	2016	2015
CalSTRS								
Proportion of the net pension liability (asset)	0.0574%	0.0591%	0.0614%	0.0812%	0.0617%	0.0598%	0.0563%	0.0514%
Proportionate share of the net pension liability (asset)	$ 26,112,190	$ 57,237,459	$ 55,499,053	$ 57,237,286	$ 57,073,316	$ 48,353,247	$ 37,874,189	$ 30,011,929
State's proportionate share of the net pension liability	13,138,641	29,505,917	39,742,422	32,771,023	33,764,092	27,526,641	20,031,271	1,564,557
Total	$ 39,250,831	$ 86,743,376	$ 95,241,475	$ 90,008,309	$ 90,837,408	$ 75,879,888	$ 57,905,460	$ 31,576,486
Covered payroll	$ 31,122,669	$ 30,708,520	$ 33,326,916	$ 33,306,791	$ 32,793,665	$ 30,169,189	$ 26,124,178	25,340,453
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	83.90%	186.39%	166.53%	171.85%	174.04%	160.27%	144.98%	118.43%
Plan fiduciary net position as a percentage of the total pension liability	81%	72%	73%	71%	69%	70%	74%	77%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS								
Proportion of the net pension liability (asset)	0.0641%	0.0653%	0.0668%	0.0697%	0.0671%	0.0671%	0.0647%	0.0591%
Proportionate share of the net pension liability (asset)	$ 3,955,567	$ 20,020,819	$ 19,472,478	$ 18,590,471	$ 16,148,434	$ 13,247,961	$ 9,538,284	$ 6,704,122
Covered payroll	$ 9,248,696	$ 9,617,393	$ 9,259,584	$ 9,255,663	$ 8,601,851	$ 8,060,302	$ 7,153,768	6,939,155
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	42.77%	208.17%	210.30%	200.86%	187.73%	164.36%	133.33%	96.61%
Plan fiduciary net position as a percentage of the total pension liability	81%	70%	70%	71%	72%	74%	79%	83%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note : In the future, as data becomes available, ten years of information will be presented.

	2022	2021	2020	2019	2018	2017	2016	2015
CalSTRS								
Contractually required contribution	$ 5,381,023	$ 5,026,311	$ 5,251,157	$ 5,425,622	$ 4,806,170	$ 4,125,443	$ 3,237,154	$ 2,319,827
Less contributions in relation to the contractually required contribution	5,381,023	5,026,311	5,251,157	5,425,622	4,806,170	4,125,443	3,237,154	2,319,827
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 32,751,205	$ 31,122,669	$ 30,708,520	$ 33,326,916	$ 33,306,791	$ 32,793,665	$ 30,169,189	$ 26,124,178
Contributions as a percentage of covered paytoll	16.43%	16.15%	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS								
Contractually required contribution	$2,771,715	$ 1,914,480	$ 1,896,646	$ 1,672,466	$ 1,437,497	$ 1,194,625	$ 954,904	$ 842,070
Less contributions in relation to the contractually required contribution	2,771,715	1,914,480	1,896,646	1,672,466	1,437,497	1,194,625	954,904	842,070
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 12,313,261	$ 9,248,696	$ 9,617,393	$ 9,259,584	$ 9,255,663	$ 8,601,851	$ 8,060,302	$ 7,153,768
Contributions as a percentage of covered payroll	22.5100%	20.700%	19.721%	18.0620%	15.5310%	13.8880%	11.8470%	11.7710%

Note : In the future, as data becomes available, ten years of information will be presented.

Budgetary Comparison Schedules

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America as prescribed by the Governmental Accounting Standards Board and provisions of the California *Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the total OPEB liability, including beginning and ending balances, the plan's fiduciary net position, and the total OPEB liability. In the future, as data becomes available, ten years of information will be presented.

Change in Benefit Terms – No change from 2020 to 2021.

Change of Assumptions – Changes of assumptions and other inputs reflect a change in the discount rate from 3.1 percent in 2020 to 1.92 percent in 2021.

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

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

Changes in Benefit Terms – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.

Changes of Assumptions – There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

Schedule of District Pension Contributions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

Supplementary Information
June 30, 2022

Jefferson Elementary School District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed Through California Department of Education (CDE)			
Special Education Cluster			
Special Education Grants to States - Basic Local Assistance	84.027	13379	$ 1,063,378
Special Education Grants to States - Basic Local Assistance	84.027	10115	19,871
Special Education Grants to States - Basic Local Assistance	84.027	15638	222,502
Special Education Preschool Grants	84.173	15639	28,434
Special Education Preschool Grants	84.173	13430	29,830
Special Education Preschool Grants	84.173	13431	409
Total Special Education Cluster			1,364,424
Title I Grants to Local Educational Agencies	84.010	14329	715,624
Supporting Effective Instruction State Grants - Teacher Quality	84.367	14341	152,247
Education Stabilization Fund			
COVID - Elementary and Secondary School Emergency Relief Fund-I	84.425D	15536	287,736
COVID - Elementary and Secondary School Emergency Relief Fund-II	84.425D	15547	2,439,688
COVID - Elementary and Secondary School Emergency Relief Fund-II	84.425D	15618	101,972
COVID - ARP, Elementary and Secondary School Emergency Relief-III	84.425U	15559	37,447
Total			2,866,843
English Language Acquisition State Grants	84.365	15146	43,434
English Language Acquisition State Grants	84.365	14346	196,485
Total			239,919
Student Support and Academic Enrichment Program	84.424	15396	57,511
Total U.S. Department of Education			5,396,568
U.S. Department of Agriculture			
Passed Through California Department of Education			
Child Nutrition Cluster			
National School Lunch Program	10.555	13523	2,567,927
School Breakfast Program	10.553	13526	497,091
National School Lunch Program - Commodity Supplemental Food	10.555	15637	93,867
Total Child Nutrition Cluster			3,158,885
Child and Adult Care Food Program	10.558	15577	53,368
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	15644	3,063
Total U.S. Department of Agriculture			3,215,316
U.S. Department of Health and Human Services			
Pass-through California Department of Health Care Services			
Child Care and Development Fund Cluster			
Child Care and Development Block Grant	93.575	15555	30,600
Total U.S. Department of Health and Human Services			30,600
Total Federal Financial Assistance			$ 8,642,484

ORGANIZATION

The Jefferson Elementary School District was established in 1866 and is located in San Mateo County. There were no changes in the boundaries of the District during the current fiscal year. The District operates under a locally-elected five-member Board form of government and serves grades K-8 students. The District has ten elementary schools, one K-8 school, three intermediate schools and one state preschool. There were no boundary changes during the year.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Andrea Jordan	Vice President	2026
Manufou Liaiga-Anoa'i	Member	2024
Shakeel Ali	Member	2024
Aaron Rashba	Member	2026
Anthony Tsujisaka	Member	2026

ADMINISTRATION

NAME	TITLE
Bernie Vidales	Superintendent
Michael Lauro	Assistant Superintendent, Business Services

Grade Level	1986-1987 Minutes Requirement	2021-2022 Actual Minutes	Traditional Number of Actual Days	Multitrack Number of Actual Days	Status
Kindergarten	36,000	38,988	180	N/A	Complied
Grades 1 - 3					
Grade 1	50,400	54,003	180	N/A	Complied
Grade 2	50,400	54,003	180	N/A	Complied
Grade 3	50,400	54,003	180	N/A	Complied
Grades 4 - 8					
Grade 4	54,000	54,003	180	N/A	Complied
Grade 5	54,000	54,003	180	N/A	Complied
Grade 6	54,000	54,055	180	N/A	Complied
Grade 7	54,000	58,655	180	N/A	Complied
Grade 8	54,000	58,655	180	N/A	Complied

	Second Period Report	Annual Report
Regular ADA		
Transitional kindergarten through third	2,000.77	1,999.11
Fourth through sixth	1,654.78	1,648.57
Seventh and eighth	1,114.56	1,111.19
Total Regular ADA	4,770.11	4,758.87
Extended Year Special Education		
Transitional kindergarten through third	2.97	2.97
Fourth through sixth	1.29	1.29
Seventh and eighth	1.60	1.60
Total Extended Year Special Education	5.86	5.86
Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	2.06	2.11
Fourth through sixth	3.34	3.43
Seventh and eighth	6.4	6.35
Total Special Education, Nonpublic, Nonsectarian Schools	11.80	11.89
Extended Year Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	-	-
Fourth through sixth	0.77	0.77
Seventh and eighth	0.55	0.55
Total Extended Year Special Education, Nonpublic, Nonsectarian Schools	1.32	1.32
Total ADA	4,789.09	4,777.94

Summarized below is the fund balance reconciliation between the Unaudited Actual Financial Report and the audited financial statements at June 30, 2022:

	General Fund	Special Reserve Other
Fund Balance		
Balance, June 30, 2022, Unaudited Actuals	18,457,909	4,481,272
As required by GASB 54, the Special Reserve-Other Fund is combined with General Fund in the Audit Report	4,481,272	(4,481,272)
Balance, June 30, 2022, Audited Financial Statements	$ 22,939,181	$ -

	(Budget) 2023 [1]	2022	2021	2020
General Fund [3]				
Revenues	$ 77,687,965	$ 80,497,553	$ 80,512,877	$ 75,404,054
Other sources	2,147,022	12,460,544	-	-
Total revenues and other sources	79,834,987	92,958,097	80,512,877	75,404,054
Expenditures	75,290,886	84,891,841	72,140,864	74,745,017
Other uses and transfers out	-	11,061,711	501,597	592,191
Total Expenditures and Other Uses	75,290,886	95,953,552	72,642,461	75,337,208
Increase/(Decrease) in Fund Balance	4,544,101	(2,995,455)	7,870,416	66,846
Ending Fund Balance	$ 27,483,282	$ 22,939,181	$ 25,934,636	$ 18,064,220
Available Reserves [2]	$ 2,848,832	$ 4,271,356	$ 13,363,034	$ 8,282,678
Available Reserves as a Percentage of Total Outgo	3.78%	4.45%	18.40%	10.99%
Long-Term Liabilities	$ 173,824,433	$ 179,656,895	$ 221,719,404	$ 217,250,560
K-12 Average Daily Attendance at P-2	5,392	4,789	5,639	5,639

The General Fund balance has increased by $5,870,960 over the past two years. The fiscal year 2022-2023 budget projects an increase of $4,544,101. For a district this size, the State recommends available reserves of at least 3 percent of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred two operating surplus in the past three years and anticipates incurring an operating surplus during the 2022-2023 fiscal year. Total long-term liabilities have decreased by $37,593,665 over the past two years.

A decrease of ADA is anticipated during fiscal year 2022-2023.

[1] Budget 2023 is included for analytical purposes only and has not been subjected to audit.
[2] Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties and Special Reserve – Other Fund balances.
[3] General Fund amounts include activity to the consolidation of the Special Reserve – Other Fund as required by GASB No. 54.

Name of Charter School	Charter Number	Included in Audit Report
California Virtual Academy	802	No

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds
Assets								
Deposits and investments	$ 54,949	$ 157,802	$ 886,940	$ 302,087	$ 1,037,748	$ 12,006	$ 7,947,037	$ 10,398,569
Receivables	-	527,655	532,036	842	6,316	33	19,236	1,086,118
Due from other funds	-	52,122	-	-	-	-	-	52,122
Stores inventories	-	-	21,607	-	-	-	-	21,607
Total assets	54,949	$ 737,579	$ 1,440,583	$ 302,929	$ 1,044,064	$ 12,039	$ 7,966,273	$ 11,558,416
Liabilities and Fund Balances								
Liabilities								
Accounts payable	$ -	$ 61,746	$ 69,127	$ -	$ -	$ -	$ -	$ 130,873
Due to other funds	-	57,418	128,955	-	-	-	-	186,373
Unearned revenue	-	33,810	41,551	-	-	-	-	75,361
Total liabilities	-	152,974	239,633	-	-	-	-	392,607
Fund Balances								
Nonspendable	-	-	21,607	-	-	-	-	21,607
Restricted	54,949	584,605	1,179,343	302,929	1,044,064	12,039	7,966,273	11,144,202
Total fund balances	54,949	584,605	1,200,950	302,929	1,044,064	12,039	7,966,273	11,165,809
Total liabilities and fund balances	$ 54,949	$ 737,579	$ 1,440,583	$ 302,929	$ 1,044,064	$ 12,039	$ 7,966,273	$ 11,558,416

	Student Activity Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds
Revenues								
Federal sources	$ -	$ 30,600	$ 3,215,315	$ -	$ -	$ -	$ -	$ 3,245,915
Other State sources	-	1,364,627	192,055	-	-	-	46,018	1,602,700
Other local sources	11,904	1,139,790	85,289	(6,771)	28,711	(270)	7,967,882	9,226,535
Total revenues	11,904	2,535,017	3,492,659	(6,771)	28,711	(270)	8,013,900	14,075,150
Expenditures								
Current								
Instruction	-	1,997,245	-	-	-	-	-	1,997,245
Instruction-related activities								
Supervision of instruction	-	107,447	-	-	-	-	-	107,447
School site administration	-	153,917	-	-	-	-	-	153,917
Pupil services								
Food services	-	606	2,710,270	-	-	-	-	2,710,876
All other pupil services	-	4	-	-	-	-	-	4
Administration								
All other administration	-	143,578	97,937	-	-	-	-	241,515
Plant services	-	138,100	184,832	-	-	-	-	322,932
Ancillary services	47,209	-	-	-	-	-	-	47,209
Community services	-	73,013	-	-	-	-	-	73,013
Facility acquisition and construction	-	-	-	-	56,917	-	-	56,917
Debt service								
Principal	-	-	-	-	-	-	5,380,000	5,380,000
Interest and other	-	-	-	-	-	-	3,654,913	3,654,913
Total expenditures	47,209	2,613,910	2,993,039	-	56,917	-	9,034,913	14,745,988
Excess (Deficiency) of Revenues Over Expenditures	(35,305)	(78,893)	499,620	(6,771)	(28,206)	(270)	(1,021,013)	(670,838)
Other Financing Sources (Uses)								
Transfers in	47,254	32,923	-	-	-	-	122,713	202,890
Transfers out	-	-	-	-	-	-	(122,713)	(122,713)
Net Financing Sources (Uses)	47,254	32,923	-	-	-	-	-	80,177
Net Change in Fund Balances	11,949	(45,970)	499,620	(6,771)	(28,206)	(270)	(1,021,013)	(590,661)
Fund Balance - Beginning	43,000	630,575	701,330	309,700	1,072,270	12,309	8,987,286	11,756,470
Fund Balance - Ending	$ 54,949	$ 584,605	$ 1,200,950	$ 302,929	$ 1,044,064	$ 12,039	$ 7,966,273	$ 11,165,809

Note 1 - Purpose of Schedules

Schedule of Expenditures of Federal Awards (SEFA)

Basis of Presentation
The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2022. The information 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). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or fund balance of the District.

Summary of Significant Accounting Policies
Expenditures reported in the schedule are reported on the *modified accrual* basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to subrecipients.

Indirect Cost Rate
The District has not elected to use the ten percent de minimis cost rate.

Local Education Agency Organization Structure

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

Schedule of Instructional Time

This schedule presents information on the number of instructional days offered by the District and whether the District complied with the provisions of Education Code Section 43504.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

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

Schedule of 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.

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.

Non-Major Governmental Funds - Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances

The Non-Major Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances is included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Independent Auditor's Reports
June 30, 2022

Jefferson Elementary School District

Independent Auditor's 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*

To the Governing Board
Jefferson Elementary School District
Daly City, California

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Jefferson Elementary School District (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 31, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as finding number 2022-001 that we consider to be material weaknesses.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Eide Bailly LLP

Menlo Park, California
March 31, 2023

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Governing Board
Jefferson Elementary School District
Daly City, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Jefferson Elementary School District's (District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the 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, 2022.

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

We are required to be independent of the 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 on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Eide Bailly LLP

Menlo Park, California
March 31, 2023

Independent Auditor's Report on State Compliance

To the Governing Board
Jefferson Elementary School District
Daly City, California

Report on Compliance

Opinion on State Compliance

We have audited Jefferson Elementary School District's (District) compliance with the requirements specified in the 2021-2022 *Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to the District's state program requirements identified below for the year ended June 30, 2022.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and.
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

	Procedures Performed
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	No, see below
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No, see below
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High Schools	No, see below
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	No, see below
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	Yes
District of Choice	No, see below
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	No, see below
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	No, see below
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	No, see below
In Person Instruction Grant	Yes
CHARTER SCHOOLS	
Attendance	No, see below
Mode of Instruction	No, see below
Nonclassroom-Based Instruction/Independent Study	No, see below
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instructional Minutes - Classroom Based	No, see below
Charter School Facility Grant Program	No, see below

Continuation Education

We did not perform Continuation Education procedures because the program is not offered by the District.

Early Retirement Incentive

The District did not have any employees retire under the CalSTRS Early Retirement Incentive program; therefore, testing was not required.

Juvenile Court Schools
We did not perform Juvenile Court Schools procedures because the program is not offered by the District.

Middle or Early College High Schools
We did not perform Middle or Early College High Schools procedures because the program is not offered by the District.

Middle or Early College High Schools
We did not perform Middle or Early College High Schools procedures because the program is not offered.

Transportation Maintenance of Effort
We did not perform Transpiration Maintenance of Effort procedures because the program is not offered.

District of Choice
We did not perform District of Choice procedures because the program is not offered by the District.

California Clean Energy Jobs Act
We did not perform California Clean Energy Jobs Act procedures because the related procedures were performed in a previous year.

Independent Study - Course Based
The District does not offer an Independent Study - Course Based program; therefore, we did not perform any procedures related to the Independent Study - Course Based Program.

Charter Schools
The District does not operate any Charter Schools; therefore, we did not perform procedures for Charter School Programs.

Charter Schools
The District does not offer Career Technical Education program, we did not perform procedures for Charter School Programs

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.

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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Menlo Park, California
March 31, 2023

Schedule of Findings and Questioned Costs
June 30, 2022

Jefferson Elementary School District

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)	No

Identification of major programs

Name of Federal Program or Cluster	Federal Financial Assistance Listing/ Federal CFDA Number
Special Education Cluster	84.027 & 84.173
Coronavirus - ESSER	84.425U & 84.425D

Dollar threshold used to distinguish between type A and type B programs	$750,000
Auditee qualified as low-risk auditee?	No

State Compliance

Type of auditor's report issued on compliance for programs	Unmodified

Finding 2022-001 – Material Weakness Causing a Restatement of the financial statements due to correction of an error

Criteria:

Management is responsible for developing and maintaining internal control activities that comply with the generally accepted accounting principles to meet the following objectives: control environment, risk assessment, control activities, information and communications, and monitoring.

Condition:

The District's issuance of debt and related deposits with the trustee was not reported on the financial statements at the time the debt was issued. The District reported the amounts that were reimbursed by the debt trustee as revenue and receivable causing cash with fiscal agent to be understated and receivables to be overstated. The District did not report changes in fair value related to its deposits with the county treasurer.

Effect or Potential Effect:

The District's general fund's cash with fiscal agent was understated by $5,960,502 and the receivables were overstated by $3,508,024. Proceed from issuance of debt reported in the general fund were understated by $6,404,010. Further, the changes in fair value caused the reported amounts of cash deposited with the county treasurer to drop by $2,701,022.

Cause:

Debt issuance should be reported at time of issuance and cash with fiscal agent, while restricted, should also be reported on the District's financial statements. The District should report cash with the county treasurer at fair value as opposed to cost.

Recommendation:

We recommend that the District implement procedures ensuring that financial closing process is reviewed especially for nonrecurring transactions such as debt issuance reported in the general fund. Further, we recommend that the fair value of deposits with the county treasurer to be adjusted annually.

Views of Responsible Officials:

The District concurs with the finding and have established additional review procedures with respect to debt and fair value to ensure that the amounts are reported on the financial statements in accordance with generally accepted accounting principles.

None reported.

None reported.

None reported.

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

Upon issuance of the Bonds, Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, proposes to render its final approving opinion with respect to the Bonds in substantially the following form:

November 29, 2023

Board of Education
Jefferson Elementary School District

Members of the Board of Education:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of $10,000,000 Jefferson Elementary School District (San Mateo County, California) Election of 2022 General Obligation Bonds, Series B (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based on our examination as bond counsel of existing law, certified copies of such legal proceedings and such other proofs as we deem necessary to render this opinion, we are of the opinion, as of the date hereof and under existing law, that:

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a greater than fifty-five percent vote of the qualified electors of the Jefferson Elementary School District (the "District") voting at an election held on June 7, 2022, and a resolution of the Board of Education of the District adopted on October 25, 2023 (the "Resolution").

2. The Bonds constitute valid and binding general obligations of the District, payable as to both principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for the purposes of computing the alternative minimum tax imposed on such corporations.

4. Interest on the Bonds is exempt from State of California personal income tax.

5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bonds constitutes original issue discount.

Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond.

6. The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under the Code; such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Bondowner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bondowner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. No opinion is expressed herein as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than ourselves. Other than expressly stated herein, we express no opinion regarding tax consequences with respect to the Bonds.

The opinions expressed herein as to the exclusion from gross income of interest (and original issue discount) on the Bonds are based upon certain representations of fact and certifications made by the District and others and are subject to the condition that the District complies with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

It is possible that subsequent to the issuance of the Bonds there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

Respectfully submitted,

Stradling Yocca Carlson & Rauth

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Jefferson Elementary School District (the "District") in connection with the issuance of (i) $10,000,000 of the District's Election of 2022 General Obligation Bonds, Series B (the "Bonds"). The Bonds are being issued pursuant to the Resolution of the District dated October 25, 2023 (the "Resolution"). The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the 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" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean initially Keygent LLC, or any successor Dissemination Agent designated in writing by the District (which may be the District) and which has filed with the District a written acceptance of such designation.

"Financial Obligation" means: (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the Repository consistent with the Rule.

"Holders" shall mean registered owners of the Bonds.

"Listed Events" shall mean any of the events listed in Sections 5(a) or 5(b) of this Disclosure Certificate.

"Official Statement" means the official statement dated as of November 7, 2023 and relating the primary offering and sale of the Bonds.

"Participating Underwriter" shall mean Stifel, Nicolaus & Company, Incorporated, or any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean the Municipal Securities Rulemaking Board, which can be found at http://emma.msrb.org/, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

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

"State" shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (presently ending June 30), commencing with the report for the 2022-23 Fiscal Year, which shall be due no later than March 31, 2024, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided* that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than 30 days (nor more than 60 days) prior to said date the Dissemination Agent shall give notice to the District that the Annual Report shall be required to be filed in accordance with the terms of this Disclosure Certificate. Not later than 15 Business Days prior to said date, the District shall provide the Annual Report in a format suitable for reporting to the Repository to the Dissemination Agent (if other than the District). If the District is unable to provide to the Repository an Annual Report by the date required in subsection (a), the District shall send a notice in a timely manner to the Repository in substantially the form attached as Exhibit A with a copy to the Dissemination Agent. The Dissemination Agent shall not be required to file a Notice to Repository of Failure to File an Annual Report.

(c) The Dissemination Agent shall file a report with the District stating it has filed the Annual Report in accordance with its obligations hereunder, stating the date it was provided.

SECTION 4. Content and Form of Annual Reports.

(a) The District's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the District for the prior fiscal year, 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 time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. Material financial information and operating data with respect to the District of the type included in the Official Statement in the following categories (to the extent not included in the District's audited financial statements):

(A) State funding received by the District for the last completed fiscal year;

(B) Average daily attendance of the District for the last completed fiscal year;

(C) Outstanding District indebtedness;

(D) Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the current fiscal year;

(E) Assessed valuation of taxable properties within the District for the then-current fiscal year;

(F) Secured *ad valorem* property tax levies and delinquencies for taxable property within the District for the current year, to the extent San Mateo County no longer implements to the Teeter Plan (as such term is defined in the Official Statement) as to secured *ad valorem* property tax levies for general obligation bonded debt of the District; and

(G) The top 20 property owners in the District for the then-current fiscal year, as measured by secured assessed valuation, the amount of their respective taxable assessed value, and their percentage of total secured assessed value.

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 have been submitted to the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The District shall clearly identify each such other document so included by reference.

(b) The Annual Report shall be filed in an electronic format accompanied by identifying information prescribed by the Municipal Securities Rulemaking Board.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not in excess of 10 business days after the occurrence of the event:

1. principal and interest payment delinquencies.

2. tender offers.

3. defeasances.

4. rating changes.

5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or Notices of Proposed Issue (IRS Form 5701-TEB).

6. unscheduled draws on the debt service reserves reflecting financial difficulties.

7. unscheduled draws on credit enhancement reflecting financial difficulties.

8. substitution of the credit or liquidity providers or their failure to perform.

9. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

10. bankruptcy, insolvency, receivership or similar event (within the meaning of the Rule) of the District. For the purposes of the event identified in this Section 5(a)(10), the event 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 U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(b) Pursuant to the provisions of this Section 5(b), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. non-payment related defaults.

2. modifications to rights of Bondholders.

3. optional, contingent or unscheduled bond calls.

4. unless described under Section 5(a)(5) above, material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

5. release, substitution or sale of property securing repayment of the Bonds.

6. 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.

7. appointment of a successor or additional trustee or paying agent with respect to the Bonds or the change of name of such a trustee or paying agent.

8. incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect Bondowners.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event under Section 5(b) hereof, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) hereof would be material under applicable federal securities laws, the District shall (i) file a notice of such occurrence with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event or (ii) provide notice of such reportable event to the Dissemination Agent in format suitable for filing with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event. The Dissemination Agent shall have no duty to independently prepare or file any report of Listed Events. The Dissemination Agent may conclusively rely on the District's determination of materiality pursuant to Section 5(c).

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(a) or Section 5(b), as applicable.

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign upon 15 days written notice to the District. Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and

(d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent acts hereunder solely for the benefit of the District; this Disclosure Certificate shall confer no duties on the Dissemination Agent to the Participating Underwriter, the Holders and the Beneficial Owners. The District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it 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 obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall have no liability for the failure to report any event or any financial information as to which the District has not provided an information report in format suitable for filing with the Repository. The Dissemination Agent shall not be required to monitor or enforce the District's duty to comply with its continuing disclosure requirements hereunder.

SECTION 12. 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.

Dated: November 29, 2023

JEFFERSON ELEMENTARY SCHOOL DISTRICT

By ______________________________

Assistant Superintendent of Business Services/Chief Business Officer

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of District: JEFFERSON ELEMENTARY SCHOOL DISTRICT

Name of Bond Issue: Election of 2022 General Obligation Bonds, Series B

Date of Issuance: November 29, 2023

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate relating to the Bonds. The District anticipates that the Annual Report will be filed by _____________.

Dated:_______________________

JEFFERSON ELEMENTARY SCHOOL DISTRICT

By ______[form only; no signature required]_________

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APPENDIX D

GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF DALY CITY AND SAN MATEO COUNTY

The following information regarding the City of Daly City (the "City"), and San Mateo County (the "County") is included only for the purpose of supplying general information regarding the local community and economy. The Bonds are not a debt of the City or the County. This material has been prepared by or excerpted from the sources as noted herein and has not been reviewed for accuracy by the District.

General

The City of Daly City. Located at the northern end of San Mateo County, the City is known as the "Gateway to the Peninsula" and is a coastal community with approximately 7.7 square miles of developed area. A General Law City, it operates under the Council-Manager form of government, with five council members elected to overlapping four year terms. Each year the Council elects one of its own members to serve as Mayor. The City is largely residential and is one of the most populous cities in the County.

San Mateo County. One of nine counties in the San Francisco Bay Area, the County was established by State of California (the "State") law in 1856. It encompasses 20 cities in an area of 455 square miles, on a 50-mile-long peninsula immediately south of San Francisco. The Santa Cruz Mountains bisect the County, with most residents living to the east of them, while west of them remains primarily rural. Governed by a five-member Board of Supervisors, each directly elected by voters in their respective districts to four-year terms, it functions under a charter form of government. Property tax revenues provide its largest economic engine.

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Population

The following table shows historical population figures for the City, the County and the State for the past 10 years.

POPULATION ESTIMATES
2014 through 2023
City of Daly City, San Mateo County and the State of California

Year[1]	City of Daly City	San Mateo County	State of California
2014	107,192	754,234	38,556,731
2015	107,889	761,621	38,865,532
2016	108,421	767,099	39,103,587
2017	108,599	769,401	39,352,398
2018	109,088	770,927	39,519,535
2019	109,102	771,160	39,605,361
2020	104,867	764,442	39,538,223
2021	104,026	754,439	39,286,510
2022	102,040	740,821	39,078,674
2023	101,471	737,644	38,940,231

(1) As of January 1.
Source: 2014 – 2019 (2010 Demographic Research Unit Benchmark); 2020-23 (2020 Demographic Research Unit Benchmark): California Department of Finance, Released: May, 2023.

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Income

The following table summarizes per capita personal income for the County, the State and the United States for the past 10 years that statistics are currently available.

PER CAPITA PERSONAL INCOME
2012 through 2021
San Mateo County, the State of California, and the United States

Year	San Mateo County	State of California	United States
2012	$87,142	$48,121	$44,548
2013	86,691	48,502	44,798
2014	92,352	51,266	46,887
2015	101,010	54,546	48,725
2016	105,796	56,560	49,613
2017	115,556	58,804	51,550
2018	124,705	61,508	53,786
2019	131,180	64,919	56,250
2020	142,264	70,647	59,765
2021	160,485	76,614	64,143

Note: Per capital personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. Last updated: November 16, 2022 – new statistics for 2021; revised statistics for 2012-2020. All dollar estimates are in current dollars (not adjusted for inflation).
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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Principal Employers

The following tables list the principal employers located in the City and the County.

PRINCIPAL EMPLOYERS
as of June 30, 2022
City of Daly City

Employer	Industry	Number of Employees
Seton Medical Center	Health Services	783
City of Daly City	Public Administration	638
Jefferson Elementary School District	Educational Services	560
Jefferson Union High School District	Educational Services	491
Kaiser Permanente (3 locations)	Health Services	344
Cow Palace	Amusement and Recreation Services	340
St. Francis Convalescent Pavilion	Health Services	321
Target Stores – Serramonte	Retail Trade: General Merchandise Stores	310
In-N-Out Burger (2 locations)	Retail Trade: Eating and Drinking Places	217
Walgreens (3 locations)	Retail Trade: General Merchandise Stores	186

Source: City of Daly City Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022.

PRINCIPAL EMPLOYERS
as of June 30, 2022
San Mateo County

Company	Industry	Number of Employees
Meta (Facebook Inc.)	Business Services: Computer Programming, Data Processing, and Other Computer Related Services	15,407
Genentech Inc.	Manufacturing: Biological Products	12,000
Oracle Corp.	Manufacturing: Industrial and Commercial Machinery and Computer Equipment	9,149
United Airlines	Transportation By Air	7,894
County of San Mateo	Public Administration	5,705
Gilead Sciences Inc.	Manufacturing: Biological Products	4,190
You Tube	Business Services: Computer Programming, Data Processing, and Other Computer Related Services	2,384
Sony Interactive Entertainment	Business Services: Prepackaged Software	1,855
Alaska Airlines	Transportation by Air	1,591
Electronic Arts Inc.	Business Services: Computer Programming, Data Processing, and Other Computer Related Services	1,478

Source: County of San Mateo Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022.

Employment

The following table summarizes the labor force, employment and unemployment figures for the years 2017 through 2021 for the City, the County, the State and the United States.

LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ANNUAL AVERAGES
2017 THROUGH 2021(1)
City of Daly City, San Mateo County, State of California and the United States

Year and Area	Labor Force	Employment(2)	Unemployment	Unemployment Rate (%)
2017				
City of Daly City	63,400	61,600	1,700	2.7
San Mateo County	444,900	432,700	12,200	2.7
State of California	19,176,400	18,257,100	919,300	4.8
United States	160,320,000	153,337,000	6,982,000	4.4
2018				
City of Daly City	64,100	62,600	1,500	2.3
San Mateo County	449,000	438,900	10,100	2.2
State of California	19,280,800	18,460,700	820,100	4.3
United States	162,075,000	155,761,000	6,314,000	3.9
2019				
City of Daly City	65,100	63,700	1,400	2.1
San Mateo County	457,400	447,900	9,500	2.1
State of California	19,411,600	18,627,400	784,200	4.0
United States	163,539,000	157,538,000	6,001,000	3.7
2020				
City of Daly City	64,900	58,600	6,300	9.6
San Mateo County	439,500	409,000	30,400	6.9
State of California	18,821,200	16,923,100	1,908,100	10.0
United States	160,742,000	147,795,000	12,947,000	8.1
2021				
City of Daly City	62,900	59,200	3,700	5.9
San Mateo County	433,400	413,300	20,100	4.6
State of California	19,041,000	18,127,700	913,300	4.8
United States	161,204,000	152,581,000	8,623,000	5.3

Note: Data is not seasonally adjusted.
(1) Annual averages, unless otherwise specified.
(2) Includes persons involved in labor-management trade disputes.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2022 Benchmark.

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Industry

The County is part of the San Francisco-San Mateo-Redwood City Metropolitan Division (the "MD"). The distribution of employment in the MD is presented in the following table for the last five years. These figures are multi county-wide statistics and may not necessarily accurately reflect employment trends in the County.

INDUSTRY EMPLOYMENT & LABOR FORCE ANNUAL AVERAGES
2018 through 2022
San Mateo County (San Francisco-San Mateo-Redwood City MD)

Category	2018	2019	2020	2021	2022
Total Farm	1,700	1,700	1,600	1,700	1,800
Total Nonfarm	1,143,600	1,184,200	1,080,300	1,097,700	1,181,200
Total Private	1,012,200	1,052,700	951,800	966,400	1,045,000
Goods Producing	83,200	85,300	80,200	78,200	79,900
Mining and Logging	100	100	100	100	100
Construction	42,400	44,400	42,600	41,100	40,900
Manufacturing	40,700	40,800	37,500	36,900	38,900
Durable Goods	18,500	18,900	18,000	17,600	19,400
Nondurable Goods	22,200	21,800	19,500	19,300	19,500
Service Providing	1,060,400	1,098,900	1,000,100	1,019,600	1,101,200
Private Service Producing	929,000	967,400	871,500	888,300	965,100
Trade, Transportation and Utilities	154,100	155,000	135,600	133,700	136,100
Wholesale Trade	25,200	24,600	21,800	21,700	22,500
Retail Trade	81,200	79,200	67,800	66,400	67,100
Transportation, Warehousing and Utilities	47,700	51,200	46,100	45,500	46,500
Information	85,200	97,500	105,300	113,200	125,300
Financial Activities	83,200	85,900	82,900	83,600	87,700
Professional and Business Services	284,900	296,800	285,800	288,300	310,700
Private Education and Health Services	138,900	146,100	142,100	145,900	152,400
Leisure and Hospitality	141,400	144,600	87,200	89,900	115,200
Other Services	41,400	41,500	32,500	33,700	37,800
Government	131,400	131,500	128,600	131,300	136,200
Total, All Industries	1,145,400	1,185,900	1,081,900	1,099,500	1,183,000

Note: The "Total, All Industries" data is not directly comparable to the employment data found herein.
Source: State of California, Employment Development Department, Labor Market Information Division, Annual Average Labor Force and Industry Employment. March 2022 Benchmark.

Commercial Activity

Summaries of annual taxable sales for the City and the County for the last five years are shown in the following tables.

ANNUAL TAXABLE SALES
2018 through 2022
City of Daly City
(Dollars in Thousands)

Year	Total Retail and Food Services Permits	Retail and Food Services: Taxable Transactions	Total All Outlets: Permits	Total All Outlets: Taxable Transactions
2018	1,145	$1,084,193	1,751	$1,156,759
2019	1,146	1,099,308	1,766	1,172,170
2020	1,208	868,470	1,846	921,956
2021	1,103	1,098,364	1,692	1,156,506
2022	1,103	1,202,962	1,701	1,266,730

Source: "Taxable Sales in California," California Department of Tax and Fee Administration.

ANNUAL TAXABLE SALES
2018 through 2022
San Mateo County
(Dollars in Thousands)

Year	Total Retail and Food Services Permits	Retail and Food Services: Taxable Transactions	Total All Outlets: Permits	Total All Outlets: Taxable Transactions
2018	12,802	$11,674,214	22,554	$17,547,096
2019	12,817	12,034,590	22,908	18,286,057
2020	13,350	10,659,163	23,985	15,940,067
2021	11,947	12,714,641	21,396	19,538,725
2022	11,838	13,984,159	21,402	21,932,689

Source: "Taxable Sales in California," California Department of Tax and Fee Administration.

Construction Activity

The annual building permit valuations and number of permits for new dwelling units issued for the past five years for the City and the County are shown in the following tables.

BUILDING PERMITS AND VALUATIONS
2018 through 2022
City of Daly City
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Valuation					
Residential	$33,329	$61,030	$96,514	$114,013	$45,029
Non-residential	22,679	16,019	19,995	29,749	29,749
Total	$56,008	$77,049	$116,509	$143,762	$74,778
Units:					
Single family	56	68	94	55	46
Multiple family	0	29	128	147	56
Total	56	97	222	202	102

Note: Totals may not add to sums because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
2018 through 2022
San Mateo County
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Valuation					
Residential	$950,939	$1,174,939	$738,234	$878,104	$1,193,681
Non-residential	2,555,752	1,419,871	1,379,975	990,221	990,221
Total	$3,506,691	$2,594,810	$2,118,209	$1,868,325	$2,183.902
Units:					
Single family	443	497	548	657	645
Multiple family	1,046	1,049	439	638	2,067
Total	1,489	1,546	987	1,295	2,712

Note: Totals may not add to sums because of rounding.
Source: Construction Industry Research Board.

APPENDIX E

SAN MATEO COUNTY TREASURY POOL

The following information concerning the San Mateo County Treasury Pool (the "Treasury Pool") has been provided by the Treasurer, and has not been confirmed or verified by the District, the Municipal Advisor or the Underwriter. The District, the Municipal Advisor and the Underwriter have not made an independent investigation of the investments in the Treasury Pool and have made no assessment of the current County investment policy. The value of the various investments in the Treasury Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer, with the consent of the County Board of Supervisors may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Treasury Pool will not vary significantly from the values described herein. Finally, none of the District, the Municipal Advisor or the Underwriter make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date. Additional information regarding the Treasurer Pool may be obtained from the Treasurer at http://www.sanmateocountytreasurer.org/; however, the information presented on such website is not incorporated herein by any reference.

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Sandie Arnott
TREASURER-TAX COLLECTOR

SAN MATEO COUNTY INVESTMENT POOL FUND
OCTOBER 2023 MONTH END REPORT

TABLE OF CONTENTS

INTRODUCTION SUMMARY

Gross earnings for the month ending October 2023 was 3.378%. Current average maturity of the portfolio is 1.73 years with an average duration of 1.57 years. As of the end of the month, the pool is currently on pace to meet the target rate. The current Par Value of the pool is $7.327 Billion. The largest non-government aggregate position is currently Natixis at 1.51%. The portfolio continues to hold no derivative products.

The estimated earnings for FY 2023-24 is 3.75%.

The San Mateo County Pool complies with Government Code Section 53646, which requires the ability to meet its expenditure requirements for the next six months.

I certify, and our compliance advisor, Silicon Valley Treasury Consulting Group, confirms these reports are in compliance with the Investment Policy dated Calendar Year 2023. Please visit our website if you wish to review Silicon Valley Treasury Consulting Group's monthly compliance report:
https://www.smcgov.org/treasurer/investment-information

If you have any questions regarding any of these reports, please call me at (650) 363-4470.

Best regards,

Sandie Arnott
Treasurer-Tax Collector

Sandie Arnott
Treasurer-Tax Collector

October 31, 2023

RE: SAN MATEO COUNTY INVESTMENT POOL, GASB FAIR MARKET VALUE FACTOR AS OF 10/31/23

As of October 31, 2023, the GASB fair market value factor for the San Mateo County Investment Pool is 0.96977.

ESTIMATED SUMMARY OF POOL EARNINGS

October 2023

		Par Value		Gross Earnings
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	$	1,162,645,000.00	$	1,319,653.21
Corporate Notes		828,902,000.00		2,151,924.09
Federal Agencies		2,198,982,318.87		6,865,298.38
U.S, Instrumentalities		104,650,000.00		65,938.50
Asset Backed Securities		38,435,442.35		20,609.18
Certificate of Deposit		17,000,000.00		80,999.18
	$	**4,350,614,761.22**	**$**	**10,504,422.54**
Short Term Securities Maturing < 1 year				
U S Treasury Notes	$	687,410,000.00	$	580,849.68
Corporate Notes		231,865,000.00		349,114.41
Federal Agencies		1,216,215,000.00		4,101,621.16
U.S, Instrumentalities		166,403,000.00		360,301.83
Asset Backed Securities		-		-
Certificate of Deposit		119,000,000.00		568,730.68
Commercial Paper		111,000,000.00		524,619.44
Dreyfus		94,119,565.26		-
CAMP		275,000,000.00		763,236.99
CALTRUST		75,000,000.00		85,102.74
	$	**2,976,012,565.26**	**$**	**7,333,576.93**
Total Accrued Interest	**$**	**7,326,627,326.48**	**$**	**17,837,999.47**
Total Dollar Earnings for October			**$**	**20,552,647.82**

		Period Earnings
Realized Gain/Loss & Interest Received		
U S Treasury Notes	$	441,767.95
Corporate Notes		187,512.72
Federal Agencies		1,193,519.69
U.S, Instrumentalities		26,660.34
Asset Backed Securities		19,278.73
Commercial Paper		7,097.22
Dreyfus		133,886.35
CAMP		681,478.37
CALTRUST		3,303.45
US Bank Earnings Credit		20,143.53
Total Realized Income	**$**	**2,714,648.35**

AVERAGE BALANCE		**$**	**7,163,119,281.58**
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	**3.378%**		**20,552,647.82**
ADMINISTRATION FEES*			**(577,955.79)**
NET EARNINGS RATE / NET DOLLAR EARNINGS	**3.283%**	**$**	**19,974,692.03**

*Current admin fees rate is at 9.5bp

SAN MATEO COUNTY TREASURER'S OFFICE

FIXED INCOME DISTRIBUTION - SETTLED TRADES

SAN MATEO COUNTY POOL

October 31, 2023

Summary Information

Totals	
Par Value	7,326,627,326
Market Value	7,120,952,157.21
Total Cost	7,283,735,886.44
Net Gain/Loss	-162,783,729.22
Annual Income	221,052,493.50
Accrued Interest	57,410,767.20
Number of Issues	358

Weighted Averages	
Average YTM	5.28
Average Maturity (yrs)	1.73
Average Coupon (%)	3.07
Average Duration	1.57
Average Moody Rating	Aa1
Average S&P Rating	AA

Distribution by Maturity

Maturity	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Under 1 Yr	128	2,895,815,452.37	40.7	5.1	3.287%	0.4
1 Yr - 3 Yrs	144	2,890,095,244.65	40.6	5.3	2.420%	1.8
3 Yrs - 5 Yrs	86	1,335,041,460.20	18.7	5.5	3.989%	3.6

Distribution by Coupon

Coupon %	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Under 1%	71	1,607,711,336.27	22.6	4.9	0.429%	1.5
1% - 3%	99	1,848,216,359.61	26.0	5.4	1.986%	1.5
3% - 5%	104	1,798,229,858.90	25.3	5.4	4.261%	1.4
5% - 7%	84	1,866,794,602.43	26.2	5.4	5.292%	1.9

Distribution by Duration

Duration	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Under 1 Yr	135	3,110,680,910.76	43.7	5.1	3.256%	0.5
1 Yr - 3 Yrs	151	2,843,851,372.15	39.9	5.3	2.345%	1.9
3 Yrs - 5 Yrs	72	1,166,419,874.30	16.4	5.5	4.324%	3.7

SAN MATEO COUNTY TREASURER'S OFFICE

FIXED INCOME DISTRIBUTION - SETTLED TRADES

SAN MATEO COUNTY POOL

October 31, 2023

Distribution by Moody Rating

Rating	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Aaa	237	5,794,680,413.02	81.4	5.2	3.047%	1.5
Aa1	1	1,823,120.85	0.0	5.6	2.101%	0.7
Aa2	8	75,662,478.14	1.1	5.6	3.426%	1.9
Aa3	5	57,904,248.19	0.8	5.7	4.330%	2.9
A1	45	553,948,802.70	7.8	5.8	3.245%	1.6
A2	38	384,262,808.15	5.4	5.8	2.802%	1.9
A3	18	156,758,999.63	2.2	5.9	2.907%	2.0
Not Rated	6	95,911,286.53	1.3	4.8	3.441%	2.5

Distribution by S&P Rating

Rating	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
AAA	29	755,000,946.50	10.6	3.8	3.005%	0.6
AA+	211	5,060,189,513.25	71.1	5.4	3.048%	1.6
AA	10	125,660,308.19	1.8	5.5	3.119%	2.2
AA-	9	130,524,356.13	1.8	5.6	3.772%	1.0
A+	20	155,548,697.51	2.2	5.7	4.187%	2.2
A	37	428,931,617.65	6.0	5.9	2.698%	1.7
A-	30	293,569,975.26	4.1	5.8	2.970%	2.2
BBB+	9	96,125,502.91	1.3	5.9	2.905%	1.6
Not Rated	3	75,401,239.80	1.1	5.3	3.945%	2.4

** MARKET VALUE ON THE FIXED INCOME DISTRIBUTION REPORT INCLUDES ANY ACCRUED INTEREST THAT A SECURITY HAS EARNED. TOTAL COST DOES NOT REFLECT AMORTIZATIONS OR ACCRETIONS BUT INCLUDES PURCHASED ACCRUED INTEREST. MONTHLY TRANSACTION SUMMARY REPORT IS AVAILABLE UPON REQUEST.

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
CERTIFICATE OF DEPOSIT													
TORONTO DOMINION BANK NY	5.35	01-31-24			25,000,000	100.00	25,000,000.00	100.00	25,000,000.00	783,923.61	25,783,923.61	AA-	0.35
MUFG BANK LTD/NY	5.34	03-28-24			25,000,000	100.00	25,000,000.00	100.00	25,000,000.00	771,333.33	25,771,333.33	A	0.35
TORONTO DOMINION BANK NY	6.03	07-05-24			24,000,000	100.00	24,000,000.00	100.00	24,000,000.00	474,360.00	24,474,360.00	AA	0.34
TORONTO DOMINION BANK NY	6.00	08-24-24			25,000,000	100.00	25,000,000.00	100.00	25,000,000.00	279,166.67	25,279,166.67	AA-	0.35
BANK OF NOVA SCOTIA HOUSTON	5.96	10-04-24			20,000,000	100.00	20,000,000.00	100.00	20,000,000.00	89,400.00	20,089,400.00	A+	0.28
NATIXIS NY BRANCH	5.61	09-18-26			17,000,000	100.00	17,000,000.00	100.00	17,000,000.00	113,914.17	17,113,914.17	A	0.24
					136,000,000		136,000,000.00		136,000,000.00	2,512,097.78	138,512,097.78		1.93
COMMERCIAL PAPER													
NATIXIS NY BRANCH	5.58	02-14-24			25,000,000	96.30	24,073,875.00	98.36	24,589,250.00	1,003,625.00	25,592,875.00	A	0.35
NATIXIS NY BRANCH	0.00	03-07-24			30,000,000	95.90	28,769,325.00	98.09	29,428,125.00	0.00	29,428,125.00	A	0.42
NATIXIS NY BRANCH	0.00	03-22-24			31,000,000	95.83	29,707,644.44	97.78	30,310,423.60	0.00	30,310,423.60	A	0.43
ROYAL BANK OF CANADA NY	0.00	06-28-24			25,000,000	95.80	23,950,152.78	96.24	24,059,430.00	0.00	24,059,430.00	AA-	0.34
					111,000,000		106,500,997.22		108,387,228.60	1,003,625.00	109,390,853.60		1.53
LOCAL AGENCY INVESTMENT FUND													
CA ASSET MGMT PROGRAM	5.00	11-01-23			100,000,000	100.00	100,000,000.00	100.00	100,000,000.00	416,666.67	100,416,666.67	AAA	1.42
CALTRUST	4.97	11-01-23			75,000,000	100.00	75,000,000.00	100.00	75,000,000.00	207,083.33	75,207,083.33	AAA	1.06
CA ASSET MGMT PROGRAM TERM	5.54	12-14-23			12,000,000	100.00	12,000,000.00	100.00	12,000,000.00	592,780.00	12,592,780.00	AAA	0.17
CA ASSET MGMT PROGRAM TERM	5.54	12-15-23			3,000,000	100.00	3,000,000.00	100.00	3,000,000.00	147,733.33	3,147,733.33	AAA	0.04
CA ASSET MGMT PROGRAM TERM	5.63	01-12-24			10,000,000	100.00	10,000,000.00	100.00	10,000,000.00	456,655.56	10,456,655.56	AAA	0.14
CA ASSET MGMT PROGRAM TERM	5.13	01-25-24			50,000,000	100.00	50,000,000.00	100.00	50,000,000.00	1,987,875.00	51,987,875.00	AAA	0.71
CA ASSET MGMT PROGRAM TERM	5.08	02-23-24			50,000,000	100.00	50,000,000.00	100.00	50,000,000.00	1,763,888.89	51,763,888.89	AAA	0.71
CA ASSET MGMT PROGRAM TERM	5.81	07-08-24			25,000,000	100.00	25,000,000.00	100.00	25,000,000.00	463,993.06	25,463,993.06	AAA	0.35
CA ASSET MGMT PROGRAM TERM	5.68	08-27-24			25,000,000	100.00	25,000,000.00	100.00	25,000,000.00	256,388.89	25,256,388.89	AAA	0.35
					350,000,000		350,000,000.00		350,000,000.00	6,293,064.72	356,293,064.72		4.96
UNITED STATES TREASURY-NOTES													
UNITED STATES TREAS NTS	0.25	11-15-23			32,000,000	100.25	32,081,250.00	99.81	31,937,950.40	36,739.13	31,974,689.53	AA+	0.45
UNITED STATES TREAS NTS	2.87	11-30-23			26,000,000	104.20	27,092,812.50	99.80	25,947,250.94	312,479.51	26,259,730.45	AA+	0.37
UNITED STATES TREAS NTS	0.50	11-30-23			10,000,000	99.82	9,981,640.63	99.61	9,961,397.80	20,901.64	9,982,299.44	AA+	0.14
UNITED STATES TREAS NTS	2.62	12-31-23			25,000,000	103.46	25,864,257.81	99.53	24,881,949.00	220,543.03	25,102,492.03	AA+	0.35
UNITED STATES TREAS NTS	2.50	01-31-24			18,900,000	103.59	19,577,742.19	99.28	18,763,418.02	118,125.00	18,881,543.02	AA+	0.27
UNITED STATES TREAS NTS	2.50	01-31-24			43,000,000	104.37	44,879,570.31	99.28	42,689,257.92	268,750.00	42,958,007.92	AA+	0.60
UNITED STATES TREAS NTS	2.50	01-31-24			19,000,000	103.36	19,639,023.44	99.28	18,862,695.36	118,750.00	18,981,445.36	AA+	0.27
UNITED STATES TREAS NTS	0.12	02-15-24			20,000,000	99.41	19,882,812.50	98.49	19,697,656.20	5,230.98	19,702,887.18	AA+	0.28
UNITED STATES TREAS NTS	2.37	02-29-24			31,790,000	103.20	32,805,789.84	98.98	31,467,132.81	126,526.82	31,593,659.63	AA+	0.45
UNITED STATES TREAS NTS	2.12	02-29-24			15,500,000	102.43	15,876,601.56	98.91	15,331,074.18	55,197.46	15,386,271.64	AA+	0.22
UNITED STATES TREAS NTS	2.12	02-29-24			40,000,000	101.59	40,635,937.50	98.91	39,564,062.40	142,445.05	39,706,507.45	AA+	0.56
UNITED STATES TREAS NTS	2.12	03-31-24			29,300,000	102.23	29,953,527.34	98.64	28,900,558.67	53,025.76	28,953,584.42	AA+	0.41
UNITED STATES TREAS NTS	2.25	04-30-24			15,000,000	102.87	15,430,664.06	98.40	14,759,765.70	0.00	14,759,765.70	AA+	0.21
UNITED STATES TREAS NTS	2.25	04-30-24			25,000,000	102.44	25,610,351.56	98.40	24,599,609.50	0.00	24,599,609.50	AA+	0.35
UNITED STATES TREAS NTS	2.25	04-30-24			19,000,000	106.78	20,287,695.31	98.40	18,695,703.22	0.00	18,695,703.22	AA+	0.26
UNITED STATES TREAS NTS	2.00	04-30-24			15,000,000	102.04	15,305,859.38	98.29	14,742,773.40	0.00	14,742,773.40	AA+	0.21
UNITED STATES TREAS NTS	2.50	05-15-24			25,000,000	104.22	26,055,664.06	98.41	24,603,515.50	287,024.46	24,890,539.96	AA+	0.35
UNITED STATES TREAS NTS	2.00	05-31-24			15,125,000	102.00	15,427,500.00	98.01	14,823,681.56	126,589.67	14,950,271.24	AA+	0.21
UNITED STATES TREAS NTS	2.00	06-30-24			5,100,000	101.89	5,196,222.66	97.72	4,983,855.46	34,092.39	5,017,947.85	AA+	0.07
UNITED STATES TREAS NTS	2.00	06-30-24			10,000,000	101.85	10,185,156.25	97.72	9,772,265.60	66,847.83	9,839,113.43	AA+	0.14
UNITED STATES TREAS NTS	2.00	06-30-24			25,000,000	101.44	25,360,351.56	97.72	24,430,664.00	167,119.57	24,597,783.57	AA+	0.35
UNITED STATES TREAS NTS	2.00	06-30-24			25,000,000	105.14	26,285,156.25	97.72	24,430,664.00	167,119.57	24,597,783.57	AA+	0.35
UNITED STATES TREAS NTS	2.12	07-31-24			25,000,000	101.98	25,496,093.75	97.55	24,388,672.00	132,812.50	24,521,484.50	AA+	0.35
UNITED STATES TREAS NTS	3.00	07-31-24			19,400,000	98.25	19,059,742.19	98.18	19,046,859.47	145,500.00	19,192,359.47	AA+	0.27
UNITED STATES TREAS NTS	1.87	08-31-24			25,000,000	100.86	25,213,867.19	97.06	24,265,625.00	81,521.74	24,347,146.74	AA+	0.34

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
UNITED STATES TREAS NTS	2.12	09-30-24			15,900,000	102.27	16,260,855.47	97.04	15,429,832.07	28,617.83	15,458,449.90	AA+	0.22
UNITED STATES TREAS NTS	1.50	09-30-24			9,000,000	100.80	9,072,070.31	96.49	8,684,296.92	11,434.43	8,695,731.35	AA+	0.12
UNITED STATES TREAS NTS	1.50	09-30-24			25,000,000	104.75	26,186,523.44	96.49	24,123,047.00	31,762.30	24,154,809.30	AA+	0.34
UNITED STATES TREAS NTS	1.50	10-31-24			33,895,000	99.94	33,875,139.65	96.19	32,602,753.12	1,389.14	32,604,142.26	AA+	0.46
UNITED STATES TREAS NTS	1.50	10-31-24			10,000,000	104.53	10,453,125.00	96.19	9,618,750.00	409.84	9,619,159.84	AA+	0.14
UNITED STATES TREAS NTS	1.50	10-31-24			34,500,000	103.57	35,730,410.16	96.19	33,184,687.50	1,413.93	33,186,101.43	AA+	0.47
UNITED STATES TREAS NTS	0.75	11-15-24			15,000,000	99.62	14,943,750.00	95.31	14,296,875.00	51,664.40	14,348,539.40	AA+	0.20
UNITED STATES TREAS NTS	1.00	12-15-24			35,000,000	100.04	35,013,671.88	95.25	33,337,500.00	131,967.21	33,469,467.21	AA+	0.47
UNITED STATES TREAS NTS	1.75	12-31-24			25,000,000	104.49	26,123,046.88	95.94	23,984,375.00	147,028.69	24,131,403.69	AA+	0.34
UNITED STATES TREAS NTS	1.37	01-31-25			25,000,000	103.08	25,770,507.81	95.25	23,813,476.50	85,937.50	23,899,414.00	AA+	0.34
UNITED STATES TREAS NTS	1.50	02-15-25			29,350,000	95.07	27,901,990.23	95.27	27,960,460.94	92,941.67	28,053,402.60	AA+	0.40
UNITED STATES TREAS NTS	0.50	03-31-25			25,000,000	99.58	24,894,531.25	93.55	23,386,718.75	10,645.60	23,397,364.35	AA+	0.33
UNITED STATES TREAS NTS	0.25	05-31-25			10,125,000	98.45	9,967,587.89	92.54	9,369,184.54	10,592.73	9,379,777.28	AA+	0.13
UNITED STATES TREAS NTS	0.25	05-31-25			11,000,000	98.32	10,815,664.06	92.54	10,178,867.16	11,508.15	10,190,375.31	AA+	0.14
UNITED STATES TREAS NTS	2.75	06-30-25			25,000,000	108.70	27,174,804.69	96.16	24,040,039.00	229,789.40	24,269,828.40	AA+	0.34
UNITED STATES TREAS NTS	0.25	06-30-25			19,000,000	98.18	18,654,140.63	92.22	17,522,304.64	15,876.36	17,538,181.00	AA+	0.25
UNITED STATES TREAS NTS	0.25	06-30-25			10,000,000	98.17	9,817,187.50	92.22	9,222,265.60	8,355.98	9,230,621.58	AA+	0.13
UNITED STATES TREAS NTS	0.25	07-31-25			20,000,000	99.74	19,947,656.25	91.88	18,375,781.20	12,500.00	18,388,281.20	AA+	0.26
UNITED STATES TREAS NTS	0.25	07-31-25			10,175,000	98.21	9,992,962.89	91.88	9,348,678.69	6,359.37	9,355,038.06	AA+	0.13
UNITED STATES TREAS NTS	0.25	07-31-25			30,000,000	97.90	29,370,703.13	91.88	27,563,671.80	18,750.00	27,582,421.80	AA+	0.39
UNITED STATES TREAS NTS	0.25	08-31-25			25,000,000	98.82	24,706,054.69	91.55	22,888,672.00	10,869.57	22,899,541.57	AA+	0.32
UNITED STATES TREAS NTS	0.25	09-30-25			20,000,000	98.20	19,639,843.75	91.27	18,253,906.20	4,234.97	18,258,141.17	AA+	0.26
UNITED STATES TREAS NTS	0.25	10-31-25			11,000,000	99.04	10,893,867.19	90.92	10,000,976.59	75.14	10,001,051.73	AA+	0.14
UNITED STATES TREAS NTS	0.25	10-31-25			25,000,000	97.68	24,419,921.88	90.92	22,729,492.25	170.77	22,729,663.02	AA+	0.32
UNITED STATES TREAS NTS	0.25	10-31-25			25,000,000	97.84	24,460,937.50	90.92	22,729,492.25	170.77	22,729,663.02	AA+	0.32
UNITED STATES TREAS NTS	0.37	11-30-25			48,800,000	98.17	47,907,875.00	90.84	44,331,750.00	76,500.00	44,408,250.00	AA+	0.63
UNITED STATES TREAS NTS	0.37	12-31-25			14,000,000	99.92	13,988,515.63	90.60	12,684,218.68	17,643.44	12,701,862.12	AA+	0.18
UNITED STATES TREAS NTS	0.37	01-31-26			40,500,000	98.99	40,090,253.91	90.23	36,541,757.61	37,968.75	36,579,726.36	AA+	0.52
UNITED STATES TREAS NTS	0.37	01-31-26			20,000,000	98.05	19,610,937.50	90.23	18,045,312.40	18,750.00	18,064,062.40	AA+	0.26
UNITED STATES TREAS NTS	1.62	02-15-26			50,000,000	103.85	51,923,828.13	92.73	46,365,234.50	170,006.79	46,535,241.29	AA+	0.66
UNITED STATES TREAS NTS	2.50	02-28-26			46,100,000	108.14	49,854,628.91	94.57	43,595,113.17	193,138.74	43,788,251.90	AA+	0.62
UNITED STATES TREAS NTS	0.50	02-28-26			20,000,000	98.42	19,683,593.75	90.21	18,042,968.80	16,483.52	18,059,452.32	AA+	0.26
UNITED STATES TREAS NTS	0.75	03-31-26			10,200,000	97.21	9,915,515.63	90.57	9,237,773.41	6,515.11	9,244,288.52	AA+	0.13
UNITED STATES TREAS NTS	0.75	03-31-26			11,500,000	91.83	10,560,683.59	90.57	10,415,136.69	7,345.47	10,422,482.16	AA+	0.15
UNITED STATES TREAS NTS	3.75	04-15-26			15,000,000	97.37	14,605,664.06	97.19	14,578,710.90	25,000.00	14,603,710.90	AA+	0.21
UNITED STATES TREAS NTS	0.75	04-30-26			10,000,000	99.69	9,969,140.63	90.23	9,022,656.20	0.00	9,022,656.20	AA+	0.13
UNITED STATES TREAS NTS	0.75	04-30-26			18,000,000	98.03	17,645,625.00	90.23	16,240,781.16	0.00	16,240,781.16	AA+	0.23
UNITED STATES TREAS NTS	0.75	04-30-26			25,000,000	92.27	23,067,382.81	90.23	22,556,640.50	0.00	22,556,640.50	AA+	0.32
UNITED STATES TREAS NTS	0.75	05-31-26			14,250,000	99.84	14,227,177.73	89.92	12,813,867.19	44,724.86	12,858,592.05	AA+	0.18
UNITED STATES TREAS NTS	0.75	05-31-26			15,000,000	99.83	14,974,804.69	89.92	13,488,281.25	47,078.80	13,535,360.05	AA+	0.19
UNITED STATES TREAS NTS	0.75	05-31-26			20,500,000	100.11	20,522,421.88	89.92	18,433,984.37	64,341.03	18,498,325.41	AA+	0.26
UNITED STATES TREAS NTS	0.87	06-30-26			26,000,000	98.72	25,666,875.00	90.08	23,420,312.50	76,039.40	23,496,351.90	AA+	0.33
UNITED STATES TREAS NTS	0.62	07-31-26			10,000,000	95.80	9,580,078.13	89.11	8,910,546.90	15,625.00	8,926,171.90	AA+	0.13
UNITED STATES TREAS NTS	0.75	08-31-26			15,975,000	99.36	15,872,036.13	89.11	14,235,222.66	20,836.96	14,256,059.61	AA+	0.20
UNITED STATES TREAS NTS	0.75	08-31-26			17,000,000	97.83	16,630,781.25	89.11	15,148,593.75	22,173.91	15,170,767.66	AA+	0.21
UNITED STATES TREAS NTS	0.75	08-31-26			20,000,000	88.75	17,749,218.75	89.11	17,821,875.00	26,086.96	17,847,961.96	AA+	0.25
UNITED STATES TREAS NTS	1.62	09-30-26			25,000,000	101.72	25,430,664.06	91.26	22,814,453.00	34,409.15	22,848,862.15	AA+	0.32
UNITED STATES TREAS NTS	0.87	09-30-26			10,000,000	99.69	9,968,750.00	89.28	8,927,734.40	7,411.20	8,935,145.60	AA+	0.13
UNITED STATES TREAS NTS	0.87	09-30-26			13,000,000	99.05	12,876,601.56	89.28	11,606,054.72	9,634.56	11,615,689.28	AA+	0.16
UNITED STATES TREAS NTS	1.12	10-31-26			35,000,000	99.54	34,837,304.69	89.60	31,360,546.70	1,075.82	31,361,622.52	AA+	0.44
UNITED STATES TREAS NTS	1.62	11-30-26			15,000,000	101.82	15,272,460.94	90.75	13,611,914.10	101,895.49	13,713,809.59	AA+	0.19
UNITED STATES TREAS NTS	1.62	11-30-26			4,000,000	94.70	3,788,125.00	90.75	3,629,843.76	27,172.13	3,657,015.89	AA+	0.05
UNITED STATES TREAS NTS	1.25	12-31-26			18,500,000	91.71	16,965,800.78	89.52	16,561,836.03	77,083.33	16,638,919.36	AA+	0.23
UNITED STATES TREAS NTS	1.87	02-28-27			14,760,000	92.47	13,648,387.50	90.85	13,409,690.55	46,125.00	13,455,815.55	AA+	0.19

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
UNITED STATES TREAS NTS	2.50	03-31-27			11,450,000	95.53	10,938,328.13	92.64	10,607,798.80	23,854.17	10,631,652.97	AA+	0.15
UNITED STATES TREAS NTS	2.62	05-31-27			14,160,000	93.88	13,293,207.79	92.65	13,119,018.82	154,875.00	13,273,893.82	AA+	0.19
UNITED STATES TREAS NTS	4.12	10-31-27			15,200,000	102.02	15,506,375.00	97.32	14,792,687.42	0.00	14,792,687.42	AA+	0.21
UNITED STATES TREAS NTS	2.25	11-15-27			39,400,000	94.54	37,248,390.63	90.50	35,655,461.04	408,775.00	36,064,236.04	AA+	0.50
UNITED STATES TREAS NTS	2.75	02-15-28			25,000,000	97.14	24,284,179.69	91.92	22,980,468.75	145,138.89	23,125,607.64	AA+	0.33
UNITED STATES TREAS NTS	2.75	02-15-28			4,200,000	95.97	4,030,851.56	91.92	3,860,718.75	24,383.33	3,885,102.08	AA+	0.05
UNITED STATES TREAS NTS	1.25	03-31-28			15,000,000	87.87	13,181,250.00	85.79	12,868,359.30	15,625.00	12,883,984.30	AA+	0.18
UNITED STATES TREAS NTS	1.25	04-30-28			13,500,000	87.71	11,841,503.91	85.59	11,555,156.25	0.00	11,555,156.25	AA+	0.16
UNITED STATES TREAS NTS	1.25	05-31-28			20,000,000	87.70	17,539,241.80	85.31	17,062,500.00	104,166.67	17,166,666.67	AA+	0.24
UNITED STATES TREAS NTS	1.25	06-30-28			6,000,000	86.83	5,210,054.35	85.08	5,104,687.50	25,000.00	5,129,687.50	AA+	0.07
					1,850,055,000		1,849,180,759.47		1,739,653,830.36	5,704,691.33	1,745,358,521.69		24.63
FEDERAL AGENCY SECURITIES													
FEDERAL HOME LOAN BANK	4.62	11-01-23			25,000,000	99.93	24,981,750.00	100.00	25,000,000.00	578,125.00	25,578,125.00	AA+	0.35
FEDERAL HOME LOAN BANK	4.75	11-03-23			25,000,000	100.00	25,000,000.00	100.00	24,999,011.50	290,277.78	25,289,289.28	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	0.25	11-06-23			15,000,000	99.91	14,986,500.00	99.93	14,988,899.25	18,229.17	15,007,128.42	AA+	0.21
FEDERAL FARM CREDIT BANK	5.05	11-09-23			9,796,000	100.00	9,796,000.00	99.99	9,794,958.78	236,355.71	10,031,314.49	AA+	0.14
FEDERAL HOME LOAN BANK	1.75	11-09-23			25,000,000	100.00	25,000,000.00	99.95	24,986,527.25	209,027.78	25,195,555.03	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.25	11-27-23			17,000,000	99.89	16,980,620.00	99.63	16,936,326.67	18,180.56	16,954,507.23	AA+	0.24
FEDERAL HOME LOAN BANK	5.05	11-28-23			25,000,000	100.00	25,000,000.00	99.95	24,988,086.00	536,562.50	25,524,648.50	AA+	0.35
FEDERAL HOME LOAN BANK	4.87	12-07-23			22,795,000	100.07	22,811,412.40	99.92	22,776,882.99	444,502.50	23,221,385.49	AA+	0.32
FEDERAL HOME LOAN BANK	5.00	12-15-23			25,000,000	100.00	25,000,000.00	99.92	24,979,421.50	472,222.22	25,451,643.72	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.00	12-20-23			25,000,000	100.00	25,000,000.00	99.92	24,980,989.25	454,861.11	25,435,850.36	AA+	0.35
FEDERAL HOME LOAN BANK	0.25	12-28-23			7,450,000	96.49	7,188,207.00	99.17	7,388,517.91	6,363.54	7,394,881.45	AA+	0.10
FEDERAL HOME LOAN BANK	3.00	12-29-23			5,355,000	99.70	5,338,935.00	99.60	5,333,425.08	54,442.50	5,387,867.58	AA+	0.08
FEDERAL HOME LOAN BANK	3.00	12-29-23			8,250,000	99.78	8,232,015.00	99.60	8,216,761.33	83,875.00	8,300,636.33	AA+	0.12
FEDERAL HOME LOAN BANK-DISCOUNT NOTE	0.00	01-04-24			25,000,000	96.62	24,154,375.00	99.08	24,770,897.75	0.00	24,770,897.75	AA+	0.35
FEDERAL HOME LOAN BANK-DISCOUNT NOTE	0.00	01-04-24			25,000,000	96.62	24,154,368.06	99.08	24,770,897.75	0.00	24,770,897.75	AA+	0.35
FEDERAL HOME LOAN BANK	5.00	01-26-24			25,000,000	100.00	25,000,000.00	99.87	24,967,283.50	329,861.11	25,297,144.61	AA+	0.35
FEDERAL HOME LOAN BANK	3.87	01-29-24			25,000,000	100.00	25,000,000.00	99.73	24,932,789.00	5,381.94	24,938,170.94	AA+	0.35
FEDERAL HOME LOAN BANK	4.92	02-01-24			25,000,000	100.00	25,000,000.00	99.81	24,952,566.25	307,500.00	25,260,066.25	AA+	0.35
FEDERAL HOME LOAN BANK	4.78	02-07-24			10,000,000	99.87	9,986,660.00	99.78	9,978,263.90	111,533.33	10,089,797.23	AA+	0.14
FEDERAL FARM CREDIT BANK	5.04	02-23-24	11-23-23	100	15,239,000	100.00	15,239,000.00	99.81	15,209,906.01	145,075.28	15,354,981.29	AA+	0.22
FEDERAL HOME LOAN BANK	2.66	02-23-24			25,000,000	100.00	25,000,000.00	99.11	24,778,483.25	125,611.11	24,904,094.36	AA+	0.35
FEDERAL HOME LOAN BANK	4.75	03-08-24			4,000,000	100.03	4,001,240.00	99.74	3,989,540.92	27,972.22	4,017,513.14	AA+	0.06
FEDERAL HOME LOAN BANK	4.75	03-08-24			25,000,000	100.08	25,019,700.00	99.74	24,934,630.75	174,826.39	25,109,457.14	AA+	0.35
FEDERAL HOME LOAN BANK	4.75	03-08-24			4,470,000	99.94	4,467,228.60	99.74	4,458,311.98	31,258.96	4,489,570.94	AA+	0.06
FEDERAL HOME LOAN BANK	4.75	03-08-24			19,000,000	99.91	18,982,074.07	99.74	18,950,319.37	132,868.06	19,083,187.43	AA+	0.27
FEDERAL HOME LOAN BANK	4.00	03-28-24			3,250,000	99.55	3,235,375.00	99.36	3,229,305.27	11,916.67	3,241,221.93	AA+	0.05
FEDERAL HOME LOAN BANK	5.50	04-01-24	12-08-23	100	5,100,000	100.00	5,100,000.00	99.87	5,093,471.90	41,295.83	5,134,767.73	AA+	0.07
FEDERAL HOME LOAN BANK	5.34	04-23-24	12-28-23	100	10,000,000	100.06	10,006,000.00	99.83	9,983,199.10	48,950.00	10,032,149.10	AA+	0.14
FEDERAL HOME LOAN BANK	2.72	04-29-24	01-29-24	100	25,000,000	100.00	25,000,000.00	98.62	24,654,478.25	3,777.78	24,658,256.03	AA+	0.35
FEDERAL HOME LOAN BANK	3.50	04-29-24	01-29-24	100	25,000,000	100.00	25,000,000.00	99.27	24,818,053.75	4,861.11	24,822,914.86	AA+	0.35
FEDERAL HOME LOAN BANK	4.62	05-08-24			10,000,000	99.97	9,997,300.00	99.58	9,958,284.30	222,256.94	10,180,541.24	AA+	0.14
FEDERAL HOME LOAN BANK	4.62	05-08-24			12,500,000	99.89	12,485,875.00	99.58	12,447,855.37	277,821.18	12,725,676.56	AA+	0.18
FEDERAL HOME LOAN BANK	4.75	05-17-24			25,000,000	99.97	24,992,250.00	99.64	24,908,811.75	540,972.22	25,449,783.97	AA+	0.35
FEDERAL HOME LOAN BANK	5.12	05-22-24	11-22-23	100	25,000,000	100.00	25,000,000.00	99.68	24,919,024.50	565,333.33	25,484,357.83	AA+	0.35
FEDERAL HOME LOAN BANK	4.87	05-22-24			4,350,000	99.87	4,344,459.19	99.69	4,336,681.60	93,660.94	4,430,342.54	AA+	0.06
FEDERAL HOME LOAN BANK	4.72	06-07-24			15,000,000	100.00	15,000,000.00	99.58	14,936,736.30	283,200.00	15,219,936.30	AA+	0.21
FEDERAL HOME LOAN BANK	2.87	06-14-24			5,000,000	104.25	5,212,300.00	98.40	4,919,834.60	54,704.86	4,974,539.46	AA+	0.07
FEDERAL HOME LOAN BANK	2.81	06-14-24			25,000,000	100.00	25,000,000.00	98.37	24,593,553.75	267,340.28	24,860,894.03	AA+	0.35
FEDERAL HOME LOAN BANK	4.50	06-14-24			25,000,000	99.61	24,902,250.00	99.31	24,827,661.25	428,125.00	25,255,786.25	AA+	0.35
FEDERAL HOME LOAN BANK	4.87	06-14-24			10,000,000	100.06	10,006,156.82	99.51	9,951,021.80	185,520.83	10,136,542.63	AA+	0.14
FEDERAL HOME LOAN BANK	4.87	06-14-24			20,000,000	100.37	20,074,200.00	99.51	19,902,043.60	371,041.67	20,273,085.27	AA+	0.28

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
FEDERAL HOME LOAN BANK	4.87	06-14-24			17,985,000	100.55	18,083,362.96	99.51	17,896,912.71	333,659.22	18,230,571.93	AA+	0.25
FEDERAL HOME LOAN MORTGAGE CORP	5.25	06-20-24	12-20-23	100	25,000,000	100.00	25,000,000.00	99.70	24,925,497.75	477,604.17	25,403,101.92	AA+	0.35
FEDERAL HOME LOAN BANK	5.25	06-21-24	12-21-23	100	25,000,000	100.00	25,000,000.00	99.70	24,924,287.75	473,958.33	25,398,246.08	AA+	0.35
FEDERAL HOME LOAN BANK	4.55	06-26-24			25,000,000	100.00	25,000,000.00	99.34	24,834,410.00	394,965.28	25,229,375.28	AA+	0.35
FEDERAL HOME LOAN BANK	2.75	06-28-24			14,165,000	96.77	13,706,782.96	98.24	13,916,322.66	133,091.98	14,049,414.64	AA+	0.20
FEDERAL FARM CREDIT BANK	5.37	07-03-24			6,000,000	100.00	6,000,000.00	99.85	5,991,116.58	105,708.33	6,096,824.91	AA+	0.08
FEDERAL HOME LOAN BANK	3.00	07-08-24			10,000,000	98.04	9,803,582.02	98.32	9,831,979.20	94,166.67	9,926,145.87	AA+	0.14
FEDERAL HOME LOAN BANK	4.55	07-19-24			25,000,000	100.00	25,000,000.00	99.24	24,810,688.50	322,291.67	25,132,980.17	AA+	0.35
FEDERAL HOME LOAN BANK	4.60	07-19-24			25,000,000	100.00	25,000,000.00	99.28	24,819,326.50	325,833.33	25,145,159.83	AA+	0.35
FEDERAL HOME LOAN BANK	4.67	07-22-24			25,000,000	100.00	25,000,000.00	99.32	24,828,974.00	321,062.50	25,150,036.50	AA+	0.35
FEDERAL HOME LOAN BANK	4.50	07-24-24			25,000,000	100.00	25,000,000.00	99.19	24,797,412.75	303,125.00	25,100,537.75	AA+	0.35
FEDERAL HOME LOAN BANK	3.50	07-26-24			19,000,000	99.43	18,892,327.00	98.58	18,730,726.11	175,486.11	18,906,212.22	AA+	0.27
FEDERAL HOME LOAN BANK	4.45	08-15-24			25,000,000	100.00	25,000,000.00	99.17	24,791,468.50	234,861.11	25,026,329.61	AA+	0.35
FEDERAL HOME LOAN BANK	2.87	09-13-24			4,000,000	109.63	4,385,200.00	97.82	3,912,802.96	15,333.33	3,928,136.29	AA+	0.06
FEDERAL HOME LOAN BANK	4.87	09-13-24			15,000,000	100.34	15,051,150.00	99.45	14,917,745.40	97,500.00	15,015,245.40	AA+	0.21
FEDERAL HOME LOAN BANK	4.87	09-13-24			25,000,000	99.70	24,924,300.00	99.45	24,862,909.00	162,500.00	25,025,409.00	AA+	0.35
FEDERAL HOME LOAN BANK	4.87	09-13-24			25,000,000	100.27	25,067,500.00	99.45	24,862,909.00	162,500.00	25,025,409.00	AA+	0.35
FEDERAL HOME LOAN BANK	4.87	09-13-24			2,000,000	99.47	1,989,440.00	99.45	1,989,032.72	13,000.00	2,002,032.72	AA+	0.03
FEDERAL HOME LOAN BANK	0.42	09-17-24	12-17-23	100	33,000,000	94.20	31,086,660.00	95.60	31,548,248.49	16,940.00	31,565,188.49	AA+	0.45
FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.25	09-23-24	12-23-23	100	25,000,000	100.00	25,000,000.00	99.52	24,880,658.00	466,666.67	25,347,324.67	AA+	0.35
FEDERAL HOME LOAN BANK	5.18	09-24-24			25,000,000	100.00	25,000,000.00	99.76	24,940,911.25	133,097.22	25,074,008.47	AA+	0.35
FEDERAL FARM CREDIT BANK	5.25	10-02-24			25,000,000	99.90	24,975,000.00	99.79	24,948,373.75	105,729.17	25,054,102.92	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.62	10-15-24			15,900,000	99.83	15,872,811.00	96.44	15,333,218.90	11,483.33	15,344,702.23	AA+	0.22
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.62	10-15-24			12,300,000	103.37	12,714,141.00	96.44	11,861,546.70	8,883.33	11,870,430.03	AA+	0.17
FEDERAL HOME LOAN BANK	5.05	10-21-24	01-21-24	100	25,000,000	100.00	25,000,000.00	99.31	24,826,805.25	35,069.44	24,861,874.69	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	4.65	11-15-24	11-15-23	100	25,000,000	99.95	24,987,500.00	99.98	24,994,705.75	536,041.67	25,530,747.42	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.25	11-22-24	11-22-23	100	25,000,000	100.00	25,000,000.00	99.38	24,843,911.75	579,687.50	25,423,599.25	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.10	11-29-24	11-29-23	100	25,000,000	100.00	25,000,000.00	99.50	24,874,578.25	538,333.33	25,412,911.58	AA+	0.35
FEDERAL FARM CREDIT BANK	4.62	12-05-24			10,000,000	99.93	9,992,630.00	98.95	9,894,535.50	187,569.44	10,082,104.94	AA+	0.14
FEDERAL FARM CREDIT BANK	4.62	12-05-24			10,000,000	100.29	10,028,600.00	98.95	9,894,535.50	187,569.44	10,082,104.94	AA+	0.14
FEDERAL HOME LOAN BANK	0.62	12-09-24	11-09-23	100	14,420,000	93.60	13,497,696.80	94.74	13,661,487.52	35,264.91	13,696,752.43	AA+	0.19
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.62	01-07-25			34,900,000	99.68	34,788,669.00	95.72	33,405,681.46	179,589.58	33,585,271.05	AA+	0.47
FEDERAL HOME LOAN MORTGAGE CORP	5.20	01-10-25	01-10-24	100	25,000,000	100.00	25,000,000.00	99.27	24,817,772.00	400,833.33	25,218,605.33	AA+	0.35
FEDERAL HOME LOAN BANK	4.82	01-15-25			25,000,000	100.00	25,000,000.00	99.24	24,809,653.25	354,805.56	25,164,458.81	AA+	0.35
FEDERAL HOME LOAN BANK	5.12	01-24-25	01-24-23	100	25,000,000	100.00	25,000,000.00	99.18	24,795,490.25	24,913.19	24,820,403.44	AA+	0.35
FEDERAL HOME LOAN BANK	4.90	01-30-25	01-30-24	100	25,000,000	100.00	25,000,000.00	98.98	24,743,964.75	306,250.00	25,050,214.75	AA+	0.35
FEDERAL HOME LOAN BANK	4.31	02-10-25			25,000,000	100.00	25,000,000.00	98.68	24,670,837.75	242,437.50	24,913,275.25	AA+	0.35
FEDERAL HOME LOAN BANK	5.20	02-11-25			25,000,000	100.00	25,000,000.00	99.81	24,952,154.00	288,888.89	25,241,042.89	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	1.50	02-12-25			41,535,000	99.92	41,503,018.05	95.30	39,584,058.68	136,719.37	39,720,778.06	AA+	0.56
FEDERAL FARM CREDIT BANK	1.75	02-14-25			17,305,000	99.73	17,258,795.65	95.61	16,544,907.47	64,773.58	16,609,681.04	AA+	0.23
FEDERAL FARM CREDIT BANK	1.75	02-14-25			6,809,000	95.74	6,519,208.96	95.61	6,509,926.32	25,486.47	6,535,412.78	AA+	0.09
FEDERAL FARM CREDIT BANK	4.00	03-10-25			25,000,000	99.97	24,991,500.00	98.07	24,518,460.00	141,666.67	24,660,126.67	AA+	0.35
FEDERAL HOME LOAN BANK	2.37	03-14-25			18,800,000	106.96	20,109,420.00	96.18	18,081,553.86	58,293.06	18,139,846.92	AA+	0.26
FEDERAL HOME LOAN BANK	4.62	03-14-25			20,000,000	101.31	20,262,600.00	99.02	19,804,334.60	120,763.89	19,925,098.49	AA+	0.28
FEDERAL FARM CREDIT BANK	4.00	03-28-25			25,000,000	99.57	24,893,650.00	98.14	24,535,766.25	91,666.67	24,627,432.92	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.62	04-22-25			25,000,000	101.13	25,283,250.00	93.50	23,375,145.25	3,906.25	23,379,051.50	AA+	0.33
FEDERAL FARM CREDIT BANK	4.00	05-09-25			10,000,000	99.98	9,998,000.00	98.03	9,803,435.60	191,111.11	9,994,546.71	AA+	0.14
FEDERAL HOME LOAN MORTGAGE CORP	5.25	05-16-25	11-16-23	100	26,709,000	100.00	26,709,000.00	99.16	26,483,675.66	642,685.31	27,126,360.98	AA+	0.37
FEDERAL FARM CREDIT BANK	4.25	06-13-25			25,000,000	100.00	25,000,000.00	98.42	24,604,237.25	407,291.67	25,011,528.92	AA+	0.35
FEDERAL HOME LOAN BANK	5.12	06-13-25			5,000,000	100.33	5,016,312.50	99.80	4,990,178.50	98,229.17	5,088,407.67	AA+	0.07
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			24,800,000	99.79	24,748,664.00	92.74	22,999,533.89	46,155.56	23,045,689.44	AA+	0.33
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			18,400,000	100.50	18,492,920.00	92.74	17,064,170.30	34,244.44	17,098,414.75	AA+	0.24
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			5,000,000	92.74	4,637,100.00	92.74	4,637,002.80	9,305.56	4,646,308.36	AA+	0.07
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			5,000,000	92.60	4,630,100.00	92.74	4,637,002.80	9,305.56	4,646,308.36	AA+	0.07

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			25,000,000	92.64	23,160,375.00	92.74	23,185,014.00	46,527.78	23,231,541.78	AA+	0.33
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			8,000,000	92.72	7,417,546.67	92.74	7,419,204.48	14,888.89	7,434,093.37	AA+	0.11
FEDERAL FARM CREDIT BANK	4.62	06-20-25			11,000,000	99.92	10,990,651.99	98.97	10,886,930.89	185,128.47	11,072,059.36	AA+	0.15
FEDERAL HOME LOAN BANK	3.30	06-30-25	06-30-24	100	7,000,000	99.85	6,989,500.00	96.75	6,772,513.23	77,000.00	6,849,513.23	AA+	0.10
FEDERAL HOME LOAN BANK	5.03	07-16-25			6,000,000	99.85	5,991,082.33	99.77	5,986,202.82	88,025.00	6,074,227.82	AA+	0.08
FEDERAL HOME LOAN MORTGAGE CORP	0.37	07-21-25			15,135,000	99.50	15,059,627.70	92.27	13,965,039.38	15,765.62	13,980,805.00	AA+	0.20
FEDERAL HOME LOAN MORTGAGE CORP	0.37	07-21-25			5,000,000	99.62	4,981,100.00	92.27	4,613,491.70	5,208.33	4,618,700.03	AA+	0.07
FEDERAL HOME LOAN MORTGAGE CORP	0.37	07-21-25			10,000,000	99.52	9,951,600.00	92.27	9,226,983.40	10,416.67	9,237,400.07	AA+	0.13
FEDERAL FARM CREDIT BANK	4.25	07-24-25			20,000,000	99.93	19,986,200.00	98.38	19,676,711.00	229,027.78	19,905,738.78	AA+	0.28
FEDERAL FARM CREDIT BANK	4.25	07-24-25			25,000,000	99.94	24,985,250.00	98.38	24,595,888.75	286,284.72	24,882,173.47	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.37	08-25-25			47,475,000	99.53	47,252,817.00	91.74	43,551,966.99	32,639.06	43,584,606.05	AA+	0.62
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.37	08-25-25			7,000,000	91.91	6,433,420.00	91.74	6,421,564.38	4,812.50	6,426,376.88	AA+	0.09
FEDERAL HOME LOAN BANK	4.00	08-28-25	11-28-23	100	25,000,000	99.01	24,753,675.00	97.53	24,383,045.75	175,000.00	24,558,045.75	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	4.05	08-28-25	11-28-23	100	50,000,000	98.11	49,053,775.00	97.59	48,797,103.50	354,375.00	49,151,478.50	Aaa	0.69
FEDERAL HOME LOAN BANK	0.37	09-04-25			5,140,000	99.70	5,124,580.00	91.60	4,708,458.24	3,051.87	4,711,510.12	AA+	0.07
FEDERAL HOME LOAN BANK	4.87	09-12-25			15,000,000	100.62	15,093,156.25	99.42	14,913,548.85	99,531.25	15,013,080.10	AA+	0.21
FEDERAL FARM CREDIT BANK	5.00	09-15-25			25,000,000	99.88	24,970,361.11	99.53	24,883,371.50	159,722.22	25,043,093.72	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	0.37	09-23-25			46,035,000	99.70	45,896,434.65	91.45	42,097,298.68	18,222.19	42,115,520.87	AA+	0.60
FEDERAL HOME LOAN MORTGAGE CORP	0.37	09-23-25			10,200,000	99.70	10,169,400.00	91.45	9,327,521.38	4,037.50	9,331,558.88	AA+	0.13
FEDERAL HOME LOAN MORTGAGE CORP	0.37	09-23-25			25,000,000	99.71	24,927,500.00	91.45	22,861,572.00	9,895.83	22,871,467.83	AA+	0.32
FEDERAL HOME LOAN MORTGAGE CORP	0.60	10-20-25			25,000,000	90.00	22,500,525.00	91.46	22,864,468.25	4,583.33	22,869,051.58	AA+	0.32
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	11-07-25			18,015,000	99.64	17,950,506.30	91.16	16,422,990.85	43,536.25	16,466,527.10	AA+	0.23
FEDERAL HOME LOAN MORTGAGE CORP	5.50	12-16-25	12-16-23	100	13,827,000	100.24	13,860,724.05	99.17	13,711,890.36	285,181.87	13,997,072.24	AA+	0.19
FEDERAL HOME LOAN BANK	5.50	01-27-26	11-27-23	100	25,000,000	100.00	25,000,000.00	99.15	24,786,783.25	359,027.78	25,145,811.03	AA+	0.35
FEDERAL HOME LOAN BANK	5.20	01-27-26	01-27-24	100	16,950,000	100.00	16,950,000.00	98.84	16,753,371.36	230,143.33	16,983,514.69	AA+	0.24
FEDERAL HOME LOAN BANK	0.68	02-24-26	11-24-23	100	10,000,000	91.01	9,101,100.00	90.29	9,028,611.30	12,655.56	9,041,266.86	AA+	0.13
FEDERAL FARM CREDIT BANK	4.50	03-02-26			25,000,000	101.09	25,272,000.00	98.67	24,667,268.50	184,375.00	24,851,643.50	AA+	0.35
FEDERAL FARM CREDIT BANK	3.87	03-30-26			25,000,000	99.38	24,845,000.00	97.32	24,330,885.50	80,729.17	24,411,614.67	AA+	0.34
FEDERAL FARM CREDIT BANK	5.50	05-14-26	11-14-23	100	25,000,000	100.00	25,000,000.00	99.14	24,784,093.50	637,847.22	25,421,940.72	AA+	0.35
FEDERAL FARM CREDIT BANK	4.00	05-26-26			6,195,000	99.86	6,186,332.10	97.39	6,033,450.20	106,691.67	6,140,141.86	AA+	0.09
FEDERAL FARM CREDIT BANK	4.75	05-28-26			10,000,000	99.82	9,981,600.00	99.15	9,914,678.20	201,875.00	10,116,553.20	AA+	0.14
FEDERAL HOME LOAN BANK	4.00	06-12-26			6,320,000	99.83	6,309,104.50	97.49	6,161,405.73	97,608.89	6,259,014.62	AA+	0.09
FEDERAL HOME LOAN BANK	4.37	06-12-26			9,835,000	99.58	9,794,166.99	98.33	9,671,173.59	166,136.37	9,837,309.96	AA+	0.14
FEDERAL FARM CREDIT BANK	4.25	06-15-26			24,700,000	99.97	24,693,112.48	97.95	24,194,558.47	396,572.22	24,591,130.69	AA+	0.34
FEDERAL HOME LOAN MORTGAGE CORP	5.00	06-18-26	06-20-24	100	25,000,000	100.00	25,000,000.00	98.72	24,679,749.25	454,861.11	25,134,610.36	AA+	0.35
FEDERAL HOME LOAN BANK	0.96	06-30-26	12-30-23	100	24,000,000	90.12	21,628,080.00	89.76	21,541,868.40	76,800.00	21,618,668.40	AA+	0.30
FEDERAL FARM CREDIT BANK	4.75	07-08-26			4,797,000	99.63	4,779,053.89	99.22	4,759,820.61	71,521.94	4,831,342.55	AA+	0.07
FEDERAL FARM CREDIT BANK	5.00	07-30-26			34,690,000	99.89	34,652,881.70	99.88	34,647,759.03	433,625.00	35,081,384.03	AA+	0.49
FEDERAL HOME LOAN MORTGAGE CORP	4.65	07-30-26	07-30-24	100	25,000,000	100.00	25,000,000.00	98.09	24,521,563.25	290,625.00	24,812,188.25	AA+	0.35
FEDERAL HOME LOAN BANK	5.87	08-10-26	11-10-23	100	23,025,000	100.43	23,123,303.96	99.35	22,874,769.01	304,361.72	23,179,130.73	AA+	0.32
FEDERAL FARM CREDIT BANK	4.50	08-14-26			15,000,000	99.66	14,948,400.00	98.76	14,814,312.90	144,375.00	14,958,687.90	AA+	0.21
FEDERAL FARM CREDIT BANK	4.50	08-14-26			5,000,000	99.63	4,981,350.00	98.76	4,938,104.30	48,125.00	4,986,229.30	AA+	0.07
FEDERAL FARM CREDIT BANK	5.18	10-13-26	11-13-23	100	28,000,000	100.00	28,000,000.00	98.52	27,586,742.12	72,520.00	27,659,262.12	AA+	0.39
FEDERAL HOME LOAN BANK	1.25	10-26-26	01-26-24	100	25,000,000	91.35	22,836,500.00	89.47	22,367,633.00	4,340.28	22,371,973.28	AA+	0.32
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-27-26	01-27-24	100	12,650,000	86.91	10,994,115.00	88.24	11,161,746.22	1,124.44	11,162,870.67	AA+	0.16
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-27-26	01-27-24	100	5,000,000	87.68	4,383,950.00	88.24	4,411,757.40	444.44	4,412,201.84	AA+	0.06
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-27-26	01-27-24	100	20,000,000	89.00	17,800,400.00	88.24	17,647,029.60	1,777.78	17,648,807.38	AA+	0.25
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-28-26			22,767,000	88.78	20,212,770.27	88.23	20,086,338.52	1,517.80	20,087,856.32	AA+	0.28
FEDERAL HOME LOAN MORTGAGE CORP	0.63	12-14-26	12-14-23	100	10,000,000	88.13	8,812,600.00	87.31	8,731,428.00	24,165.28	8,755,593.28	AA+	0.12
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.87	12-18-26	12-18-23	100	8,700,000	88.40	7,690,808.70	87.96	7,652,412.47	28,123.96	7,680,536.43	AA+	0.11
FEDERAL HOME LOAN BANK	5.45	12-21-26	01-21-24	100	3,890,000	100.00	3,890,000.00	98.80	3,843,325.99	5,889.03	3,849,215.02	AA+	0.05
FEDERAL FARM CREDIT BANK	0.70	01-27-27	11-10-23	100	10,000,000	88.81	8,881,200.00	86.91	8,690,597.70	18,277.78	8,708,875.48	AA+	0.12
FEDERAL HOME LOAN MORTGAGE CORP	5.00	06-28-27	06-28-24	100	25,000,000	100.00	25,000,000.00	97.69	24,423,297.00	427,083.33	24,850,380.33	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	4.75	07-12-27	07-12-24	100	25,000,000	100.00	25,000,000.00	97.34	24,334,877.00	359,548.61	24,694,425.61	AA+	0.34

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
FEDERAL HOME LOAN MORTGAGE CORP.	5.37	07-16-27	07-16-25	100	25,000,000	100.00	25,000,000.00	99.86	24,965,976.75	391,927.08	25,357,903.83	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.12	11-22-27	11-22-24	100	50,000,000	100.00	50,000,000.00	98.19	49,093,031.00	1,131,770.83	50,224,801.83	AA+	0.70
FEDERAL HOME LOAN BANK	5.40	12-15-27	12-15-23	100	25,000,000	100.00	25,000,000.00	98.17	24,543,124.50	510,000.00	25,053,124.50	AA+	0.35
FEDERAL HOME LOAN BANK	4.55	12-27-27	12-27-24	100	25,000,000	100.00	25,000,000.00	96.78	24,194,689.25	391,805.56	24,586,494.81	AA+	0.34
FEDERAL HOME LOAN BANK	5.00	12-27-27	06-27-24	100	25,000,000	100.00	25,000,000.00	97.38	24,345,678.00	430,555.56	24,776,233.56	AA+	0.34
FEDERAL HOME LOAN MORTGAGE CORP	5.35	01-06-28	01-06-24	100	25,000,000	100.00	25,000,000.00	98.01	24,502,759.75	427,256.94	24,930,016.69	AA+	0.35
FEDERAL HOME LOAN BANK	5.35	01-12-28	01-12-24	100	25,000,000	100.00	25,000,000.00	98.04	24,509,185.75	404,965.28	24,914,151.03	AA+	0.35
FEDERAL FARM CREDIT BANK	5.14	01-18-28	01-18-24	100	25,000,000	100.00	25,000,000.00	97.59	24,397,359.25	367,652.78	24,765,012.03	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.00	02-07-28	02-07-24	100	25,000,000	100.00	25,000,000.00	97.45	24,361,558.25	291,666.67	24,653,224.92	AA+	0.34
FEDERAL HOME LOAN MORTGAGE CORP	5.02	02-16-28	02-16-24	100	10,000,000	100.00	10,000,000.00	97.47	9,747,484.50	104,583.33	9,852,067.83	AA+	0.14
FEDERAL HOME LOAN MORTGAGE CORP	5.02	02-16-28	02-16-24	100	25,000,000	100.00	25,000,000.00	97.47	24,368,711.25	261,458.33	24,630,169.58	AA+	0.34
FEDERAL HOME LOAN BANK	6.00	03-16-28	12-16-23	100	9,273,319	100.00	9,273,318.87	98.97	9,178,215.98	69,549.89	9,247,765.87	AA+	0.13
FEDERAL HOME LOAN BANK	5.70	03-27-28	06-27-24	100	25,000,000	100.00	25,000,000.00	98.72	24,680,086.75	134,583.33	24,814,670.08	AA+	0.35
FEDERAL HOME LONA BANK	6.05	04-03-28	11-03-23	100	25,000,000	100.00	25,000,000.00	98.97	24,741,401.75	117,638.89	24,859,040.64	AA+	0.35
FEDERAL HOME LOAN BANK	5.00	04-12-28	07-12-24	100	25,000,000	100.00	25,000,000.00	97.28	24,320,716.25	65,972.22	24,386,688.47	AA+	0.34
FEDERAL HOME LOAN MORTGAGE CORP	5.10	04-17-28	04-17-24	100	25,000,000	100.00	25,000,000.00	97.30	24,324,303.00	49,583.33	24,373,886.33	AA+	0.34
FEDEAL HOME LOAN MORTGAGE CORP	5.12	04-24-28	01-24-24	100	25,000,000	100.00	25,000,000.00	97.35	24,336,796.75	24,913.19	24,361,709.94	AA+	0.34
FEDERAL HOME LOAN MORTGAGE CORP	5.10	04-24-28	04-24-24	100	25,000,000	100.00	25,000,000.00	97.29	24,323,355.75	24,791.67	24,348,147.42	AA+	0.34
FEDERAL HOME LOAN MORTGAGE CORP	5.35	04-28-28	01-28-24	100	25,000,000	100.00	25,000,000.00	97.81	24,451,794.25	0.00	24,451,794.25	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.80	06-28-28	06-28-28	100	25,000,000	100.00	25,000,000.00	98.62	24,655,726.50	495,416.67	25,151,143.17	AA+	0.35
FEDERAL FARM CREDIT BANK	5.00	06-30-28	06-30-25	100	25,000,000	100.00	25,000,000.00	97.25	24,311,531.50	416,666.67	24,728,198.17	AA+	0.34
FEDERAL HOME LOAN BANK	4.00	06-30-28			10,000,000	99.73	9,973,400.00	95.69	9,568,859.50	133,333.33	9,702,192.83	AA+	0.14
FEDERAL HOME LOAN MORTGAGE CORP.	5.45	07-11-28	07-11-25	100	25,000,000	100.00	25,000,000.00	98.80	24,700,769.75	416,319.44	25,117,089.19	AA+	0.35
FEDERAL FARM CREDIT BANK	4.50	08-28-28			10,000,000	99.99	9,999,250.00	97.59	9,759,097.00	78,750.00	9,837,847.00	AA+	0.14
FEDERAL FARM CREDIT BANK	5.73	09-11-28	09-11-24	100	25,000,000	100.00	25,000,000.00	98.35	24,587,274.50	198,958.33	24,786,232.83	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.00	09-18-28	09-18-24	100	10,000,000	98.91	9,891,300.00	96.85	9,684,732.00	59,722.22	9,744,454.22	AA+	0.14
FEDERAL HOME LOAN MORTGAGE CORP	6.15	10-05-28	01-05-24	100	15,000,000	100.00	15,000,000.00	99.88	14,982,213.75	66,625.00	15,048,838.75	AA+	0.21
					3,397,202,319		3,369,962,049.55		3,315,011,321.39	33,526,095.69	3,348,537,417.09		46.93
US INSTRUMENTALITIES													
INTERNATIONAL BANK RECON & DEVELOP	0.25	11-24-23			17,625,000	99.78	17,587,106.25	99.68	17,568,448.25	19,216.15	17,587,664.39	AAA	0.25
INTER-AMERICAN DEVELOPMENT BANK	3.00	02-21-24			25,000,000	98.48	24,619,750.00	99.21	24,802,861.75	145,833.33	24,948,695.08	AAA	0.35
INTER-AMERICAN DEVELOPMENT BANK	3.00	02-21-24			21,172,000	98.47	20,848,491.84	99.21	21,005,047.56	123,503.33	21,128,550.89	AAA	0.30
INTER-AMERICAN DEVELOPMENT BANK	3.00	02-21-24			10,000,000	98.40	9,840,300.00	99.21	9,921,144.70	58,333.33	9,979,478.03	AAA	0.14
INTERNATIONAL BANK RECON & DEVELOP	2.50	03-19-24			10,000,000	107.39	10,739,200.00	98.84	9,883,531.50	29,166.67	9,912,698.17	AAA	0.14
INTER-AMERICAN DEVELOPMENT BANK	3.25	07-08-24			10,000,000	98.38	9,838,316.11	98.45	9,844,692.50	108,333.33	9,953,025.83	AAA	0.14
INTER-AMERICAN DEVELOPMENT BANK	0.50	09-23-24			24,390,000	99.93	24,371,951.40	95.58	23,312,000.29	12,872.50	23,324,872.79	AAA	0.33
INTER-AMERICAN DEVELOPMENT BANK	0.50	09-23-24			3,889,000	95.00	3,694,713.34	95.58	3,717,112.31	2,052.53	3,719,164.83	AAA	0.05
INTER-AMERICAN DEVELOPMENT BANK	0.50	09-23-24			25,000,000	95.71	23,927,108.33	95.58	23,895,039.25	13,194.44	23,908,233.69	AAA	0.34
INTER-AMERICAN DEVELOPMENT BANK	0.50	09-23-24			19,327,000	95.67	18,490,377.12	95.58	18,472,776.94	10,200.36	18,482,977.30	AAA	0.26
INTERNATIONAL BANK RECON & DEVELOP	1.62	01-15-25			15,000,000	99.77	14,965,500.00	95.56	14,334,434.40	71,770.83	14,406,205.23	AAA	0.20
INTER-AMERICAN DEVELOPMENT BANK	1.75	03-14-25			25,000,000	105.37	26,342,750.00	95.17	23,792,375.50	57,118.06	23,849,493.56	AAA	0.34
INTERNATIONAL BANK RECON & DEVELOP	0.37	07-28-25			25,000,000	99.83	24,956,750.00	91.96	22,989,014.75	24,218.75	23,013,233.50	AAA	0.33
INTERNATIONAL BANK RECON & DEVELOP	0.50	10-28-25			20,000,000	100.11	20,023,000.00	91.27	18,253,443.80	833.33	18,254,277.13	AAA	0.26
INTER-AMERICAN DEVELOPMENT BANK	1.50	01-13-27			15,000,000	99.69	14,954,100.00	89.78	13,467,544.50	56,250.00	13,523,794.50	AAA	0.19
INTER-AMERICAN DEVELOPMENT BANK	1.50	01-13-27			4,650,000	99.67	4,634,887.50	89.78	4,174,938.79	17,437.50	4,192,376.29	AAA	0.06
					271,053,000		269,834,301.89		259,434,406.79	750,334.45	260,184,741.25		3.67
CORPORATE BONDS													
ABBOTT LABORATORIES (A)	3.40	11-30-23			10,000,000	108.15	10,815,300.00	99.81	9,981,423.80	141,666.67	10,123,090.47	AA-	0.14
JOHN DEERE CAPITAL CORP	0.45	01-17-24			19,895,000	99.93	19,880,874.55	98.91	19,678,818.94	25,863.50	19,704,682.44	A	0.28
CHARLES SCHWAB CORP	3.55	02-01-24	01-02-24	100	10,000,000	105.50	10,550,000.00	99.35	9,934,998.40	88,750.00	10,023,748.40	A-	0.14
BANK OF NY MELLON CORP.	3.65	02-04-24	01-05-24	100	5,000,000	106.31	5,315,650.00	99.36	4,968,055.85	44,104.17	5,012,160.02	A	0.07
NATIONAL RURAL UTIL COOP	0.35	02-08-24			12,645,000	99.93	12,636,274.95	98.48	12,452,475.32	10,203.81	12,462,679.14	A-	0.18

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
AMERICAN EXPRESS CO (1)	3.40	02-22-24	01-22-24	100	10,000,000	103.82	10,382,500.00	99.20	9,920,310.20	65,166.67	9,985,476.87	BBB+	0.14
CHARLES SCHWAB CORP-A	0.75	03-18-24	02-18-24	100	8,255,000	99.95	8,250,872.50	98.05	8,094,184.26	7,395.10	8,101,579.37	A-	0.11
BANK OF AMERICA CORP.	4.00	04-01-24			10,000,000	106.68	10,668,400.00	99.23	9,923,290.70	33,333.33	9,956,624.03	A-	0.14
IBM CORP.	3.00	05-15-24			5,000,000	105.66	5,282,800.00	98.52	4,925,940.55	69,166.67	4,995,107.22	A-	0.07
CATERPILLAR FINANCIAL SERVICE	2.85	05-17-24			4,785,000	102.97	4,927,018.80	98.44	4,710,317.97	62,125.25	4,772,443.22	A	0.07
NVIDIA CORP	0.58	06-14-24	11-14-23	100	5,000,000	97.97	4,898,600.00	96.95	4,847,592.95	11,112.22	4,858,705.17	A	0.07
AMERICAN HONDA FINANCE	2.40	06-27-24			10,000,000	99.55	9,954,600.00	97.78	9,778,063.50	82,666.67	9,860,730.17	A-	0.14
GOLDMAN SACHS GROUP INC.(A)	3.85	07-08-24	04-08-24	100	9,500,000	105.49	10,021,835.00	98.52	9,359,317.35	114,804.86	9,474,122.21	BBB+	0.13
GOLDMAN SACHS GROUP INC.(A)	3.85	07-08-24	04-08-24	100	9,990,000	107.44	10,733,755.50	98.52	9,842,061.09	120,726.37	9,962,787.46	BBB+	0.14
US BANK	2.40	07-30-24	06-28-24	100	10,000,000	99.91	9,991,100.00	97.21	9,721,210.50	60,000.00	9,781,210.50	A	0.14
BB&T CORP. (A)	2.50	08-01-24	07-01-24	100	15,000,000	99.86	14,979,750.00	97.24	14,585,895.00	93,750.00	14,679,645.00	A-	0.21
PACCAR FINANCIAL CORP	0.50	08-09-24			5,260,000	99.95	5,257,159.60	96.12	5,055,733.27	5,990.56	5,061,723.82	A+	0.07
BMW US CAPITAL LLC	0.75	08-12-24			4,080,000	99.99	4,079,632.80	96.21	3,925,525.04	6,715.00	3,932,240.04	A	0.06
UNILEVER CAPITAL CORP	0.63	08-12-24	11-12-23	100	2,320,000	100.00	2,320,000.00	96.12	2,229,882.38	3,187.04	2,233,069.42	A+	0.03
PACCAR FINANCIAL CORP.	2.15	08-15-24			8,000,000	100.13	8,010,560.00	97.33	7,786,491.60	36,311.11	7,822,802.71	A+	0.11
UNITED HEALTH GROUP INC	2.37	08-15-24			5,000,000	100.47	5,023,500.00	97.41	4,870,683.20	25,069.44	4,895,752.64	A+	0.07
WALT DISNEY CO. (A)	1.75	08-30-24	07-30-24	100	9,115,000	99.59	9,077,810.80	96.80	8,823,046.64	27,914.69	8,850,961.33	BBB+	0.12
JOHN DEERE CAPITAL CORP	0.62	09-10-24			4,045,000	99.93	4,042,370.75	95.78	3,874,135.88	3,581.51	3,877,717.39	A	0.05
COOPERATIEVE RABOBANK UA	5.95	09-12-24			12,000,000	100.03	12,003,425.51	100.03	12,004,044.00	97,183.33	12,101,227.33	A+	0.17
NESTLE HOLDINGS INC.-A	0.61	09-14-24	11-14-23	100	7,275,000	100.00	7,275,000.00	95.77	6,967,111.38	5,755.74	6,972,867.12	AA-	0.10
BANK OF NY MELLON CORP.	2.10	10-24-24			10,785,000	100.44	10,832,454.00	96.40	10,396,777.10	4,403.87	10,401,180.98	A	0.15
BANK OF NY MELLON CORP	0.85	10-25-24	09-25-24	100	8,915,000	99.93	8,909,205.25	95.26	8,492,280.57	1,262.96	8,493,543.52	A	0.12
PNC FINANCIAL SERVICES	2.20	11-01-24	10-02-24	100	5,000,000	99.97	4,998,350.00	96.14	4,807,094.45	55,000.00	4,862,094.45	A-	0.07
PNC FINANCIAL SERVICES	2.20	11-01-24	10-02-24	100	10,000,000	99.74	9,973,800.00	96.14	9,614,188.90	110,000.00	9,724,188.90	A-	0.14
CATERPILLAR FINL SERVICE	2.15	11-08-24			10,000,000	99.80	9,979,800.00	96.55	9,654,958.80	103,319.44	9,758,278.24	A	0.14
CATERPILLAR FINL SERVICE	2.15	11-08-24			25,000,000	100.22	25,055,500.00	96.55	24,137,397.00	258,298.61	24,395,695.61	A	0.34
JOHN DEERE CAPITAL CORP	2.05	01-09-25			12,000,000	100.08	12,010,080.00	96.05	11,525,792.88	76,533.33	11,602,326.21	A	0.16
JOHN DEERE CAPITAL CORP	1.25	01-10-25			5,480,000	99.95	5,477,424.40	95.18	5,216,046.76	21,120.83	5,237,167.59	A	0.07
COOPERATIEVE RABOBANK UA	5.00	01-13-25			10,000,000	99.98	9,998,500.00	99.07	9,907,302.30	150,000.00	10,057,302.30	A+	0.14
JP MORGAN CHASE & CO	3.12	01-23-25	10-23-24	100	7,500,000	106.13	7,959,975.00	96.73	7,255,122.52	63,802.08	7,318,924.61	A-	0.10
PACCAR FINANCIAL CORP	1.80	02-06-25			5,450,000	104.51	5,695,849.50	95.50	5,204,975.14	23,162.50	5,228,137.64	A+	0.07
NATIONAL RURAL UTIL COOP	1.87	02-07-25			2,875,000	100.00	2,874,913.75	95.15	2,735,497.61	12,578.12	2,748,075.74	A-	0.04
NATIONAL RURAL UTIL COOP	1.87	02-07-25			5,000,000	95.61	4,780,400.00	95.15	4,757,387.15	21,875.00	4,779,262.15	A-	0.07
TOYOTA MOTOR CREDIT CORP.	1.80	02-13-25			7,000,000	100.98	7,068,390.00	95.29	6,670,416.76	27,300.00	6,697,716.76	A+	0.09
AMERICAN EXPRESS CO	2.25	03-04-25	11-04-23	100	3,485,000	99.90	3,481,480.15	95.10	3,314,229.49	12,415.31	3,326,644.81	BBB+	0.05
ROCHE HOLDINGS INC	2.13	03-10-25	02-10-25	100	8,620,000	100.00	8,620,000.00	95.75	8,253,846.10	26,035.27	8,279,881.38	AA	0.12
EXXON MOBIL CORPORATION	2.99	03-19-25	02-19-25	100	10,000,000	109.28	10,927,700.00	96.71	9,671,099.10	34,906.67	9,706,005.77	AA-	0.14
BMW US CAPITAL LLC	3.90	04-09-25	03-09-25	100	5,000,000	109.91	5,495,700.00	97.60	4,880,032.90	11,916.67	4,891,949.57	A	0.07
AMAZON.COM INC	3.00	04-13-25			25,090,000	99.84	25,050,106.90	96.72	24,265,977.91	37,635.00	24,303,612.91	AA	0.34
HOME DEPOT INC	2.70	04-15-25	03-15-25	100	1,040,000	99.82	1,038,180.00	96.18	1,000,304.24	1,248.00	1,001,552.24	A	0.01
SUNTRUST BANKS INC (A)	4.00	05-01-25	03-01-25	100	10,000,000	113.41	11,340,800.00	96.08	9,607,837.60	200,000.00	9,807,837.60	A-	0.14
APPLE INC	3.20	05-13-25			5,000,000	111.44	5,571,950.00	96.86	4,843,106.30	74,666.67	4,917,772.97	AA+	0.07
CATERPILLAR FINL SERVICE	3.40	05-13-25			7,505,000	99.87	7,495,468.65	96.86	7,269,375.72	119,079.33	7,388,455.06	A	0.10
CATERPILLAR FINL SERVICE	3.40	05-13-25			5,000,000	99.95	4,997,700.00	96.86	4,843,021.80	79,333.33	4,922,355.13	A	0.07
GOLDMAN SACHS GROUP INC (A)	3.75	05-22-25	02-22-25	100	9,000,000	111.69	10,052,100.00	96.40	8,675,694.18	149,062.50	8,824,756.68	BBB+	0.12
BMW US CAPITAL LLC	5.30	08-11-25			10,000,000	99.99	9,999,116.67	99.60	9,959,914.10	117,777.78	10,077,691.88	A	0.14
BRISTOL-MYERS SQUIBB CO	3.87	08-15-25	05-15-25	100	5,393,000	114.28	6,163,336.12	96.98	5,230,129.62	44,117.74	5,274,247.36	A+	0.07
BANK OF AMERICA CORP	3.09	10-01-25	10-01-24	100	8,200,000	96.32	7,898,158.00	96.91	7,946,742.59	21,135.50	7,967,878.09	A-	0.11
PACCAR FINANCIAL CORP	4.95	10-03-25			2,500,000	99.93	2,498,150.00	99.23	2,480,808.95	9,625.00	2,490,433.95	A+	0.04
MORGAN STANLEY	1.16	10-21-25	10-21-24	100	6,085,000	100.00	6,085,000.00	94.61	5,756,881.65	1,967.48	5,758,849.13	A-	0.08
NATIONAL AUSTRALIA BK/NY	4.97	01-12-26			16,780,000	100.00	16,780,000.00	98.83	16,583,110.53	252,303.15	16,835,413.68	AA-	0.23
CITIGROUP INC	2.01	01-25-26	01-25-25	100	4,950,000	100.00	4,950,000.00	94.41	4,673,393.80	26,584.80	4,699,978.60	BBB+	0.07
CITIGROUP INC	2.01	01-25-26	01-25-25	100	10,000,000	96.65	9,665,100.00	94.41	9,441,199.60	53,706.67	9,494,906.27	BBB+	0.13
MORGAN STANLEY	2.63	02-18-26	02-18-25	100	11,695,000	100.00	11,695,000.00	95.21	11,134,301.35	62,370.08	11,196,671.44	A-	0.16

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
MORGAN STANLEY	2.63	02-18-26	02-18-25	100	7,000,000	100.05	7,003,780.00	95.21	6,664,395.85	37,331.39	6,701,727.24	A-	0.09
ROCHE HOLDINGS INC	0.99	03-05-26	02-05-26	100	15,000,000	90.83	13,624,350.00	90.37	13,554,953.70	23,123.33	13,578,077.03	AA	0.19
JPMORGAN CHASE & CO	3.30	04-01-26	01-02-26	100	13,000,000	95.09	12,361,570.00	94.23	12,250,144.53	35,750.00	12,285,894.53	A-	0.17
BANK OF AMERICA CORP	3.50	04-19-26			6,000,000	96.92	5,815,500.00	94.39	5,663,556.78	7,000.00	5,670,556.78	A-	0.08
AMAZON.COM INC	1.00	05-12-26	04-12-26	100	10,000,000	88.95	8,895,200.00	89.93	8,993,310.60	46,944.44	9,040,255.04	AA	0.13
ASTRAZENECA FINANCE LLC	1.20	05-28-26			4,500,000	100.71	4,532,040.00	89.93	4,047,038.10	22,950.00	4,069,988.10	A	0.06
TOYOTA MOTOR CREDIT CORP	1.12	06-18-26			5,815,000	99.78	5,802,090.70	89.43	5,200,153.13	24,168.59	5,224,321.72	A+	0.07
STATE STREET CORP	5.27	08-03-26	07-06-26	100	17,000,000	100.02	17,004,080.00	98.37	16,722,317.24	219,080.89	16,941,398.13	A	0.24
MICROSOFT CORP	2.40	08-08-26	05-08-26	100	10,000,000	94.11	9,411,100.00	92.97	9,296,778.00	55,333.33	9,352,111.33	AAA	0.13
TOYOTA MOTOR CREDIT CORP	5.00	08-14-26			7,500,000	100.19	7,514,250.00	98.75	7,406,376.07	80,208.33	7,486,584.41	A+	0.10
BANK OF NY MELLON CORP	2.45	08-17-26	05-17-26	100	5,000,000	104.40	5,219,850.00	91.75	4,587,657.85	25,180.56	4,612,838.41	A	0.06
AMERICAN HONDA FINANCE	1.30	09-09-26			4,200,000	96.77	4,064,466.00	88.79	3,729,234.14	7,886.67	3,737,120.80	A-	0.05
JP MORGAN CHASE & CO	2.95	10-01-26	07-01-26	100	5,000,000	105.75	5,287,700.00	92.50	4,625,171.15	12,291.67	4,637,462.82	A-	0.07
JP MORGAN CHASE & CO	2.95	10-01-26	07-01-26	100	5,000,000	105.74	5,287,250.00	92.50	4,625,171.15	12,291.67	4,637,462.82	A-	0.07
JP MORGAN CHASE & CO	2.95	10-01-26	07-01-26	100	10,000,000	93.45	9,344,700.00	92.50	9,250,342.30	24,583.33	9,274,925.63	A-	0.13
CITIGROUP INC	3.20	10-21-26	07-21-26	100	10,000,000	92.89	9,289,100.00	92.19	9,219,182.80	8,888.89	9,228,071.69	BBB+	0.13
HONEYWELL INTERNATIONAL	2.50	11-01-26	09-01-26	100	4,473,000	93.43	4,179,213.36	92.48	4,136,717.44	55,912.50	4,192,629.94	A	0.06
AMERICAN EXPRESS CO	1.65	11-04-26	10-04-26	100	5,000,000	99.29	4,964,450.00	88.05	4,402,747.80	40,562.50	4,443,310.30	BBB+	0.06
AMERICAN EXPRESS CO	1.65	11-04-26	10-04-26	100	10,000,000	94.49	9,449,300.00	88.05	8,805,495.60	81,125.00	8,886,620.60	BBB+	0.12
TARGET CORP	1.95	01-15-27	12-15-26	100	1,770,000	99.83	1,766,991.00	90.05	1,593,940.24	10,162.75	1,604,102.99	A	0.02
TARGET CORP	1.95	01-15-27	12-15-26	100	13,700,000	100.23	13,731,373.00	90.05	12,337,277.58	78,660.83	12,415,938.41	A	0.17
BANK OF NY MELLON CORP	2.05	01-26-27			10,000,000	100.12	10,012,100.00	88.61	8,860,715.70	54,097.22	8,914,812.92	A	0.13
GOLDMAN SACHS GROUP INC	3.85	01-26-27	01-26-26	100	9,500,000	96.43	9,160,470.00	93.17	8,851,348.74	96,517.36	8,947,866.10	BBB+	0.13
JP MORGAN CHASE & CO	1.04	02-04-27	02-04-26	100	5,000,000	89.02	4,451,200.00	88.92	4,445,991.55	12,566.67	4,458,558.22	A-	0.06
IBM CORP	2.20	02-09-27	01-09-27	100	5,000,000	98.63	4,931,400.00	89.68	4,484,229.25	25,055.56	4,509,284.81	A-	0.06
IBM CORP	2.20	02-09-27	01-09-27	100	5,000,000	90.58	4,528,950.00	89.68	4,484,229.25	25,055.56	4,509,284.81	A-	0.06
HONEYWELL INTERNATIONAL	1.10	03-01-27			10,000,000	95.31	9,531,400.00	87.32	8,732,438.50	18,333.33	8,750,771.83	A	0.12
HONEYWELL INTERNATIONAL	1.10	03-01-27			18,000,000	89.76	16,156,800.00	87.32	15,718,389.30	33,000.00	15,751,389.30	A	0.22
TRUIST FINANCIAL CORP	1.27	03-02-27			10,000,000	93.96	9,396,000.00	87.66	8,765,546.00	20,764.72	8,786,310.72	A-	0.12
COMCAST CORP	3.30	04-01-27			10,000,000	100.83	10,083,300.00	92.70	9,270,428.00	27,500.00	9,297,928.00	A-	0.13
AMAZON.COM INC	3.30	04-13-27	03-13-27	100	10,000,000	98.95	9,895,400.00	93.72	9,372,170.00	16,500.00	9,388,670.00	AA	0.13
NORTHERN TRUST CORP	4.00	05-10-27	04-10-27	100	12,311,000	101.42	12,485,816.20	94.03	11,576,500.50	233,909.00	11,810,409.50	A+	0.16
UNITED HEALTH GROUP INC	3.70	05-15-27	04-15-27	100	300,000	99.95	299,838.00	94.25	282,760.74	5,118.33	287,879.07	A+	0.00
IBM CORP	4.15	07-27-27	06-27-27	100	10,000,000	97.84	9,783,900.00	94.74	9,473,518.00	108,361.11	9,581,879.11	A-	0.13
INTEL CORP	3.75	08-05-27	07-05-27	100	4,325,000	99.98	4,324,178.25	93.93	4,062,406.02	38,744.79	4,101,150.82	A	0.06
HOME DEPOT INC	2.80	09-14-27	06-14-27	100	5,000,000	93.30	4,665,100.00	90.97	4,548,361.05	18,277.78	4,566,638.83	A	0.06
BANK OF AMERICA CORP	3.25	10-21-27	10-21-26	100	6,000,000	94.08	5,644,860.00	90.39	5,423,475.66	5,413.33	5,428,888.99	A-	0.08
JPMORGAN CHASE & CO	6.07	10-22-27	10-22-26	100	10,000,000	100.21	10,021,388.89	99.85	9,985,412.50	15,175.00	10,000,587.50	A-	0.14
TEXAS INSTRUMENT INC	2.90	11-03-27	08-03-27	100	10,000,000	93.49	9,349,400.00	91.11	9,110,951.50	143,388.89	9,254,340.39	A+	0.13
COMCAST CORP	5.35	11-15-27	10-15-27	100	4,860,000	102.23	4,968,475.20	99.33	4,827,362.04	119,893.50	4,947,255.54	A-	0.07
COMCAST CORP	5.35	11-15-27	10-15-27	100	5,000,000	102.65	5,132,700.00	99.33	4,966,421.85	123,347.22	5,089,769.07	A-	0.07
UNITED PARCEL SERVICE	3.05	11-15-27	08-15-27	100	10,000,000	93.64	9,363,600.00	91.36	9,136,455.60	140,638.89	9,277,094.49	A	0.13
STATE STREET CORP	1.68	11-18-27	11-18-26	100	15,000,000	89.42	13,412,700.00	88.89	13,334,239.80	114,371.67	13,448,611.47	A	0.19
TOYOTA MOTOR CREDIT CORP	4.62	01-12-28			10,000,000	99.19	9,918,900.00	96.84	9,683,576.90	140,034.72	9,823,611.62	A+	0.14
JOHN DEERE CAPITAL CORP	4.75	01-20-28			5,000,000	101.61	5,080,500.00	97.23	4,861,465.50	66,631.94	4,928,097.44	A	0.07
HONEYWELL INTERNATIONAL	4.95	02-15-28	01-15-28	100	10,000,000	102.25	10,224,900.00	98.83	9,883,498.60	104,500.00	9,987,998.60	A	0.14
NESTLE HOLDINGS INC	5.00	03-14-28	02-14-28	100	10,000,000	101.56	10,156,500.00	98.76	9,876,060.20	65,277.78	9,941,337.98	AA-	0.14
NATIONAL RURAL UTIL COOP	4.80	03-15-28	02-15-28	100	10,000,000	99.37	9,937,300.00	96.80	9,680,286.10	61,333.33	9,741,619.43	A-	0.14
WALMART INC	3.90	04-15-28	03-15-28	100	18,000,000	99.34	17,882,100.00	94.85	17,072,553.24	31,200.00	17,103,753.24	AA	0.24
BANK OF AMERICA CORP	4.38	04-27-28	04-27-27	100	10,000,000	95.94	9,594,000.00	93.43	9,343,259.70	4,862.22	9,348,121.92	A-	0.13
BANK OF NEW YORK MELLON CORP	3.85	04-28-28			10,000,000	96.90	9,690,100.00	92.75	9,275,418.00	3,208.33	9,278,626.33	A	0.13
APPLE INC	4.00	05-10-28	04-10-28	100	25,000,000	99.81	24,951,750.00	95.33	23,832,354.25	475,000.00	24,307,354.25		0.34
AMAZON.COM INC	1.65	05-12-28	03-12-28	100	17,000,000	88.63	15,066,391.67	85.43	14,523,788.33	131,679.17	14,655,467.50	AA	0.21
AMERICAN HONDA FINANCE	5.12	07-07-28			10,000,000	101.00	10,100,273.61	97.50	9,750,484.90	162,291.67	9,912,776.57	A-	0.14

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

October 31, 2023

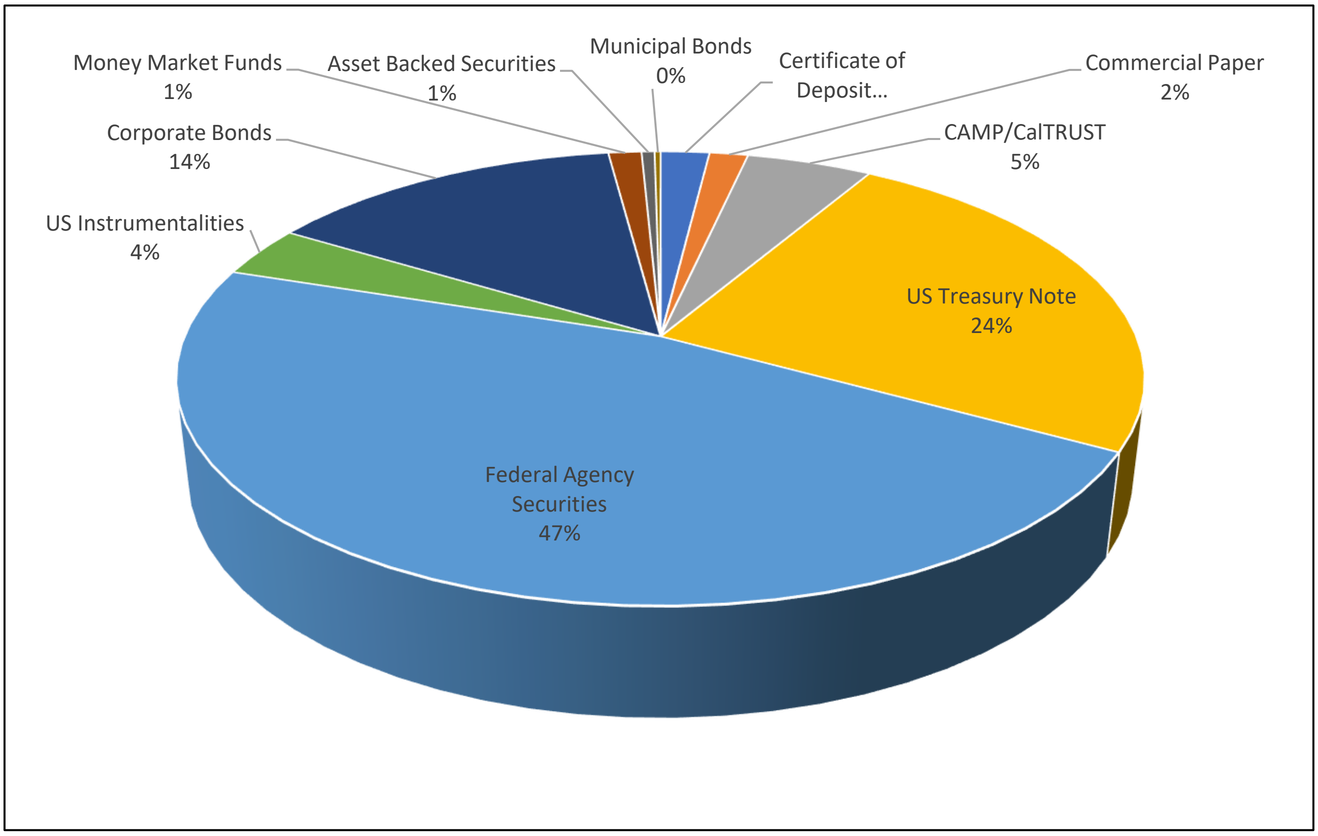
Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
JOHN DEERE CAPITAL CORP	4.95	07-14-28			8,000,000	101.23	8,098,600.00	97.60	7,808,055.60	117,700.00	7,925,755.60	A	0.11
PACCAR FINANCIAL CORP	4.95	08-10-28			5,000,000	100.88	5,044,050.00	98.18	4,908,794.30	55,687.50	4,964,481.80	A+	0.07
BMW US CAPITAL LLC	5.05	08-11-28	07-11-28	100	10,000,000	100.04	10,003,708.33	97.26	9,725,525.90	112,222.22	9,837,748.12	A	0.14
UNILEVER CAPITAL CORP	4.87	09-08-28	08-08-28	100	10,000,000	98.65	9,864,970.83	97.73	9,773,195.20	71,770.83	9,844,966.03	A+	0.14
CITIBANK NA	5.80	09-29-28	08-29-28	100	15,000,000	100.35	15,052,103.75	98.82	14,822,915.70	77,373.33	14,900,289.03	A+	0.21
ANALOG DEVICES INC	1.70	10-01-28	08-01-28	100	10,000,000	84.06	8,406,266.67	83.70	8,370,165.60	14,166.67	8,384,332.27	A-	0.12
ANALOG DEVICES INC	1.70	10-01-28	08-01-28	100	10,000,000	84.09	8,408,566.67	83.70	8,370,165.60	14,166.67	8,384,332.27	A-	0.12
					1,060,767,000		1,051,426,791.28		1,006,853,732.48	7,521,660.42	1,014,375,392.90		14.25
MONEY MARKET FUNDS													
DREYFUS-713762	0.00	11-01-23			89,843,310	100.00	89,843,310.10	100.00	89,843,310.10	10.75	89,843,320.85	AAA	1.27
DREYFUS-715757	0.00	11-01-23			4,276,255	100.00	4,276,255.16	100.00	4,276,255.16	0.51	4,276,255.68	AAA	0.06
					94,119,565		94,119,565.26		94,119,565.26	11.27	94,119,576.53		1.33
ASSET BACKED SECURITIES													
GM FINANCIAL AUTOMOBILE	0.50	07-21-25			2,260,000	100.00	2,259,918.41	98.71	2,230,846.00	345.28	2,231,191.28	AAA	0.03
KUBOTA CREDIT OWNER TRUST 2021-A1 A3	0.62	08-15-25			1,992,058	99.98	1,991,650.41	97.48	1,941,858.13	548.92	1,942,407.05	NR	0.03
VW AUTO LOAN ENHANCED TRUST 2021-1 A3	1.02	06-22-26			2,898,426	100.00	2,898,312.52	96.57	2,799,010.12	903.34	2,799,913.47	AAA	0.04
DISCOVER CARD EXECUTION NT 2021-A1 A1	0.58	09-15-26			8,325,000	99.98	8,323,217.62	95.37	7,939,552.50	2,146.00	7,941,698.50	AAA	0.11
GM FINL CONSMR AUTO RCVBL TRST 2021-4 A3	0.68	09-16-26	08-16-25	100	1,930,388	100.00	1,930,338.53	96.19	1,856,839.98	546.94	1,857,386.92	AAA	0.03
HYUNDAI AUTO RECVBL TRUST 2022-A A3	2.22	10-15-26	04-15-26	100	11,090,000	100.00	11,089,573.04	96.63	10,716,267.00	10,942.13	10,727,209.13	AAA	0.15
WORLD OMNI AUTO RCVBL TR 2021-D A3	0.81	10-15-26	08-15-25	100	2,769,570	99.99	2,769,193.25	96.34	2,668,204.19	997.05	2,669,201.24	AAA	0.04
CAPITAL ONE MULTI-ASSET EXEC. TRUST	1.04	11-15-26			7,170,000	99.99	7,169,011.97	95.14	6,821,538.00	3,314.13	6,824,852.13	AAA	0.10
					38,435,442		38,431,215.76		36,974,115.92	19,743.80	36,993,859.72		0.52
MUNICIPAL BONDS													
UNIV OF CALIFORNIA REVS SRS 2020-BF	0.83	05-15-24			2,000,000	100.00	2,000,000.00	97.43	1,948,600.00	7,682.11	1,956,282.11	AA	0.03
CHAFFEY JT UN HSD	2.10	08-01-24			1,860,000	100.00	1,860,000.00	97.49	1,813,351.20	9,769.65	1,823,120.85	AA-	0.03
LOS ANGELES CCD SR 2020	0.67	08-01-24			4,450,000	100.00	4,450,000.00	96.43	4,291,046.00	7,487.12	4,298,533.12	AA+	0.06
UNIV OF CALIFORNIA REVS 2013-AG TXBL	3.05	05-15-25			2,950,000	109.67	3,235,206.00	96.22	2,838,460.50	41,488.47	2,879,948.97	AA	0.04
LOS ANGELES CCD SR 2020	0.77	08-01-25			6,735,000	100.00	6,735,000.00	92.29	6,215,731.50	13,015.39	6,228,746.89	AA+	0.09
					17,995,000		18,280,206.00		17,107,189.20	79,442.75	17,186,631.95		0.24
TOTAL PORTFOLIO					**7,326,627,326**		**7,283,735,886.44**		**7,063,541,390.01**	**57,410,767.20**	**7,120,952,157.21**		**100.00**

** TOTAL COST DOES NOT REFLECT AMORTIZATIONS OR ACCRETIONS BUT INCLUDES PURCHASED ACCRUED INTEREST. MARKET PRICES ARE DOWNLOADED THROUGH (IDC) INTERACTIVE DATA CORP

DIVERSIFICATION BY ISSUER

31-Jul-23	Asset-Backed	Certificate of Deposit	Commercial Paper	Corporate Bonds	Municipal Bonds	Total Par Value	Total %
Abbott Laboratories				$10,000,000		$10,000,000	0.15%
Amazon.com Inc				$62,090,000		$62,090,000	0.91%
American Express				$28,485,000		$28,485,000	0.42%
American Honda Finance				$24,200,000		$24,200,000	0.35%
Analog Devices INC				$20,000,000		$20,000,000	0.29%
Apple Inc.				$30,000,000		$30,000,000	0.44%
Astrazeneca Finance LLC				$4,500,000		$4,500,000	0.07%
Bank of America				$40,200,000		$40,200,000	0.59%
Bank of New York				$49,700,000		$49,700,000	0.73%
Bank of Nova Scotia Houston		$20,000,000				$20,000,000	0.29%
Bristol-Myers Squibb Co				$5,393,000		$5,393,000	0.08%
BB&T Corporation				$25,000,000		$25,000,000	0.37%
BMW				$29,080,000		$29,080,000	0.43%
Capital One Multi Asset Exectn Trust	$7,170,000					$7,170,000	0.10%
Caterpillar				$52,290,000		$52,290,000	0.76%
Chaffey CA JT UHSD					$1,860,000	$1,860,000	0.03%
Charles Schwab Corp.				$18,255,000		$18,255,000	0.27%
CitiGroup				$39,950,000		$39,950,000	0.58%
Comcast Corp				$19,860,000		$19,860,000	0.29%
Cooperatieve Rabobank				$22,000,000		$22,000,000	0.32%
Discover Card Execution Note	$8,325,000					$8,325,000	0.12%
Exxon Mobil				$10,000,000		$10,000,000	0.15%
General Motors	$4,190,388					$4,190,388	0.06%
Goldman Sachs				$37,990,000		$37,990,000	0.56%
Home Depot Inc				$6,040,000		$6,040,000	0.09%
Honeywell International				$42,473,000		$42,473,000	0.62%
Hyundai	$11,090,000					$11,090,000	0.16%
IBM Corp.				$25,000,000		$25,000,000	0.37%
Intel Corp				$4,325,000		$4,325,000	0.06%
John Deere				$54,420,000		$54,420,000	0.80%
JP Morgan				$45,500,000		$45,500,000	0.67%
Kubota Credit	$1,992,058					$1,992,058	0.03%
Los Angeles CA CCD					$11,185,000	$11,185,000	0.16%
Microsoft Corp				$10,000,000		$10,000,000	0.15%
Morgan Stanley				$24,780,000		$24,780,000	0.36%
MUFG Bank		$25,000,000				$25,000,000	0.37%
National Australia BK/NY				$16,780,000		$16,780,000	0.25%
National Rural Util Coop				$30,520,000		$30,520,000	0.45%
Natixis NY Branch		$17,000,000	$86,000,000			$103,000,000	1.51%
Nestle Holdings Inc				$17,275,000		$17,275,000	0.25%
Northern Trust				$12,311,000		$12,311,000	0.18%
Nvidia Corp				$5,000,000		$5,000,000	0.07%
Paccar Financial Group				$26,210,000		$26,210,000	0.38%
PNC Financial Services				$15,000,000		$15,000,000	0.22%
Roche Holdings Inc.				$23,620,000		$23,620,000	0.35%
Royal Bank of Canada NY			$25,000,000			$25,000,000	0.37%
State Street Corp				$32,000,000		$32,000,000	0.47%
Suntrust Banks Inc				$10,000,000		$10,000,000	0.15%
Target Corp				$15,470,000		$15,470,000	0.23%
Texas Instrument Inc				$10,000,000		$10,000,000	0.15%
Toronto Dominion Bk NY		$74,000,000				$74,000,000	1.08%
Toyota				$30,315,000		$30,315,000	0.44%
Truist Financial Corp				$10,000,000		$10,000,000	0.15%
Unilever Capital Corp				$12,320,000		$12,320,000	0.18%
United Health Group Inc.				$5,300,000		$5,300,000	0.08%
United Parcel Service				$10,000,000		$10,000,000	0.15%
University of California					$4,950,000	$4,950,000	0.07%
US Bank				$10,000,000		$10,000,000	0.15%
Volkswagen	$2,898,426					$2,898,426	0.04%
Walmart Inc				$18,000,000		$18,000,000	0.26%
Walt Disney Co.				$9,115,000		$9,115,000	0.13%
World Omni	$2,769,570					$2,769,570	0.04%
Grand Total	**$38,435,442**	**$136,000,000**	**$111,000,000**	**$1,060,767,000**	**$17,995,000**	$1,364,197,442	19.94%

SAN MATEO COUNTY TREASURER - ASSET ALLOCATION
as of October 31, 2023



SECTOR	MARKET VALUE*	
Certificate of Deposit	138,512,098	1.9%
Commercial Paper	109,390,854	1.5%
CAMP/CalTRUST	356,293,065	5.0%
US Treasury Note	1,745,358,522	24.5%
Federal Agency Securities	3,348,537,417	47.0%
US Instrumentalities	260,184,741	3.7%
Corporate Bonds	1,014,375,393	14.2%
Money Market Funds	94,119,577	1.3%
Asset Backed Securities	36,993,860	0.5%
Municipal Bonds	17,186,632	0.2%
TOTALS	7,120,952,157	100.0%

*Market Values listed include accrued interest for the reported period.

(In 000's)	NOVEMBER 2023	DECEMBER	JANUARY 2024	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	TOTAL
CASH IN:													
Taxes:													
Secured	$350,842	$250,368	$48,844	$39,848	$139,980	$153,751	$7,295	$1,222	$0	$0	$0	$161,512	**$1,153,662**
Mixed	$434,926	$763,281	$86,065	$94,817	$321,101	$615,722	$34,107	$28,717	$17,621	$114,905	$25,018	$207,710	**$2,743,991**
State Automatics	$50,034	$109,892	$71,601	$85,537	$92,016	$67,581	$83,315	$49,735	$76,319	$99,085	$90,379	$73,523	**$949,016**
Unscheduled Sub. (Lockbox)	$58,293	$57,264	$38,101	$33,448	$57,114	$59,759	$30,441	$46,963	$15,553	$17,131	$35,522	$59,430	**$509,016**
Treasurer's Deposit	$104,615	$74,769	$94,175	$62,088	$92,019	$60,071	$89,499	$81,464	$61,398	$92,864	$67,823	$110,547	**$991,331**
Hospitals	$14,263	$16,027	$11,690	$16,669	$19,049	$48,989	$12,252	$34,142	$19,820	$49,792	$13,908	$15,101	**$271,703**
Retirement Deposit	$0	$17	$0	$0	$10,200	$22,103	$22,103	$19,499	$0	$20,706	$22,341	$13,400	**$130,369**
Housing Authority	$4,625	$6,058	$3,337	$3,391	$3,649	$4,135	$3,308	$6,947	$12,258	$3,576	$3,624	$3,090	**$57,997**
SMCOE/SMCCCD	$4,329	$2,273	$3,619	$7,562	$2,707	$4,981	$2,580	$1,491	$1,324	$4,382	$3,335	$1,067	**$39,650**
GO Bond Proceeds	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
TRANs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Coupon	$6,942	$6,400	$11,371	$10,143	$11,742	$18,658	$16,635	$20,407	$15,057	$13,994	$18,537	$21,292	**$171,178**
TOTAL CASH IN:	$1,028,869	$1,286,350	$368,804	$353,502	$749,576	$1,055,750	$301,534	$290,587	$219,349	$416,434	$280,486	$666,672	**$7,017,913**
CASH OUT:													
Tax Apportionments:	($21,983)	($221,008)	($24,649)	($30,801)	($20,752)	($113,316)	($13,021)	($54,609)	($731)	($24,472)	($263)	($220)	**($525,826)**
Voluntary Particpants W/D	($30,032)	($152,792)	($142,743)	($32,625)	($54,035)	($122,334)	($51,052)	($53,909)	($133,091)	($54,361)	($42,848)	($61,386)	**($931,206)**
County Payments	($124,846)	($17,615)	($14,396)	($27,492)	($24,140)	($1,692)	($45,471)	($49,201)	($48,241)	($13,653)	($26,117)	($29,898)	**($422,760)**
GO Bond/TRANS Payments	$0	$0	($36,576)	($26,120)	($22,516)	($3,119)	$0	($29,611)	($41,984)	($90,053)	($127,232)	($5,708)	**($382,918)**
Payroll - County	($55,985)	($73,235)	($63,380)	($54,104)	($55,338)	($56,734)	($55,927)	($76,180)	($65,048)	($55,363)	($54,619)	($56,299)	**($722,212)**
SMCOE/SMCCCD	($112,613)	($134,027)	($82,130)	($110,538)	($113,657)	($122,343)	($118,253)	($126,304)	($94,998)	($80,239)	($113,847)	($126,514)	**($1,335,463)**
Retirement	($24,337)	($23,766)	($24,325)	($24,976)	($24,655)	($26,218)	($22,311)	($29,738)	($26,311)	($26,797)	($26,284)	($26,315)	**($306,033)**
SMC-payables	($62,081)	($97,916)	($80,210)	($118,336)	($114,515)	($93,695)	($81,617)	($93,390)	($118,880)	($65,153)	($69,806)	($88,182)	**($1,083,781)**
SMCOE-payables	($66,158)	($80,935)	($69,564)	($75,645)	($79,508)	($70,525)	($99,876)	($77,711)	($73,653)	($92,959)	($84,230)	($97,909)	**($968,673)**
SMCCCD-payables	($7,353)	($5,930)	($4,963)	($9,254)	($9,882)	($5,161)	($10,169)	($8,189)	($17,135)	($5,960)	($10,527)	($11,133)	**($105,655)**
Housing Authority(Payroll-Payables)	($4,437)	($4,894)	($3,204)	($3,270)	($3,904)	($3,910)	($3,610)	($4,800)	($12,740)	($4,540)	($3,413)	($3,166)	**($55,886)**
Other ARS Debits	($16,241)	($19,257)	($18,942)	($16,777)	($26,997)	($14,570)	($22,029)	($22,752)	($32,093)	($25,319)	($22,602)	($36,927)	**($274,505)**
Returned Chks/Misc. Fees	($44)	($8)	($18)	($3)	($4)	($3)	($11)	($1)	($157)	($105)	($8)	($24)	**($385)**
TOTAL CASH OUT:	($526,110)	($831,382)	($565,099)	($529,940)	($549,902)	($633,620)	($523,346)	($626,394)	($665,062)	($538,973)	($581,795)	($543,681)	**($7,115,303)**
TOTAL ESTIMATED CASH FLOW	$502,759	$454,968	($196,296)	($176,437)	$199,674	$422,130	($221,812)	($335,807)	($445,712)	($122,539)	($301,309)	$122,991	**($97,390)**
MATURING SECURITIES (SMC)	**$109,796**	**$93,850**	**$100,000**	**$131,411**	**$28,250**	**$50,000**	**$76,850**	**$202,150**	**$126,000**	**$25,000**	**$105,889**	**$75,000**	**$1,124,196**
LAIF/CAMP/DREYFUS(SMC)	**$439,843**												**$439,843**
CALLABLE SECURITIES (SMC)	**$319,948**	**$157,100**	**$310,840**	**$60,000**	**$0**	**$50,000**	**$0**	**$132,000**	**$75,000**	**$0**	**$35,000**	**$0**	**$1,139,888**

Figures may not total to net figures due to rounding. Maturities exclude overnight vehicles and PFM held Securities. Please note: Securities held by PFM are readily available upon direction of the Treasurer.