NEW ISSUE—FULL BOOK-ENTRY | **RATING: Moody's: "Aaa"**
(See "MISCELLANEOUS – 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.

$96,250,000
SAN MATEO UNION HIGH SCHOOL DISTRICT
(San Mateo County, California)
Election of 2020 General Obligation Bonds, Series C

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

This cover page contains certain information for quick 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 on this cover page but not otherwise defined will have the meanings assigned thereto as provided in the Official Statement.

The San Mateo Union High School District (San Mateo County, California) Election of 2020 General Obligation Bonds, Series C (the "Bonds"), were authorized at an election of the registered voters of the San Mateo Union High School District (the "District") held on March 3, 2020, at which the requisite 55% of the persons voting on the proposition voted to authorize the issuance and sale of $385,000,000 aggregate principal amount of general obligation bonds of the District. The Bonds are being issued to (i) finance the acquisition, construction, modernization and equipping of District sites and facilities, and (ii) pay the costs of issuance of 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 San Mateo County is empowered and obligated to annually levy such *ad valorem* property taxes, without limitation as to rate or amount (except certain personal property which is taxable at limited rates), upon all property subject to taxation by the District, for the payment of the principal of and interest on the Bonds when due.

The Bonds will be dated as of their date of initial delivery, and will be issued as current interest bonds such that interest thereon will accrue from such initial delivery date and be payable semiannually. Interest on the Bonds will be payable on March 1 and September 1 of each year, commencing March 1, 2024. The Bonds are issuable in denominations of $5,000 principal amount or any integral multiple thereof.

The Bonds will be issued in book-entry form only, initially 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.

Payments of principal of and interest on the Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as the designated Paying Agent, to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds.

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

Maturity Schedule
(see inside front cover page)

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

STIFEL

This Official Statement is dated November 8, 2023.

MATURITY SCHEDULE

Base CUSIP[(1)]: 799017

$96,250,000
SAN MATEO UNION HIGH SCHOOL DISTRICT
(San Mateo County, California)
Election of 2020 General Obligation Bonds, Series C

$63,675,000 Serial Bonds

Maturity (September 1)	Principal Amount	Interest Rate	Yield	CUSIP[(1)] Suffix
2024	$2,030,000	5.000%	3.210%	YJ1
2025	9,465,000	5.000	3.130	YK8
2026	2,340,000	5.000	3.010	YL6
2028	2,925,000	5.000	2.960	YM4
2028	3,560,000	5.000	2.920	YN2
2029	2,940,000	5.000	2.940	YP7
2030	2,090,000	5.000	2.970	YQ5
2031	2,440,000	5.000	2.990	YR3
2032	2,820,000	5.000	3.010[(2)]	YS1
2033	3,220,000	5.000	3.030[(2)]	YT9
2034	3,660,000	5.000	3.100[(2)]	YU6
2035	4,135,000	5.000	3.210[(2)]	YV4
2036	4,645,000	5.000	3.340[(2)]	YW2
2037	5,195,000	5.000	3.470[(2)]	YX0
2038	5,790,000	5.000	3.570[(2)]	YY8
2039	6,420,000	5.000	3.690[(2)]	YZ5

$32,575,000 – 4.000% Term Bonds due September 1, 2043 – Yield: 4.200%; CUSIP[(1)] Suffix: ZB7

(1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP® data is provided by CUSIP Global Services (CGS) which is owned by FactSet Research Systems Inc. ("FactSet"). FactSet will manage the CUSIP system on behalf of the American Bankers Association. CUSIP® data is not intended to create a database and does not serve in any way as a substitute for the CGS database. None of the Underwriter, the Municipal Advisor or the District is responsible for the selection or correctness of the CUSIP numbers set forth herein, and no representation is made as to their correctness on the applicable Bonds or as included 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.

(2) Yield to call at par on September 1, 2031.

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 unauthorized other information or representation 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 Sections 3(a)2 and 3(a)12, respectively. 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.

The information set forth herein, other than that provided by the District, has been obtained from sources which are believed to be reliable, but 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 completeness of such information."

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN SECURITIES DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The District maintains a website and certain social media accounts. However, the information presented thereon 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.

SAN MATEO UNION HIGH SCHOOL DISTRICT

Board of Trustees

Greg Land, *President*
Ligia Andrade Zuniga, *Vice President*
Robert H. Griffin, *Clerk*
Teri Chavez, *Member*
Jennifer Jacobson, *Member*

District Administration

Randall Booker, *Superintendent*
Yancy Hawkins, CPA, *Associate Superintendent/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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$96,250,000
SAN MATEO UNION HIGH SCHOOL DISTRICT
(San Mateo County, California)
Election of 2020 General Obligation Bonds, Series C

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page and appendices hereto, provides information in connection with the sale of San Mateo Union High School District (San Mateo County, California) Election of 2020 General Obligation Bonds, Series C (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, inside cover pages and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The District

The San Mateo Union High School District (the "District") is a community funded district (as described herein) located in San Mateo County (the "County") that serves a resident population of approximately 241,200 persons in the Cities of Burlingame, Foster City, Millbrae, San Bruno and San Mateo, the Town of Hillsborough and unincorporated portions of the County. The District operates six comprehensive high schools, a continuation high school and an adult school. For fiscal year 2023-24, the District has budgeted its enrollment to be 8,661 students, including special education and continuing education students, and its average daily attendance ("ADA") to be 8,315 students. Taxable property within the District has a fiscal year 2023-24 assessed valuation of $103,813,250,969.

The District is governed by a five-member Board of Trustees (the "District Board"), each member of which serves four-year terms. Elections for positions to the District Board are held every two years, alternating between two and three available positions. The District has initiated a process to convert to trustee area elections. Following certain legally-mandated public hearings, the District Board approved a trustee area map which would divide the District's voters into five trustee areas. On March 7, 2022, the San Mateo County Committee on School District Reorganization approved this trustee area map. At the November 2, 2022 general election, voters elected trustees within three of the five trustee areas, with the remaining two being subject to an election on November 5, 2024. See "SAN MATEO UNION HIGH SCHOOL DISTRICT – Administration" herein.

The management and policies of the District are administered by a Superintendent appointed by the District Board who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel. Randall Booker is the District's current Superintendent.

See "TAX BASE FOR REPAYMENT OF BONDS" herein for more information regarding the District's assessed valuation, and "DISTRICT FINANCIAL INFORMATION" and "SAN MATEO UNION HIGH SCHOOL DISTRICT" herein for more information regarding the District generally. The District's audited financial statements for the fiscal year ended June 30, 2022 are attached hereto as APPENDIX B and should be read in their entirety.

Purpose of the Bonds

The Bonds are being issued to (i) finance the acquisition, construction, modernization and equipping of the District sites and facilities, and (ii) pay the costs of issuing the Bonds. See also "THE BONDS – Application and Investment of Bond Proceeds" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Authority for Issuance of the Bonds

The Bonds are issued pursuant to certain provisions of the Government Code (the "Government Code") and pursuant to a resolution adopted by the District Board on October 12, 2023 (the "Resolution"). See "THE BONDS – Authority for Issuance" herein.

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 (the "County Board") is empowered and obligated to levy such *ad valorem* property taxes, without limitation as to rate or amount, upon all property within the District subject to taxation thereby (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due.

Description of the Bonds

Form and Registration. The Bonds will be issued in fully registered form only, without coupons. The Bonds will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), who will act as securities depository for the Bonds. See "THE BONDS – General Provisions" and "– Book-Entry Only System" herein. Purchasers of the Bonds (the "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. 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. See "THE BONDS – Discontinuation of Book-Entry Only System; Registration, Payment and Transfer of Bonds" 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 A) 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 multiples thereof.

Redemption. Certain of the Bonds are subject to optional and mandatory sinking fund redemption prior to their stated maturity dates as further described herein. See "THE BONDS – Redemption" herein.

Payments. The Bonds will be dated as of their date of initial delivery (the "Date of Delivery") and will be issued as current interest bonds, such that interest thereon will accrue from the Date of Delivery and be payable semiannually on each March 1 and September 1 of each year (each, a "Bond Payment Date"), commencing March 1, 2024. Principal of the Bonds is payable on September 1 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 designated paying agent, registrar and transfer agent (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.

Offering and Delivery of the Bonds

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

Bond Owner's Risks

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes which may be levied on all taxable property in the District, without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates). For more complete information regarding the taxation of property within the District, and certain other considerations related thereto, see "TAX BASE FOR REPAYMENT OF BONDS" and "LIMITATION ON REMEDIES; BANKRUPTCY" herein.

Continuing Disclosure

Pursuant to that certain Continuing Disclosure Certificate relating to the Bonds, the District will covenant for the benefit of the Owners and Beneficial Owners of the Bonds to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain listed events. The specific nature of the information to be made available and of the notices of listed events is summarized below under "LEGAL MATTERS – Continuing Disclosure – *Current Undertaking*" and "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS" herein. These covenants have been made in order to assist Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934, as amended (the "Rule").

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. Keygent LLC, El Segundo, California, is acting as Municipal Advisor to the District with respect to the Bonds. Kutak Rock LLP, Denver, Colorado, is acting as counsel to the Underwriter with respect to the Bonds. Stradling

Yocca Carlson & Rauth, a Professional Corporation and Keygent LLC will receive compensation from the District contingent upon the sale and delivery of the Bonds. The Bank of New York Mellon Trust Company, N.A. will act as Paying Agent with respect to the Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Bonds or the District.

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 "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" 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 ACHIEVEMENTS 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 San Mateo Union High School District, 650 North Delaware Street, San Mateo, California 94401, telephone: (650) 558-2299, attention: Superintendent. 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 such documents, statutes and constitutional provisions.

The 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.

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 Government Code, commencing with Section 53506 *et seq.*, as amended, Article XIIIA of the California Constitution, other applicable law, and pursuant to the Resolution. The District received authorization at an election held on March 3, 2020 by the requisite fifty-five percent of the votes cast by eligible voters within the District to issue $385,000,000 aggregate principal amount of general obligation bonds (the "2020 Authorization"). The District has previously issued $192,500,000 of bonds under the 2020 Authorization. The Bonds are the third series of bonds issued under the 2020 Authorization, and following the issuance thereof, $96,250,000 of the 2020 Authorization will remain unissued.

Security and Sources of Payment

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The County Board is empowered and obligated to annually levy such *ad valorem* property taxes, without limitation as to rate or amount (except certain personal property which is taxable at limited rates), upon all property within the District subject to taxation thereby for the payment of the principal of and interest on the Bonds when due. Such *ad valorem* property 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. The levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. While the County has historically levied *ad valorem* property taxes to establish such a reserve for other bonds of the District, the County is not obligated to establish or maintain such a reserve, and the District can make no representations that the County will do so in future years. Such taxes, when collected, will be placed by the County in the Debt Service Fund (defined herein) for the Bonds created by the Resolution, which is segregated and maintained by the County and which is designated for the payment of the principal of the corresponding series 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 Board is obligated to levy *ad valorem* property taxes for the payment of the Bonds, and the County will maintain the Debt Service Fund, the Bonds are not a debt of the County.

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 by the County 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 (as defined herein) for subsequent disbursement to the respective Beneficial Owners of such Bonds.

The rate of the annual *ad valorem* property taxes levied by the County to repay the Bonds as described above 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 property values, outbreaks of disease or disruption in financial markets that may reduce the 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 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, drought, fire, wildfire, 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 respective annual tax rates. 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", "TAX BASE FOR REPAYMENT OF BONDS" and "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein.

Statutory Lien

Pursuant to 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 District 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.

General Provisions

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. 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. The Bonds will be dated as of the Date of Delivery.

The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the Date of Delivery and be payable semiannually on each Bond Payment Date, commencing March 1, 2024. Interest on the Bonds will be computed on the basis of a 360-day year of 12, 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 of interest on any Bond on any Bond Payment Date will be made to the person appearing on the registration books of the Paying Agent as the registered Owner thereof as of the 15th day of the month immediately preceding such Bond Payment Date (the "Record Date"), such interest to be paid by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal of and redemption premiums, if any, payable on the Bonds shall be payable upon maturity upon surrender at the principal office of the Paying Agent. The principal of, and interest, and redemption premiums, if any, on the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. So long as the Bonds are held in the book-entry system of DTC, all payments of principal of and interest on the Bonds will be made by the Paying Agent to Cede & Co. (as a nominee of DTC), as the registered Owner of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

Application and Investment of Bond Proceeds

The Bonds are being issued to finance the repair, upgrading, acquisition, construction and equipping of District sites and facilities, and to pay the costs of issuing the Bonds.

The proceeds of the sale of the Bonds, net costs of issuance, will be deposited in the building fund created by the Resolution (the "Building Fund") and will be applied solely for the purposes authorized by the voters pursuant to the 2020 Authorization. Any interest earnings on moneys held in the Building Fund will be retained therein. Any excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued will be transferred to the Debt Service Fund (as defined herein) and applied to the payment of the principal of and interest on the Bonds.

Any premium or accrued interest received by the District from the sale of the Bonds will be deposited in the debt service fund created by the Resolution (the "Debt Service Fund"). The *ad valorem* property taxes levied by the County for the payment of the Bonds, when collected, will also be deposited into the Debt Service Fund. Any interest earnings on moneys held in the Debt Service Fund will be retained therein. 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 will be transferred to the general fund of the District as provided and permitted by law.

Moneys in the Debt Service Fund and the Building Fund are expected to be invested through the County's pooled investment fund. See "APPENDIX E - SAN MATEO COUNTY TREASURY POOL" attached hereto.

Annual Debt Service

The following table shows the annual debt service requirements for the Bonds, assuming no optional redemptions are made:

Year Ending (September 1)	Annual Principal Payment	Annual Interest Payment(1)	Total Annual Debt Service
2024	$2,030,000.00	$3,389,988.89	$5,419,988.89
2025	9,465,000.00	4,385,250.00	13,850,250.00
2026	2,340,000.00	3,912,000.00	6,252,000.00
2027	2,925,000.00	3,795,000.00	6,720,000.00
2028	3,560,000.00	3,648,750.00	7,208,750.00
2029	2,940,000.00	3,470,750.00	6,410,750.00
2030	2,090,000.00	3,323,750.00	5,413,750.00
2031	2,440,000.00	3,219,250.00	5,659,250.00
2032	2,820,000.00	3,097,250.00	5,917,250.00
2033	3,220,000.00	2,956,250.00	6,176,250.00
2034	3,660,000.00	2,795,250.00	6,455,250.00
2035	4,135,000.00	2,612,250.00	6,747,250.00
2036	4,645,000.00	2,405,500.00	7,050,500.00
2037	5,195,000.00	2,173,250.00	7,368,250.00
2038	5,790,000.00	1,913,500.00	7,703,500.00
2039	6,420,000.00	1,624,000.00	8,044,000.00
2040	7,105,000.00	1,303,000.00	8,408,000.00
2041	7,770,000.00	1,018,800.00	8,788,800.00
2042	8,475,000.00	708,000.00	9,183,000.00
2043	9,225,000.00	369,000.00	9,594,000.00
Total	$96,250,000.00	$52,120,788.89	$148,370,788.89

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

See also "SAN MATEO UNION HIGH SCHOOL DISTRICT – District Debt Structure – General Obligation Bonds" herein for a full debt service schedule for all of the District's general obligation bonded debt.

Redemption

Optional Redemption. The Bonds maturing on and before September 1, 2031 are not subject to redemption prior to their stated maturity dates. The Bonds maturing on and after September 1, 2032 may be redeemed prior to their respective stated maturity dates at the option of the District, from any source of funds, in whole or in part, on September 1, 2031 or on any date thereafter, at a redemption price equal to the principal amount of such Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Redemption. The Term Bonds maturing on September 1, 2043, are subject to redemption prior to maturity from mandatory sinking fund payments on September 1 of each year, on and after September 1, 2040, 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 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
2040	$7,105,000
2041	7,770,000
2042	8,475,000
2043(1)	9,225,000

(1) Maturity.

In the event that a portion of the Term Bonds maturing on September 1, 2043 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 Term Bonds optionally redeemed.

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

Redemption Notice. 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. 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 Bond 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) provide such Redemption Notice 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 Redemption Notice has been given as provided in the Resolution will be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given will affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other 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.

Payment of Redeemed Bonds. When a Redemption Notice 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 irrevocably set aside in trust for that purpose, as described in "—Defeasance," 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 Redemption Notice, said Bonds will be redeemed and paid at the redemption price out of such funds. 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 will execute and deliver to the Owner thereof a new Bond or Bonds of like series, tenor and maturity and of authorized denominations equal in principal amounts 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 County and the District will be released and discharged thereupon from all liability to the extent of such payment.

Effect of Redemption Notice. If on the applicable designated redemption date, money for the redemption of the Bonds to be redeemed, together with interest to such redemption date, is held by an independent escrow agent selected by the District so as to be available therefor on such redemption date as described in "—Defeasance," 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.

Rescission of Redemption Notice. With respect to any Redemption Notice in connection with the optional redemption of Bonds (or portions thereof) as described above, unless upon the giving of such notice such Bonds or portions thereof shall be deemed to have been defeased as described in "—

Defeasance," such Redemption Notice will state that such redemption will be 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, and premium, if any, and interest on, such Bonds (or portions thereof) to be redeemed, and that if such moneys shall not have been so received said Redemption Notice will be of no force and effect, no portion of the Bonds will be subject to redemption on such date and such Bonds will not be required to be redeemed on such date. In the event that such Redemption Notice 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 Redemption Notice was given that such moneys were not so received. In addition, the District will have 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 the rescission of such Redemption Notice in the same manner as such notice was originally provided.

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 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.

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 none of the District, the Municipal Advisor or the Underwriter take any responsibility for the accuracy or completeness thereof. The District and the Underwriter cannot and do not give any assurances that DTC, DTC Direct Participants or Indirect Participants (as defined herein) will distribute to the Beneficial Owners (a) payments of interest on, principal of or premium, if any, on 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, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with Participants are on file with DTC.

The Depository Trust Company, 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, each in the aggregate principal amount of such maturity, 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 Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants," and together with the Direct Participants, the "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. However, the information presented on such website is not incorporated herein by any reference.

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 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 the 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. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Resolution. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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 the 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 and distributions 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 the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds or distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

For every transfer and exchange of Bonds, Owners requesting such transfer or exchange may be charged a sum sufficient to cover any tax, governmental charge or transfer fees that may be imposed in relation thereto, which charge may include transfer fees imposed by the Paying Agent, DTC or the DTC Participant in connection with such transfers or exchanges.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the 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 the Owners thereof.

Discontinuation of Book-Entry Only System; Registration, Payment and Transfer of Bonds

So long as any of the Bonds remain outstanding, the District will cause the Paying Agent to maintain at its principal office all books and records necessary for the registration, exchange and transfer of such Bonds, which shall at all times be open to inspection by the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register, exchange or transfer or cause to be registered, exchanged or transferred, on said books, Bonds as provided in the Resolution.

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, registration, transfer, exchange and replacement of the Bonds.

The principal of the Bonds and any premium and interest upon the redemption thereof prior to the maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the designated office of the Paying Agent, initially located in Dallas, Texas. Interest on the Bonds will be paid by the Paying Agent by wire to a bank and account number on file with the Paying Agent as of the Record Date.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and principal amount, upon presentation and surrender at the designated 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 only upon presentation and surrender of the Bonds at the designated office of the Paying Agent, together with an assignment executed by the 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, series, and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing 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 notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

Defeasance

All or any portion of the outstanding maturities of either series of the Bonds may be defeased at any time 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 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 such maturities of Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such outstanding Bonds designated for defeasance 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, or 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), and 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 ("Moody's") at least as high as direct and general obligations of the United States of America.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Bonds are expected to be applied as follows:

Sources of Funds	
Principal Amount of Bonds	$96,250,000.00
Net Original Issue Premium	5,006,582.60
Total Sources	$101,256,582.60
Uses of Funds	
Costs of Issuance[(1)]	$496,500.00
Deposit to Debt Service Fund	5,006,582.60
Deposit to Building Fund	95,753,500.00
Total Uses	$101,256,582.60

(1) Reflects all costs of issuance, including but not limited to the underwriting discount, credit rating fees, printing costs, legal and Municipal Advisory fees, County fees, the costs and fees of the Paying Agent. See also "MISCELLANEOUS – Underwriting" herein.

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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. 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 rolls as special district property taxes. Assessed valuations are the same for both the District and the County's 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." 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 due in two installments, November 1 and February 1 of the calendar year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a minimum 10% penalty attaches to any delinquent installment plus a $10 cost on the second installment, plus any additional amount determined by the County Treasurer-Tax Collector (the "Treasurer"). Property on the secured roll with delinquent taxes is declared tax-defaulted on or about June 30 of the calendar year. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a minimum $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 are due as of the January 1 lien date and become delinquent if they are not paid by August 31. In the case of unsecured property taxes, a 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue beginning November 1 of the fiscal year, and a lien may be recorded against the assessee. 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. See also "—Alternative Method of Tax Apportionment – Teeter Plan" herein.

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.

Assessed valuation growth allowed under Article XIIIA (new construction, certain changes of ownership, 2% inflation) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies, including school districts, 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, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" herein.

Property within the District has a total assessed valuation for fiscal year 2023-24 of $103,813,250,969. The following table shows a 10-year history of 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
San Mateo Union High School District

Fiscal Year	Secured	Utility	Unsecured	Total	% Change
2014-15	53,274,887,560	6,845,901	4,751,989,828	58,033,723,289	--
2015-16	57,571,265,019	8,601,507	4,962,270,118	62,542,136,644	7.77%
2016-17	62,281,301,233	5,979,082	4,994,115,792	67,281,396,107	7.58
2017-18	66,952,947,799	5,979,051	5,724,871,148	72,683,797,998	8.03
2018-19	71,798,735,064	5,979,010	6,115,287,593	77,920,001,667	7.20
2019-20	77,165,190,971	7,303,063	6,353,619,030	83,526,113,064	7.19
2020-21	83,209,896,708	7,303,050	5,495,718,091	88,712,917,849	6.21
2021-22	86,355,109,749	7,303,039	4,346,065,214	90,708,478,002	2.25
2022-23	93,043,116,358	7,303,007	4,453,732,560	97,504,151,925	7.49
2023-24	98,955,662,367	6,002,851	4,851,585,751	103,813,250,969	6.47

Source: California Municipal Statistics, Inc. (except for the percent change column).

Economic and other factors beyond the District's control, such as general market decline in property values, disruption in financial markets that may reduce availability of financing for purchasers of property, outbreaks 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 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, wildfire, drought, 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 rate levied by the County to pay the debt service with respect to the Bonds. See "THE BONDS – Security and Sources of Payment" 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 the comprise the San Andreas fault system (San Andreas Fault, Hayward Fault and Calaveras Fault). 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 January 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 be 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.

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 and coastal erosion scenarios. 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 identified the assessed value of parcels within several of the cities served by the District that could be flooded in the event of the sea rise scenario. The Assessment is available on the County website (http://seachangesmc.com/vulnerability-assessment/); however, neither the Assessment nor the County's website is incorporated by reference herein. The District is unable to predict whether sea level rise, or associated impacts thereof, will occur, and if any such events occur, whether they will have a material adverse effect on the assessed valuation of property within the District, the financial condition of the District or more generally the region's economy.

Wildfires. Major wildfires have occurred in recent years in different regions of the State, including significant fires throughout the fall of 2020. The District did not sustain any property losses as a result of these recent fires. However, serious and significant property damage has resulted in other areas of the State 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.

Climate Change. In addition to the events described above, climate change caused by human activities may have adverse effects on the assessed value of property within the District. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, many scientists expect that climate change will intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods, heat waves, and rising sea levels. See also "—Drought," "—Sea Level Rise" and "—Wildfires" 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 in 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 SBE, with the appropriate county board of equalization or assessment appeals board. The County Assessor may independently reduce assessed values as well based upon the above factors or reductions in the fair market value of the taxable property. In most cases, an 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. 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, drought, fire, climate change, or toxic contamination pursuant to relevant provisions of the State Constitution.

Whether resulting from taxpayer appeals or county assessor reductions, adjustments to assessed value 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. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS — Article XIIIA of the California Constitution" herein.

No assurance can be given that property tax appeals currently pending or in the future, actions by the County assessor, or other factors 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 restructured the functions of the SBE and created 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 took 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 has only heard 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 by Jurisdiction. The following table shows an analysis of the distribution of taxable property in the District by jurisdiction, in terms of its fiscal year 2023-24 assessed valuation.

ASSESSED VALUATION BY JURISDICTION
Fiscal Year 2023-24
San Mateo Union High School District

Jurisdiction:	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of in District
City of Burlingame	$16,375,697,550	15.77%	$16,375,697,550	100.00%
City of Foster City	14,773,565,268	14.23	14,781,571,095	99.95
Town of Hillsborough	13,278,848,771	12.79	13,278,848,771	100.00
City of Millbrae	7,652,472,913	7.37	7,652,472,913	100.00
City of San Bruno	10,421,222,389	10.04	10,734,126,257	97.08
City of San Mateo	35,738,218,185	34.43	36,458,670,724	98.02
Unincorporated San Mateo County	5,573,225,893	5.37	26,235,180,154	21.24
Total District	$103,813,250,969	100.00%		
San Mateo County	$103,813,250,969	100.00%	$307,775,168,254	33.73%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table shows the distribution of taxable property within the District by principal use, as measured by assessed valuation and parcels in fiscal year 2023-24.

ASSESSED VALUATION AND PARCELS BY LAND USE
Fiscal Year 2023-24
San Mateo Union High School District

	2023-24 Assessed Valuation(1)	% of Total	No. of Parcels	% of Total	No. of Taxable Parcels	% Total
Non-Residential:						
Agricultural/Rural	$8,070,727	0.01%	10	0.01%	9	0.01%
Commercial/Office Building	15,368,355,987	15.53	2,671	3.58	2,651	3.60
Industrial	3,730,870,688	3.77	535	0.72	529	0.72
Recreational	323,883,831	0.33	560	0.75	385	0.52
Government/Social/Institutional	476,091,990	0.48	376	0.50	236	0.32
Miscellaneous	170,185,204	0.17	450	0.60	320	0.44
Subtotal Non-Residential	$20,077,458,427	20.29%	4,602	6.17%	4,130	5.62%
Residential:						
Single Family Residence	$58,798,626,277	59.42%	50,993	68.34%	50,967	69.30%
Condominium/Townhouse	8,629,864,124	8.72	13,121	17.58	13,102	17.82
Hotel/Motel	1,390,403,398	1.41	61	0.08	61	0.08
2-4 Residential Units	1,724,501,872	1.74	2,828	3.79	2,826	3.84
5+ Residential Units/Apartments	7,931,588,354	8.02	2,321	3.11	2,181	2.97
Miscellaneous Residential	7,639,398	0.01	18	0.02	18	0.02
Subtotal Residential	$78,482,623,423	79.31%	69,342	92.93%	69,155	94.03%
Vacant Parcels	$395,580,517	0.40%	673	0.90%	258	0.35%
Total	$98,955,662,367	100.00%	74,617	100.00%	73,543	100.00%

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

Assessed Valuation of Single Family Homes. The following table shows the distribution of single family homes within the District among various fiscal year 2023-24 assessed valuation ranges, as well as the average and median assessed valuation of single family homes within the District.

ASSESSED VALUATION OF SINGLE FAMILY HOMES
Fiscal Year 2023-24
San Mateo Union High School District

	No. of Parcels	2023-24 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	50,967	$58,798,626,277	$1,153,661	$852,155

2023-24 Assessed Valuation	No. of Parcels (1)	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 -$199,999	6,626	13.001%	13.001%	$873,844,966	1.486%	1.486%
$200,000 -$399,999	5,840	11.458	24.459	1,770,614,658	3.011	4.497
$400,000 -$599,999	6,155	12.076	36.535	3,065,399,501	5.213	9.711
$600,000 -$799,999	5,505	10.801	47.337	3,838,272,468	6.528	16.239
$800,000 -$999,999	5,033	9.875	57.212	4,525,042,644	7.696	23.935
$1,000,000 -$1,199,999	4,330	8.496	65.707	4,743,297,947	8.067	32.002
$1,200,000 -$1,399,999	3,492	6.851	72.559	4,531,199,280	7.706	39.708
$1,400,000 -$1,599,999	2,904	5.698	78.257	4,344,070,385	7.388	47.096
$1,600,000 -$1,799,999	2,182	4.281	82.538	3,695,155,012	6.284	53.380
$1,800,000 -$1,999,999	1,775	3.483	86.020	3,362,830,893	5.719	59.100
$2,000,000 -$2,199,999	1,302	2.555	88.575	2,726,533,190	4.637	63.737
$2,200,000 -$2,399,999	982	1.927	90.502	2,251,916,687	3.830	67.567
$2,400,000 -$2,599,999	786	1.542	92.044	1,957,466,298	3.329	70.896
$2,600,000 -$2,799,999	674	1.322	93.366	1,812,241,052	3.082	73.978
$2,800,000 -$2,999,999	435	0.853	94.220	1,256,611,669	2.137	76.115
$3,000,000 -$3,199,999	365	0.716	94.936	1,129,078,163	1.920	78.035
$3,200,000 -$3,399,999	357	0.700	95.636	1,175,562,497	1.999	80.034
$3,400,000 -$3,599,999	277	0.543	96.180	968,262,485	1.647	81.681
$3,600,000 -$3,799,999	250	0.491	96.670	924,464,122	1.572	83.253
$3,800,000 -$3,999,999	212	0.416	97.086	825,511,344	1.404	84.657
$4,000,000 and greater	1,485	2.914	100.000	9,021,251,016	15.343	100.000
	50,967	100.000%		$58,798,626,277	100.000%	

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
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 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 secured *ad valorem* property tax levies within the District for the repayment of the District's outstanding general obligation bonds, and amounts delinquent as of June 30, for fiscal years 2013-14 through 2022-23.

SECURED TAX CHARGES AND DELINQUENCIES
Fiscal Years 2013-14 through 2022-23
San Mateo Union High School District

	Secured Tax Charge [1]	Amount Delinquent June 30	% Delinquent June 30
2013-14	$17,654,560.60	$87,457.64	0.50%
2014-15	25,184,725.42	141,263.34	0.56
2015-16	26,701,180.50	114,116.94	0.43
2016-17	25,746,290.38	146,681.45	0.57
2017-18	28,865,389.40	174,710.11	0.61
2018-19	29,359,518.33	205,691.58	0.70
2019-20	29,632,818.63	266,865.76	0.90
2020-21	37,277,828.02	36,911.15	0.10
2021-22	42,003,260.08	162,382.88	0.39
2022-23	47,111,175.42	331.901.83	0.70

[1] Reflects taxes collected for the repayment of the District's general obligation bonds.
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 to the local agency. The Teeter Plan, once adopted by a county, remains in effect unless the applicable 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.

The County Board has approved the implementation of the Teeter Plan. Under the Teeter Plan, the County funds the District its full secured property 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 secured *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" herein. 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 assessed valuation, levied by all taxing entities in a typical tax rate area (a "TRA") within the City of San Mateo portion of the District during the period from fiscal years 2018-19 through 2022-23. Tax rate data for fiscal year 2023-24 is not currently available.

SUMMARY OF *AD VALOREM* TAX RATES (TRA 12-001)(1)
Fiscal Years 2018-19 through 2022-23
San Mateo Union High School District

	2018-19	2019-20	2020-21	2021-22	2022-23
General	1.0000%	1.0000%	1.0000%	1.000%	1.0000%
City of San Mateo Bond	.0077	.0071	.0067	.0064	.0060
San Mateo-Foster City School District Bond	.0530	.0437	.0462	.0665	.0613
San Mateo Union High School District Bond	.0407	.0385	.0449	.0488	.0504
San Mateo Community College District Bond	.0175	.0266	.0213	.0227	.0193
Total	1.1189%	1.1159%	1.1191%	1.1444%	1.1370%

Source: California Municipal Statistics, Inc.

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Principal Taxpayers

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 TAXPAYERS
Fiscal Year 2023-24
San Mateo Union High School District

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	% of Total[(1)]
1.	Gilead Sciences Inc.	Industrial	$2,809,056,808	2.84%
2.	Google Inc.	Office Building	1,093,280,306	1.10
3.	Burlingame Point LLC	Office Building	871,091,945	0.88
4.	Bay Meadows Station 2, 3 & 4 Investors, LLC	Office Building	709,202,250	0.72
5.	HSC Property Owner LLC	Shopping Center	592,926,000	0.60
6.	Essex Portfolio LP	Apartments	489,797,658	0.49
7.	Franklin Templeton Corporate Services Inc.	Office Building	471,210,306	0.48
8.	BMR Lincoln Center LP	Industrial	377,215,619	0.38
9.	Hudson Metro Center LLC, Lessee	Office Building	366,592,677	0.37
10.	2000 Sierra Point Parkway LC	Office Building	343,104,674	0.35
11.	1825 SG Corporation	Office Building	288,422,365	0.29
12.	Visa USA Inc.	Office Building	247,453,174	0.25
13.	TR Parkside Towers Corp.	Office Building	241,543,677	0.24
14.	HG Clearview Owner LLC	Office Building	237,352,594	0.24
15.	HMC Burlingame Hotels LLC	Hotel	236,911,924	0.24
16.	BRE-BMR 4000 & 4100 East 3rd LLC	Office Building	235,065,000	0.24
17.	ASN Bay Meadows I LLC & Bay Meadows II LLC	Apartments	231,897,884	0.23
18.	SHAC Carolan Apartments LLC	Apartments	217,467,782	0.22
19.	BEX FMCA LLC	Apartments	206,860,958	0.21
20.	Rakuten CHW LLC	Office Building	200,339,106	0.20
			$10,466,792,707	10.58%

(1) The District's fiscal year 2023-24 local secured assessed valuation is $98,955,662,367.
Source: California Municipal Statistics, Inc.

Statement of Direct and Overlapping Debt

Set forth on the following page is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc. effective as of October 1, 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. The second column shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

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STATEMENT OF DIRECT AND OVERLAPPING DEBT
San Mateo Union High School District

2023-24 Assessed Valuation: $103,813,250,969

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	**% Applicable**	**Debt 10/1/23**
San Mateo Community College District	33.730%	$230,118,613
San Mateo Union High School District	**100.000**	**606,860,767**[1]
Burlingame School District	100.000	190,086,282
Hillsborough School District	100.000	98,867,884
Millbrae School District	100.000	44,634,527
San Bruno Park School District	100.000	60,264,276
San Mateo-Foster City School District	100.000	497,628,474
City of Foster City	99.946	79,072,278
City of Millbrae	100.000	7,110,000
City of San Mateo	98.024	12,772,527
City of San Mateo Community Facilities District No. 2008-1	100.000	71,350,000
Midpeninsula Regional Open Space Park District	0.008	6,456
California Statewide Community Development Authority Assessment District 1915 Act Bonds	100.	2,061,883
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$1,900,833,967
OVERLAPPING GENERAL FUND DEBT:		
San Mateo County General Fund Obligations	33.730%	$193,624,247
San Mateo County Board of Education Certificates of Participation	33.730	2,064,276
San Mateo County Flood Control District Certificates of Participation	5.016	655,340
San Bruno Park School District Lease Revenue Bonds	100.000	1,450,000
City of Burlingame Certificates of Participation	100.000	36,285,000
City of Burlingame Pension Obligation Bonds	100.000	6,185,000
City of Millbrae General Fund and Pension Obligation Bonds	100.000	3,780,879
City of San Bruno General Fund and Pension Obligation Bonds	97.085	5,565,732
City of San Mateo General Fund Obligations	98.024	58,299,774
Highlands Recreation District General Fund Obligations	100.000	1,879,000
Midpeninsula Regional Open Space Park General Fund Obligations	0.008	6,800
San Mateo County Mosquito and Vector Controller District General Fund Obligations	33.730	1,148,390
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		$310,944,438
Less: City of Burlingame General Fund and Pension Obligations supported by enterprise revenues		1,546,250
Highlands Recreation District General Fund Obligations supported by enterprise revenues		1,465,620
TOTAL NET OVERLAPPING GENERAL FUND DEBT		$307,932,568
OVERLAPPING TAX INCREMENT DEBT:		
Successor Agency to Millbrae Redevelopment Agency	100.000%	$ 4,540,000
Successor Agency to San Bruno Redevelopment Agency	100.000	3,365,000
Successor Agency to San Mateo Redevelopment Agency	100.000	35,460,000
TOTAL OVERLAPPING TAX INCREMENT DEBT		$43,365,000
GROSS COMBINED TOTAL DEBT		$2,255,143,405[2]
NET COMBINED TOTAL DEBT		$2,252,131,535

Ratios to 2023-24 Assessed Valuation

Direct Debt ($606,860,767)	0.58%
Total Direct and Overlapping Tax and Assessment Debt	1.83%
Gross Combined Total Debt	2.17%
Net Combined Total Debt	2.17%

Ratios to Redevelopment Incremental Assessed Valuation ($6,868,505,473):

Total Overlapping Tax Increment Debt	0.63%

(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 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). 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 to 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 to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article 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 State 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" 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 fifty-five percent 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. In addition, Article XIIIA requires the approval of two-thirds of all members of the State Legislature to change any State taxes for the purpose of increasing tax revenues.

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 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.

Unitary Property

Some amount of property tax revenue of the District is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions ("unitary property"). Under the State Constitution, such property is assessed by the SBE as part of a "going concern" rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year. So long as the District is a community funded district, taxes lost through any reduction in assessed valuation will not be compensated by the State as equalization aid under the State's school financing formula. See "DISTRICT FINANCIAL INFORMATION" herein.

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% 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% 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% 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.

Intra-county transfers under Proposition 171 are more restrictive than inter-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% of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110% of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115% of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

Proposition 19

On November 3, 2020, voters in California 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.

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 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 are 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 fifty percent 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" herein.

Proposition 26

On November 2, 2010, State voters 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.

Article XIIIC and Article XIIID of the California Constitution

On November 5, 1996, State voters 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.

Propositions 98 and 111

On November 8, 1988, State voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act 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 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 State 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 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, State voters 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. Annual Adjustments to Spending Limit. 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. Treatment of Excess Tax Revenues. "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 minimum funding level for such districts. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into K-14 school district 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. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIIIB spending limit: (i) first, all appropriations for "qualified capital outlay projects" as defined by the Legislature are excluded, and (ii) second, any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which 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 ("Test 1") 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 ("Test 2"). Under Proposition 111, K-14 school districts will receive the greater of (1) Test 1, (2) Test 2, or (3) a third test ("Test 3"), which will replace Test 2 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 Test 3, K-14 school districts 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 Test 3 is used in any year, the difference between Test 3 and Test 2 will become a "credit" (also referred to as a "maintenance factor") to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, California voters approved an amendment (commonly known as Proposition 39) to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. As adopted, the constitutional amendments may be changed only with another statewide vote of the people. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by this proposition are K-12 school districts, including the District, community college districts, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1% of the value of property, and 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 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 placed certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that 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, such as the District, or elementary school district), or $25 (for a community college district), per $100,000 of taxable property value, when assessed valuation is projected to increase in accordance with Article XIIIA of the Constitution. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the Legislature and approval by the Governor. See "— Article XIIIA of the California Constitution" herein.

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 State voters 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 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, will be an increase in the State's general fund costs by approximately $1 billion annually for several decades.

Jarvis vs. 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 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 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 be otherwise 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 A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the State of California Education Code (the "Education Code"), or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the 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, 98, and 55 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.

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 shall be 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 system of funding grants assigned to certain grade spans, as described below.

See "—Local Control Funding Formula" herein. The table below reflects the District's historical ADA, the revenue limit rates per unit of ADA, and enrollment for fiscal years 2003-04 through 2012-13.

AVERAGE DAILY ATTENDANCE, REVENUE LIMIT AND ENROLLMENT
Fiscal Years 2003-04 through 2012-13
San Mateo Union High School District

Fiscal Year	ADA[1]	Revenue Limit Per ADA[2]	Enrollment[3]
2003-04	8,038	$5,680.60	8,250
2004-05	7,992	5,817.14	8,351
2005-06	8,139	6,060.13	8,502
2006-07	8,089	6,416.60	8,605
2007-08	8,128	6,706.59	8,626
2008-09	8,128	7,385.60	8,549
2009-10	8,015	7,385.60	8,478
2010-11	8,095	7,356.60	8,434
2011-12	7,925	7,520.60	8,193
2012-13	7,862	7,763.60	8,191

Note: All amounts are rounded to the nearest whole number.
(1) 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 equal to each four-week period of instruction beginning with the first day of school for a particular school district. Includes ADA in County operated programs.
(2) 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).
(3) Enrollment as of October report submitted to the California Basic Educational Data System ("CBEDS") in each school year.
Source: San Mateo Union High 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. Full implementation of the LCFF occurred over a period of eight fiscal years, concluding with the adoption of the State budget for fiscal year 2018-19. During the implementation period, 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 Base Grants for grades TK-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 LCFF 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. 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.

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). The LCFF also 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 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 2014-15 through 2022-23, and projections for fiscal year 2023-24.

ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE
Fiscal Years 2014-15 through 2023-24
San Mateo Union High School District

Fiscal Year	ADA[1]	Enrollment[2]	% of El/LI Enrollment[2]
2014-15	7,841	8,185	27%
2015-16	8,070	8,366	26
2016-17	8,268	8,690	25
2017-18	8,381	8,932	26
2018-19	8,472	9,020	28
2019-20	8,708	9,314	29
2020-21	8,821	9,189	28
2021-22	8,248	9,093	29
2022-23	8,343	8,950	27
2023-24[3]	8,315	8,661	28

(1) Except for fiscal year 2023-24, reflects P-2 ADA. For the 2019-20 school year, due to the outbreak of COVID-19, P-2 ADA only reflects full school months from July 1, 2019 through February 29, 2020. See "DISTRICT FINANCIAL INFORMATION – Considerations Regarding COVID-19" herein.

(2) 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 State Department of Education. CALPADS figures generally exclude preschool and adult transitional students. For purposes of calculating Supplemental and Concentration Grants, a school district's fiscal year 2013-14 percentage of unduplicated EL/LI students was expressed solely as a percentage of its total fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment was based on the two-year average of EL/LI enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district's percentage of unduplicated EL/LI students has been 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.

(3) Projected.

Source: San Mateo Union High 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 assumed 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 was paid incrementally over the implementation 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 (with certain adjustments applicable to small school districts). 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 grant add-ons, will yield a district's total LCFF allocation. 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.

Community Funded Districts. Certain school districts, known as "community funded" districts (also previously referred to as "basic aid" 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 currently qualifies as a community funded district. For fiscal years 2021-22 and 2022-23, the District's local property tax receipts exceeded the District's total LCFF allocation by approximately $68.8 million and $71.3 million, respectively. For fiscal year 2023-24, the District currently projects that local property tax receipts will exceed the District's total LCFF allocation by approximately $72.1 million.

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 are required to cover a three-year period and be updated annually. The State Board of Education has 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 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 State Sources. In addition to State allocations determined pursuant to the LCFF, the District receives other State revenues consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into the LCFF. Categorical funding for certain programs was excluded from the LCFF, and school districts will continue to receive restricted State revenues to fund these programs.

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, the District may receive additional local revenues beyond local property tax collections, such as leases and rentals, interest earnings, interagency services, developer fees (as discussed below), and other local sources.

Developer Fees. The District currently levies impact fees (the "Developer Fees") on residential development within the District. The Developer Fees are accounted for within the District's Capital Facilities Fund. For fiscal years 2019-20 through 2022-23 the District received $639,700, $2,055,622, $1,608,132 and $1,282,088 respectively, in Developer Fees. For fiscal year 2023-24, the District has projected the receipt of $1,250,000 in Developer Fees. The District can make no representations that Developer Fees will continue to be received by the District in amounts consistent with prior years, or as currently budgeted.

Pass-Through Revenues. The District has historically received pass-through tax increment revenue (the "Pass-Through Revenues") from the successor agencies to the Foster City Community Development Agency, the Millbrae Redevelopment Agency, the San Bruno Redevelopment Agency, and the Redevelopment Agency of the City of San Mateo. The Pass-Through Revenues received by the District are deposited into the District's general fund. For fiscal years 2019-20 through 2022-23 the District received $4,642,200, $5,429,351, $5,428,498 and $6,065,645, respectively in Pass-Through Revenues. As a matter of budgeting practice, the District has not budgeted the receipt of Pass-Through Revenues in fiscal year 2023-24.

The District can make no representations that Pass-Through Revenues will continue to be received by the District in amounts consistent with prior years, or as currently budgeted, particularly in light of the legislation eliminating redevelopment agencies. See also "—State Dissolution of Redevelopment Agencies" herein. The Bonds, however, are not payable from such revenue. The Bonds will be payable solely from the proceeds of an *ad valorem* property tax which is required to be levied by the County in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources of Payment" herein.

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 has had significant negative impacts throughout the world, including in the District. The World Health Organization declared the COVID-19 outbreak to be a pandemic in 2020, and states of emergency were also declared by the WHO, 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. All such states of emergency have since been lifted.

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 during the pandemic 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.

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.

Impact on the District. As a result of the outbreak of COVID-19, the District closed its schools commencing March 12, 2020, and extended this closure through the end of 2020 and into the beginning of 2021. During such periods of closure the District implemented distance learning programs for its students. The District Board adopted a three-tiered re-opening plan, pursuant to which the District's schools were fully open in the fall of 2021 for in-person instruction of all students.

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 been awarded approximately $18.8 million in COVID-19-related relief funding, of which the District has spent approximately $15.7 million. This funding includes (i) approximately $6.2 million in learning loss mitigation funding, (ii) approximately $500,000 from the Elementary and Secondary School Emergency Relief Fund ("ESSER I") funded by the CARES Act, (iii) approximately $1.1 million from ESSER ("ESSER II") funded by the Consolidated Appropriations Act, 2021 and (iv) approximately $2.6 million ESSER ("ESSER III") funded by the American Rescue Plan. The District has also received approximately $3.4 million of funding to reopen schools pursuant to AB 86. The District, however, can make no representation whether all expected funds will be received, what the timing of receipt of such funds might be, or whether the District can expend funds prior any applicable grant expiration dates.

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 if schools and colleges are required to close, 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, have had a material impact on the investments in the State pension trusts. Such investments could continue to be impacted by the lingering effects of the COVID-19 pandemic, which could materially increase the unfunded actuarial accrued liability of the STRS Defined Benefit Program and PERS Schools Pool and, in turn, result in material changes to the District's required contribution rates in future fiscal years. See "SAN MATEO UNION HIGH SCHOOL DISTRICT – District Retirement Systems" herein.

Although the public health emergencies previously declared by state, federal and international entities have ended, the COVID-19 outbreak is ongoing, and 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), the California Department of Public Health (https://covid19.ca.gov/), and San Mateo County Health (https://www.smchealth.org/). *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 website*s.

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.

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, 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 California 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 apportionments by the State. Only 43.3% of AB 1290 pass-throughs are offset against State aid so long as the affected local taxing entity 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 any apportionments from the State may be offset by the future receipt of residual distributions or from unencumbered cash and assets of former redevelopment agencies or any other surplus property tax revenues pursuant to the Dissolution Act.

Accounting Practices

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

The District's expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Delinquent taxes not received after the fiscal year end are not recorded as revenue until received. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

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

Comparative Financial Statements

The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. 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 San Mateo Union High School District, 650 North Delaware Street, San Mateo, California 94401, telephone: (650) 558-2299. The audited financial statements for the year ended June 30, 2022, are included in APPENDIX B hereto. The table below shows the District's audited general fund revenues, expenditures and fund balances from fiscal year 2017-18 to fiscal year 2021-22.

AUDITED GENERAL FUND REVENUES, EXPENDITURES AND FUND BALANCES[(1)]
Fiscal Years 2017-18 through 2021-22
San Mateo Union High School District

	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22
Revenues					
LCFF	$140,020,947	$149,856,869	$159,888,558	$171,945,802	$179,148,738
Federal sources	2,778,826	2,931,664	2,422,949	6,863,997	6,261,439
Other state sources	9,966,094	17,423,573	10,357,615	17,905,180	19,004,891
Other local sources	8,020,476	8,947,843	6,942,619	3,332,580	5,693,781
Total revenues	160,786,343	179,159,949	179,611,741	200,047,559	210,108,849
Expenditures					
Certificated salaries	62,337,304	65,659,410	69,398,034	71,487,501	77,596,791
Classified salaries	26,891,385	29,409,969	30,683,160	32,009,950	37,176,399
Employee benefits	36,395,978	46,557,608	45,534,258	44,231,247	50,640,844
Books and supplies	8,133,544	6,488,734	5,745,782	7,507,808	7,796,950
Services and other operating expenditures	16,923,560	17,650,071	19,353,820	19,188,467	23,125,448
Capital outlay	238,955	1,560,327	554,121	837,255	394,772
Other outgo	3,995,566	4,268,399	4,409,647	4,217,928	3,845,125
Total Expenditures	154,916,292	171,594,518	175,678,822	179,480,156	200,576,329
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,870,051	7,565,431	3,932,919	20,567,403	9,532,520
Other Financing Sources (Uses)					
Operating transfers in	--	--	--	--	--
Other sources	--	385,372	21,506	--	--
Operating transfers out[(2)]	(5,373,855)	(4,100,757)	(4,255,261)	(4,002,324)	(3,331,287)
Total Other Financing Sources and (Uses)	(5,373,855)	(3,715,385)	(4,233,755)	(4,002,324)	(3,331,287)
Net Change in Fund Balances	496,196	3,850,046	(300,836)	16,565,079	6,201,233
Fund Balance, July 1	25,610,706	26,106,902	29,956,948	29,656,112	46,221,191
Fund Balance, June 30	$26,106,902	$29,956,948	$29,656,112	$46,221,191	$52,422,424

(1) From the District's comprehensive audited financial statements for fiscal years 2017-18 through 2021-22, respectively. In addition to the District's unrestricted and restricted general fund activity, includes the financial activity of the Special Reserve Fund for Other than Capital Outlay Projects, in accordance with the fund type definitions promulgated by GASB Statement No. 54.
(2) Reflects contributions to the Cafeteria Special Revenue Fund and the Building Fund.
Source: San Mateo Union High School District.

Budget Process

State Budgeting Requirements. The District is required by provisions of the 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.

A school district whose budget has been disapproved must revise and readopt its budget by October 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 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 the 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 the two subsequent fiscal years.

Within the past ten years, the District has not had an adopted budget disapproved by the county superintendent of schools and has not received a “qualified” or “negative” certification of an Interim Financial Report pursuant to AB 1200.

Budgeting Trends. The table on the following page shows the District’s general fund adopted budgets for the years 2019-20 through 2023-24, general fund ending results for the fiscal years 2019-20 through 2021-22, and unaudited actual results for fiscal year 2022-23.

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GENERAL FUND BUDGETING
Fiscal Years 2019-20 through 2023-24
San Mateo Union High School District

	Fiscal Year 2019-20[1] Adopted Budget	Fiscal Year 2019-20[1] Ending	Fiscal Year 2020-21[1] Adopted Budget	Fiscal Year 2020-21[1] Ending	Fiscal Year 2021-22[1] Adopted Budget	Fiscal Year 2021-22[1] Ending	Fiscal Year 2022-23 Adopted Budget[2]	Fiscal Year 2022-23 Unaudited Actuals[3]	Fiscal Year 2023-24 Adopted Budget[4]
REVENUES									
LCFF Sources	$156,400,181	$159,888,558	$167,549,025	$171,945,802	$174,909,421	$179,148,738	$187,005,038	$191,611,555	$199,207,759
Federal Revenues	2,787,821	2,422,949	3,117,490	6,863,997	5,517,251	6,261,439	4,581,847	3,486,634	3,670,158
Other State Revenues	9,092,559	10,357,615	9,908,659	17,905,180	11,723,481	19,004,891	13,718,459	27,144,468	13,502,465
Other Local Revenues	5,584,013	6,942,619	2,723,414	3,332,580	2,283,283	5,693,781	3,744,252	5,700,883	4,088,605
TOTAL REVENUES	173,864,574	179,611,741	183,298,588	200,047,559	194,433,436	210,108,849	209,049,596	227,943,540	220,468,987
EXPENDITURES:									
Certificated Salaries	69,675,958	69,398,034	71,385,209	71,487,501	73,052,368	77,596,791	77,356,655	80,497,507	81,332,768
Classified Salaries	30,851,658	30,683,160	30,967,138	32,009,950	34,572,517	37,176,399	36,861,889	38,864,465	41,699,819
Employee Benefits	45,517,935	45,534,258	45,535,218	44,231,247	50,098,841	50,640,844	55,038,659	53,442,328	59,230,470
Books & Supplies	6,508,899	5,745,782	8,491,148	7,507,808	15,207,197	7,796,950	5,748,412	8,130,838	6,735,430
Services and Other Operating Expenditures	15,545,164	19,353,820	20,289,646	19,188,467	21,281,938	23,125,448	23,937,502	30,354,075	27,059,791
Capital Outlay	550,000	554,121	550,000	837,255	550,000	394,772	550,000	500,111	600,000
Other Outgo/Intergovernmental Transfers	4,571,364	4,409,647	4,668,171	4,217,928	4,650,348	3,845,125	3,510,000	3,009,644	3,260,000
Transfers of Indirect Costs	--	--	--	--	--	--	(120,000)	(136,059)	(140,000)
TOTAL EXPENDITURES	173,220,978	175,678,822	181,886,530	179,480,156	199,413,209	200,576,329	203,883,117	214,662,911	219,778,278
Excess (Deficiency) of Revenues Over/(Under) Expenditures	643,596	3,932,919	1,412,059	20,567,403	(4,979,773)	9,532,520	5,166,479	13,280,629	690,709
OTHER FINANCING SOURCES/(USES):									
Transfers In	500,000	--	--	--	--	--	--	--	--
Transfers Out[5]	(3,696,906)	(4,255,261)	(3,841,048)	(4,002,324)	(3,766,198)	(3,331,287)	(5,345,160)	(6,021,719)	(4,064,174)
Other Sources/Uses	--	21,506	--	--	--	--	--	--	--
TOTAL	(3,196,906)	(4,233,755)	(3,841,048)	(4,002,324)	(3,766,198)	(3,331,287)	(5,345,160)	(6,021,719)	(4,064,174)
NET INCREASE (DECREASE) IN FUND BALANCE	(2,553,310)	(300,836)	(2,498,990)	16,565,079	(8,745,971)	6,201,233	(178,681)	7,258,910	(3,373,465)
Fund Balance, July 1	29,956,948	29,956,948	29,656,112	29,656,112	46,221,191	46,221,191	42,660,729	42,660,729	41,556,808
Fund Balance, June 30	$27,403,638	$29,656,112	$27,227,123	$46,221,191	$37,475,220	$52,422,424	$42,482,048	$49,920,669	$38,183,343

(1) From the District's comprehensive audited financial statements for fiscal years 2019-20 through 2021-22, respectively. Includes restricted and unrestricted general fund, as well as the Special Reserve Fund for Other than Capital Outlay Projects in accordance with the fund type definitions promulgated by Governmental Accounting Standards Board ("GASB") Statement No. 54.

(2) From the District's Second Interim Report for fiscal year 2022-23, which was approved by the District Board on March 9, 2023. Reflects original adopted budget, approved prior to the close of the prior year's books. Amounts are rounded to nearest whole number. Includes restricted and unrestricted general fund. Does not reflect funds on deposit in the Special Reserve Fund for Other than Capital Outlay Projects.

(3) From the District's Unaudited Actuals for Fiscal Year 2022-23. Amounts are rounded to nearest whole number. Includes restricted and unrestricted general fund. Does not reflect funds on deposit in the Special Reserve Fund for Other than Capital Outlay Projects.

(4) From the District's adopted budget for Fiscal Year 2023-24, approved prior to the close of the prior year's books.

(5) Includes contributions to the Cafeteria Special Revenue Fund and the Building Fund.

Source: San Mateo Union High 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.

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 "CONSTITUTIONAL 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.

SAN MATEO UNION HIGH SCHOOL DISTRICT

The information in this section concerning the operations of the District and the District's finances 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 shall be 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.*

Introduction

The District is a community funded district located in the County, serving a resident population of approximately 241,200 persons in the Cities of Burlingame, Foster City, Millbrae, San Bruno and San Mateo, the Town of Hillsborough and unincorporated portions of the County. The District operates six comprehensive high schools, a continuation high school and an adult school. For fiscal year 2023-24, the District has budgeted its enrollment to be 8,661 students, including special education and continuing education students, and its ADA to be 8,315 students. Taxable property within the District has a fiscal year 2023-24 assessed valuation of $103,813,250,969.

Unless otherwise indicated, the following financial, statistical and demographic data has been provided by the District. Additional information concerning the District and copies of subsequent audited financial reports of the District may be obtained by contacting the District.

Administration

The District is governed by a five-member Board of Trustees, each member of which is elected by voters to serve four-year terms. Elections for positions to the District Board are held every two years, alternating between two and three available positions. The District has initiated a process to convert to trustee area elections. Following certain legally-mandated public hearings, the District Board approved a trustee area map which would divide the District's voters into five trustee areas. On March 7, 2022, the San Mateo County Committee on School District Reorganization approved this trustee area map. At the November 2, 2022 general election, voters elected trustees within three of the five trustee areas, with the remaining two being subject to an election on November 5, 2024.

The following table shows the current members and terms of the District Board.

BOARD OF TRUSTEES
San Mateo Union High School District

Name	Office	Term Expires
Greg Land	President	December 2024
Ligia Andrade Zuniga	Vice President	December 2024
Robert H. Griffin	Clerk	December 2026
Teri Chavez	Member	December 2026
Jennifer Jacobson	Member	December 2026

The management and policies of the District are administered by a Superintendent appointed by the District Board who is responsible for day-to-day District operations as well as supervision of the District's other key personnel. Brief biographies of the Superintendent and Associate Superintendent/Chief Business Officer follow:

Randall Booker, Superintendent. Mr. Booker was appointed by the District Board to serve as Superintendent of the District effective July 1, 2022. Prior to serving the District, Mr. Booker served as Superintendent of the Piedmont Unified School District for seven years. Overall, he has more than 25 years of experience in education, serving as a teacher, assistant principal, principal, assistant superintendent and superintendent. Mr. Booker earned his Bachelor of Arts and Master of Arts degrees from Saint Mary's College.

Yancy Hawkins, CPA, Associate Superintendent/Chief Business Officer. Mr. Hawkins was appointed as the Associate Superintendent/Chief Business Office of the District in December of 2020, and assumed his position effective March 1, 2021. Previously, he served as the Assistant Superintendent of Business & Operations at the Novato Unified School District for approximately four years. Mr. Hawkins has also held various school business positions at the Larkspur-Corte Madera School District, Palo Alto Unified School District and the Marin County Office of Education. Prior to beginning his career in public school finance, Mr. Hawkins served as an audit manager with Ernst & Young. He earned a Bachelor's Degree in economics and accounting from the University of California, Los Angeles. Mr. Hawkins is also a licensed, certified public accountant.

Charter School

The State Legislature enacted the Charter Schools Act of 1992 (Education Code Sections 47600-47663) 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 boards of education can approve a denied charter. State education standards apply, and charter schools are required to use the same student assessment instruments. Charter schools are 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 any independent and District-operated charter schools established within its boundaries. However, any independent charter schools would receive funding directly from the State, and such funding would not be reported in the District's audited financial statements. Any District-operated charter schools would receive funding through the District, and such funding would be reflected in the District's audited financial statements.

On November 22, 2013, the Board approved the charter petition of Design Tech High School (the "Charter School") for a period of five years from July 1, 2014 through June 30, 2019. On March 28, 2019, the Board renewed the charter for another five years, through June 30, 2024. The Charter School is a District-operated charter school and had a 2022-23 enrollment of 545 students. Because the District is a community funded district, the District is required to pay the base funding portion of the LCFF transition calculation to the Charter School. This amount is paid from the District's local property taxes and is incorporated into the District's budget as a contra revenue.

The District can make no representations regarding how many District students will transfer to charter schools, including the Charter School, in the future or back to the District from such charter schools, and the corresponding financial impact on the District.

Labor Relations

The District currently employs approximately 515 full-time equivalent certificated employees and 318 classified employees. In addition, the District employs 294 part-time faculty and staff. These employees, except management and some part-time employees, are represented by three bargaining units as noted below:

SAN MATEO UNION HIGH SCHOOL DISTRICT
Labor Relations

Labor Organization	Number of Employees in Organization	Contract Expiration Date
California Teachers Association	555	June 30, 2025
California School Employees Association (CSEA)	518	June 30, 2025
American Federation of State County and Municipal Employees	18	June 30, 2025

Source: San Mateo Union High School District.

Retirement Programs

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

STRS. All full-time certificated employees, 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 $11,897,363 in fiscal year 2019-20, $11,570,162 in fiscal year 2020-21, $12,703,843 in fiscal year 2021-22 and $14,957,478 in fiscal year 2022-23. The District currently projects $15,876,845 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 $6,089,060 in fiscal year 2019-20, $6,511,965 in fiscal year 2020-21, $7,7960,480 in fiscal year 2021-22 and $9,936,516 in fiscal year 2022-23. The District currently projects $11,983,015 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 is 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.

As of June 30, 2022, the District reported its shares of the net pension liabilities for the STRS and PERS plans as $60,555,058 and $44,254,621, respectively. For more information, see "—District Debt Structure" and "APPENDIX B – 2021-22 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 6" herein.

Other Post-Employment Benefits

Plan Benefits. The District administers a single-employer defined benefit other post-employment benefit plan (the "Plan") that provides medical, dental and vision insurance benefits (the "Benefits") to eligible retirees and their spouses. As of June 30, 2022, there were 10 retirees and beneficiaries receiving Benefits and 885 eligible active members under the Plan.

Individuals that have reached their 55th birthday and have worked for the District for 10 years may qualify for a contribution by the District of up to $250 a month, until their 65th birthday. Effective January 1, 2010, such a retiree will receive $500 a month toward medical insurance until the retiree's 65th birthday. In addition, if the retiree's spouse was enrolled in the District's medical plan, the spouse will receive $250 a month towards medical insurance until the spouse's 65th birthday.

Effective January 1, 2010, employees who retired and did not select or did not qualify for the District Insurance Incentive Plan, receive $250 a month toward medical insurance until the retiree's 65th birthday. In addition, if such retiree's spouse was enrolled in the District's medical plan, the spouse will receive $250 a month towards medical benefits until the spouse's 65th birthday.

Spouses of retirees over age 65, or surviving spouses of retirees, will receive $250 a month towards medical insurance until the spouse or surviving spouse's 65th birthday.

Funding Policy. The District's funding policy is based on the projected pay-as-you-go financing requirements for current insurance premiums. For fiscal years 2019-20 through 2022-23, the District recognized expenditures for the Benefits equal to $296,089, $24,305, $299,019 and $(80,578), respectively. For fiscal year 2023-24, the District currently projects $250,000 of expenditures for the Benefits.

The District has not established an irrevocable trust to prefund its OPEB liability, and no prefunding of benefits has been made by the District.

Accrued Liability. The District has implemented *GASB Statement #74, Financial Reporting for Postemployment Benefit Plans Other Than Pensions* ("GASB Statement No. 74") and *GASB Statement #75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB Statement No. 75"), pursuant to which the District has commissioned and received an actuarial study of its liability with respect to the Benefits. GASB Statements No. 74 and No. 75 (discussed below) require biennial actuarial valuations for all plans. The most recent actuarial study for the Plan was dated November 4, 2020 (the "Study"), and had a valuation date of June 30, 2020. The Study concluded that the Total OPEB Liability (the "TOL") with respect to such Benefits was $2,344,030. Because the District does not maintain a qualifying irrevocable trust, the District's Net OPEB Liability (the "NOL") is equal to the TOL.

For more information regarding the District's other post-employment benefit liability, see "APPENDIX B – 2021-22 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 7" attached hereto.

GASB Statement Nos. 74 and 75. On June 2, 2015, the GASB approved 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 Net OPEB Liability (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 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 first recognized GASB Statement No. 74 and GASB Statement No. 75 in its financial statements for fiscal year 2017-18. For more information, see "APPENDIX B – 2021-22 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 7" attached hereto.

Cybersecurity

The District, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the District is 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 digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. To date, the District has not experienced an attack on its computer operating systems which resulted in a breach of its cybersecurity systems that are in place. However, no assurances can be given that the District's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the District. Additionally, the District carries cybersecurity insurance.

Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; cyber intrusions and natural disasters. The District is a member of the San Mateo County Schools Insurance Group ("SMCSIG") public entity risk pool. The District pays an annual premium to the entity for its property and liability, health insurance and workers' compensation coverage. SMCSIG is governed by a board consisting of a representative from each member district. The governing board of SMCSIG controls the operations of the entity independent of any influence by the member districts beyond their representation on the governing board. The relationship between the District and SMCSIG is such that SMCSIG is not a component unit of the District for financial reporting purposes. For more information "APPENDIX B – 2021-22 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 11" attached hereto.

District Debt Structure

Short-Term Debt. On August 9, 2023, the District issued $10,280,000 principal amount of tax and revenue anticipation notes (the "TRANs") to provide for anticipated cash flow deficits from operations in fiscal year 2023-24. The TRANs bear interest at a rate of 5.000%, with a yield of 3.000%, and will mature on January 31, 2024. The District has pledged a portion of its operating revenues to the repayment of the TRANs.

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

	Balance June 30, 2021	**Additions**	**Deductions**	**Balance June 30, 2022**
General Obligation (GO) Bonds				
Principal Amount	$689,770,944	--	$25,144,932	$664,626,012
Accreted Interest	125,038,127	$15,502,929	4,655,068	135,885,988
Capital Leases Payable	168,277	--	82,049	86,228
Net OPEB Liability	2,579,531	704,625	332,748	2,951,408
Net Pension Liability	191,295,818	--	86,486,139	104,809,679
Accumulated Vacation	329,724	245,227	--	574,951
Subtotal	1,009,182,431	16,452,781	116,700,936	908,934,266
Unamortized GO Bond Premium	44,652,368	--	3,582,563	41,069,805
Unamortized Bond Discount	(865,092)	--	(45,674)	(819,418)
Unamortized Loss on Refunding	(14,245,421)	--	(3,015,552)	(11,229,869)
Total Long-Term Obligations	$1,038,724,276	$16,452,781	$117,222,273	$937,954,784

Source: San Mateo Union High School District.

General Obligation Bonds. The District has issued general obligation bonds pursuant to several voter-approved authorizations, as well as general obligation refunding bonds to refinance certain of such bonds. The District's general obligation bonds are payable solely from *ad valorem* property taxes levied within the District, which taxes are unlimited as to rate or amount. The District's general fund is not a source of repayment for the District's general obligation bonds. The following table summarizes the outstanding prior bond issuances of the District.

Issuance	Initial Principal Amount	Principal Outstanding[1]	Date of Delivery
2000 Voter Authorization (Measure D)			
Election of 2000 General Obligation Bonds, Series B	$49,996,151.60	$7,727,347.30	July 24, 2002
Election of 2000 General Obligation Bonds, Series C	27,503,797.65	11,885,714.15	March 4, 2004
2006 Voter Authorization (Measure M)			
Election of 2006 General Obligation Bonds, Series 2011A	34,999,363.55	24,678,922.15	July 20, 2011
Election of 2006 General Obligation Bonds, Series 2011A-1	25,000,000.00	8,865,000.00	July 14, 2011
Election of 2006 General Obligation Bonds, Series 2013A	94,400,575.55	2,036,562.75	December 20, 2013
2010 Voter Authorization (Measure O)			
Election of 2010 General Obligation Bonds, Series 2011A	89,999,988.95	49,852,221.30	June 15, 2011
Election of 2010 General Obligation Bonds, Series 2015A	56,000,000.00	3,240,000.00	May 19, 2015
2020 Voter Authorization (Measure L)			
Election of 2020 General Obligation Bonds, Series A	96,250,000.00	70,035,000.00	June 10, 2020
Election of 2020 General Obligation Bonds, Series B	96,250,000.00	96,250,000.00	March 9, 2021
Refunding Bonds			
2012 General Obligation Refunding Bonds, Series B	38,940,000.00	4,130,000.00	November 7, 2012
2014 General Obligation Refunding Bonds	50,190,000.00	5,870,000.00	November 13, 2014
2016 General Obligation Refunding Bonds (2021 Crossover)	12,550,000.00	12,480,000.00	March 24, 2016
2016 General Obligation Refunding Bonds, Series B	38,380,000.00	37,395,000.00	September 21, 2016
2016 General Obligation Refunding Bonds, Series C (2020 Crossover)	58,530,000.00	53,960,000.00	September 21, 2016
2016 General Obligation Refunding Bonds, Series D (2022 Crossover)	12,000,000.00	12,000,000.00	September 21, 2016
2016 General Obligation Refunding Bonds, Series E (2023 Crossover)	22,010,000.00	22,010,000.00	September 21, 2016
2017 General Obligation Refunding Bonds	41,930,000.00	40,770,000.00	December 12, 2017
2019 General Obligation Refunding Bonds	57,175,000.00	53,740,000.00	August 13, 2019
2019 General Obligation Refunding Bonds, Series B	40,355,000.00	37,400,000.00	November 7, 2019
2021 General Obligation Refunding Bonds	54,710,000.00	52,535,000.00	September 21, 2021

(1) As of October 1, 2023.
Source: The Underwriter.

The annual requirements to amortize all of the District's outstanding general obligation bonds, assuming no optional redemptions are made, are as shown in the tables on the following pages.

2000 AUTHORIZATION GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE
San Mateo Union High School District

Year Ending September 1	2000 Series B Bonds	2000 Series C Bonds	2012 Refunding Bonds, Series B	Total Annual Debt Service
2024	$8,000,000.00	$2,265,000.00	$4,262,986.00	$14,527,986.00
2025	8,490,000.00	2,385,000.00	--	10,875,000.00
2026	12,620,000.00	3,135,000.00	--	15,755,000.00
2027	--	16,195,000.00	--	16,195,000.00
2028	--	16,850,000.00	--	16,850,000.00
Total	$29,110,000.00	$40,830,000.00	$4,262,986.00	$74,202,986.00

Source: San Mateo Union High School District.

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2006 AUTHORIZATION GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE[(1)]
San Mateo Union High School District

Year Ending September 1	2006 Series 2011A Bonds	2006 Series 2011A-1 Bonds[(2)(3)]	2006 Series 2013A Bonds	2014 Refunding Bonds	2016 Refunding Bonds, Series C	2016 Refunding Bonds, Series D	2019 Refunding Bonds, Series B	Total Annual Debt Service
2024	--	$2,459,136.50	$3,085,000.00	$2,999,800.00	$4,293,450.00	$465,537.50	$1,583,079.36	$14,886,003.36
2025	--	2,488,185.00	--	3,229,200.00	4,513,950.00	465,537.50	1,585,819.40	12,282,691.90
2026	--	2,510,720.50	--	--	4,738,200.00	465,537.50	4,906,779.40	12,621,237.40
2027	--	2,531,452.50	--	--	4,982,800.00	465,537.50	5,143,651.90	13,123,441.90
2028	--	--	--	--	5,233,200.00	465,537.50	5,392,970.66	11,091,708.16
2029	--	--	--	--	5,513,600.00	480,537.50	5,662,384.26	11,656,521.76
2030	--	--	--	--	5,797,200.00	525,237.50	5,928,314.10	12,250,751.60
2031	--	--	--	--	6,103,200.00	568,887.50	6,215,862.50	12,887,950.00
2032	--	--	--	--	6,420,000.00	621,525.00	6,516,179.50	13,557,704.50
2033	--	--	--	--	10,956,400.00	1,022,925.00	--	11,979,325.00
2034	--	--	--	--	12,032,800.00	1,053,800.00	--	13,086,600.00
2035	$9,685,031.26	--	--	--	--	2,279,400.00	--	11,964,431.26
2036	9,300,531.26	--	--	--	--	2,540,000.00	--	11,840,531.26
2037	9,505,606.26	--	--	--	--	2,702,200.00	--	12,207,806.26
2038	10,021,781.26	--	--	--	--	2,049,400.00	--	12,071,181.26
2039	10,691,781.26	--	--	--	--	2,178,800.00	--	12,870,581.26
2040	11,212,443.76	--	--	--	--	--	--	11,212,443.76
2041	11,765,181.26	--	--	--	--	--	--	11,765,181.26
2042	12,344,593.76	--	--	--	--	--	--	12,344,593.76
2043	12,958,812.50	--	--	--	--	--	--	12,958,812.50
2044	13,601,343.76	--	--	--	--	--	--	13,601,343.76
2045	14,385,656.26	--	--	--	--	--	--	14,385,656.26
2046	15,096,968.76	--	--	--	--	--	--	15,096,968.76
2047	14,344,250.00	--	--	--	--	--	--	14,344,250.00
2048	15,239,900.00	--	--	--	--	--	--	15,239,900.00
2049	16,180,300.00	--	--	--	--	--	--	16,180,300.00
2050	17,159,600.00	--	--	--	--	--	--	17,159,600.00
2051	18,393,833.33[(4)]	--	--	--	--	--	--	18,393,833.33
Total	$221,887,614.69	$9,989,494.50	$3,085,000.00	$6,229,000.00	$70,584,800.00	$18,350,400.00	$42,935,041.08	$373,061,350.27

(1) Excludes the 2016 Refunding Bonds, 2016 Refunding Bonds Series B, and 2019 Refunding Bonds, the proceeds of which refinanced bonds of more than one voter authorization. The debt service of such bonds is shown in "- Combined General Obligation Bonds Debt Service Schedule" herein.

(2) The 2006 Series 2011A-1 Bonds were designated as "Qualified School Construction Bonds" pursuant to an irrevocable election by the District to have Section 54F and Section 6431 of the Code, as amended by the Hiring Incentives to Restore Employment Act of 2010, apply thereto. The District expects to receive a cash subsidy payment from the United States Department of the Treasury equal to 100% of the interest payable on such bonds on or about each semi-annual interest payment date (the "Subsidy Payments").

(3) Reflects gross debt service payments and does not reflect the anticipated receipt of the Subsidy Payments. The Subsidy Payments are subject to reduction (the "Sequestration Reduction") pursuant to the federal Balanced Budget and Emergency Deficit Control Act of 1985, as amended, which currently includes provisions reducing the Subsidy Payments by 5.7% through the end of the current federal fiscal year (September 30, 2023, as extended to November 17, 2023 by continuing resolution). In the absence of action by the United States Congress, the rate of the Sequestration Reduction is subject to change in the following federal fiscal year. The District cannot predict whether or how subsequent sequestration actions may affect Subsidy Payments currently scheduled for receipt in future federal fiscal years. However, notwithstanding any such reduction, the County Board is empowered and obligated to levy *ad valorem* property taxes in an amount sufficient to pay the principal of and interest on the 2006 Series 2011A-1 Bonds. The County will deposit any cash Subsidy Payments received into the debt service fund for such bonds.

(4) Final principal maturity and interest payment on July 1, 2051.

Source: San Mateo Union High School District.

2010 AUTHORIZATION GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE[(1)]
San Mateo Union High School District

Year Ending Sept. 1	2010 Series 2011A Bonds	2010 Series 2015A Bonds	2016 Refunding Bonds Series E	2017 Refunding Bonds	2021 Refunding Bonds	Combined Annual Debt Service
2024	--	$1,277,000.00	$764,600.00	$2,135,667.90	$1,879,215.50	$6,056,483.40
2025	--	2,231,250.00	849,600.00	4,840,224.40	1,879,250.80	9,800,325.20
2026	--	--	761,200.00	2,615,894.36	3,326,322.30	6,703,416.66
2027	--	--	761,200.00	2,527,278.50	3,483,521.06	6,771,999.56
2028	--	--	761,200.00	2,669,419.66	3,638,764.80	7,069,384.46
2029	$12,979,485.00	--	1,441,200.00	1,239,450.00	6,272,399.30	21,932,534.30
2030	14,718,722.50	--	1,594,000.00	1,235,875.00	6,782,594.30	24,331,191.80
2031	15,569,442.50	--	1,679,600.00	1,237,300.00	7,040,702.40	25,527,044.90
2032	16,455,987.50	--	1,770,400.00	1,238,562.50	7,311,717.46	26,776,667.46
2033	12,946,262.50	--	2,566,000.00	1,239,662.50	10,361,069.20	27,112,994.20
2034	18,383,585.00	--	1,963,000.00	1,240,600.00	7,882,969.20	29,470,154.20
2035	19,419,355.00	--	2,066,000.00	1,236,375.00	--	22,721,730.00
2036	20,512,230.00	--	2,172,600.00	1,237,150.00	--	23,921,980.00
2037	21,665,820.00	--	2,292,400.00	1,237,425.00	--	25,195,645.00
2038	22,877,730.00	--	2,404,050.00	1,237,525.00	--	26,519,305.00
2039	24,149,895.00	--	2,530,600.00	1,237,450.00	--	27,917,945.00
2040	25,493,245.00	--	2,656,450.00	1,237,200.00	--	29,386,895.00
2041	21,452,035.00	--	2,796,450.00	6,111,775.00	--	30,360,260.00
2042	--	--	--	26,630,550.00	--	26,630,550.00
Total	$246,623,795.00	$3,508,250.00	$31,830,550.00	$62,385,384.82	$59,858,526.32	$404,206,506.14

(1) Excludes the 2016 Refunding Bonds, 2016 Refunding Bonds Series B and 2019 Refunding Bonds, the proceeds of which refinanced bonds of more than one voter authorization. The debt service of such bonds is shown in "- Combined General Obligation Bonds Debt Service Schedule" herein.

Source: San Mateo Union High School District..

2020 AUTHORIZATION GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE
San Mateo Union High School District

Year Ending Sept. 1	2020 Series A Bonds	2020 Series B Bonds	The Bonds	Combined Annual Debt Service
2024	$1,868,575.00	$11,926,575.00	$5,419,988.89	$19,215,138.89
2025	1,868,575.00	2,252,175.00	13,850,250.00	17,971,000.00
2026	1,868,575.00	2,252,175.00	6,252,000.00	10,372,750.00
2027	1,868,575.00	2,252,175.00	6,720,000.00	10,840,750.00
2028	1,868,575.00	2,252,175.00	7,208,750.00	11,329,500.00
2029	3,173,575.00	2,252,175.00	6,410,750.00	11,836,500.00
2030	3,316,375.00	3,642,175.00	5,413,750.00	12,372,300.00
2031	3,461,375.00	3,806,575.00	5,659,250.00	12,927,200.00
2032	3,618,175.00	3,977,175.00	5,917,250.00	13,512,600.00
2033	3,781,987.50	4,158,375.00	6,176,250.00	14,116,612.50
2034	3,951,787.50	4,344,375.00	6,455,250.00	14,751,412.50
2035	4,130,237.50	4,539,575.00	6,747,250.00	15,417,062.50
2036	4,316,187.50	4,743,175.00	7,050,500.00	16,109,862.50
2037	4,509,187.50	4,959,375.00	7,368,250.00	16,836,812.50
2038	4,713,787.50	5,177,175.00	7,703,500.00	17,594,462.50
2039	4,924,387.50	5,415,975.00	8,044,000.00	18,384,362.50
2040	5,149,000.00	5,655,175.00	8,408,000.00	19,212,175.00
2041	5,376,637.50	5,912,175.00	8,788,800.00	20,077,612.50
2042	5,622,075.00	6,177,275.00	9,183,000.00	20,982,350.00
2043	5,874,750.00	6,455,175.00	9,594,000.00	21,923,925.00
2044	6,136,500.00	6,745,475.00	--	12,881,975.00
2045	6,413,500.00	7,047,775.00	--	13,461,275.00
2046	6,700,125.00	7,366,675.00	--	14,066,800.00
2047	7,005,875.00	7,698,237.50	--	14,704,112.50
2048	--	15,364,706.26	--	15,364,706.26
Total:	$101,518,400.00	$136,374,068.76	$148,370,788.89	$386,263,257.65

Source: San Mateo Union High School District.

COMBINED GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE
San Mateo Union High School District

Year Ending Sept. 1	Combined 2000 Authorization Bonds[1]	Combined 2006 Authorization Bonds[2]	Combined 2010 Authorization Bonds[3]	2016 Refunding Bonds	2016 Refunding Bonds, Series B	2019 Refunding Bonds	Combined 2020 Authorization Bonds[4]	Combined Annual Debt Service
2024	$14,527,986.00	$14,886,003.36	$6,056,483.40	$497,675.00	$4,600,800.00	$2,115,000.50	$19,215,138.89	$61,899,087.15
2025	10,875,000.00	12,282,691.90	9,800,325.20	774,675.00	4,816,600.00	5,481,350.50	17,971,000.00	62,001,642.60
2026	15,755,000.00	12,621,237.40	6,703,416.66	597,675.00	5,053,800.00	5,558,594.70	10,372,750.00	56,662,473.76
2027	16,195,000.00	13,123,441.90	6,771,999.56	628,675.00	5,291,000.00	5,802,726.70	10,840,750.00	58,653,593.16
2028	16,850,000.00	11,091,708.16	7,069,384.46	1,499,275.00	6,187,600.00	6,715,088.30	11,329,500.00	60,742,555.92
2029	--	11,656,521.76	21,932,534.30	1,395,475.00	6,446,600.00	7,584,134.40	11,836,500.00	60,851,765.46
2030	--	12,250,751.60	24,331,191.80	1,479,075.00	6,751,800.00	8,017,262.30	12,372,300.00	65,202,380.70
2031	--	12,887,950.00	25,527,044.90	1,582,675.00	2,085,600.00	3,529,515.10	12,927,200.00	58,539,985.00
2032	--	13,557,704.50	26,776,667.46	1,685,100.00	151,000.00	1,715,097.30	13,512,600.00	57,398,169.26
2033	--	11,979,325.00	27,112,994.20	2,927,812.50	150,800.00	2,397,869.70	14,116,612.50	58,685,413.90
2034	--	13,086,600.00	29,470,154.20	2,973,600.00	150,600.00	1,878,774.30	14,751,412.50	62,311,141.00
2035	--	11,964,431.26	22,721,730.00	--	150,400.00	1,972,346.70	15,417,062.50	52,225,970.46
2036	--	11,840,531.26	23,921,980.00	--	150,200.00	2,062,624.40	16,109,862.50	54,085,198.16
2037	--	12,207,806.26	25,195,645.00	--	150,000.00	2,163,307.30	16,836,812.50	56,553,571.06
2038	--	12,071,181.26	26,519,305.00	--	149,800.00	2,263,903.10	17,594,462.50	58,598,651.86
2039	--	12,870,581.26	27,917,945.00	--	149,600.00	2,374,247.70	18,384,362.50	61,696,736.46
2040	--	11,212,443.76	29,386,895.00	--	149,400.00	2,483,848.80	19,212,175.00	62,444,762.56
2041	--	11,765,181.26	30,360,260.00	--	724,200.00	2,597,542.30	20,077,612.50	65,524,796.06
2042	--	12,344,593.76	26,630,550.00	--	3,146,000.00	--	20,982,350.00	63,103,493.76
2043	--	12,958,812.50	--	--	--	--	21,923,925.00	34,882,737.50
2044	--	13,601,343.76	--	--	--	--	12,881,975.00	26,483,318.76
2045	--	14,385,656.26	--	--	--	--	13,461,275.00	27,846,931.26
2046	--	15,096,968.76	--	--	--	--	14,066,800.00	29,163,768.76
2047	--	14,344,250.00	--	--	--	--	14,704,112.50	29,048,362.50
2048	--	15,239,900.00	--	--	--	--	15,364,706.26	30,604,606.26
2049	--	16,180,300.00	--	--	--	--	--	16,180,300.00
2050	--	17,159,600.00	--	--	--	--	--	17,159,600.00
2051	--	18,393,833.33	--	--	--	--	--	18,393,833.33
Total	$74,202,986.00	$373,061,350.27	$404,206,506.14	$16,041,712.50	$46,455,800.00	$66,713,234.10	$386,263,257.65	$1,366,944,846.66

(1) See "- 2000 Authorization General Obligation Bond Debt Service Schedule" herein.
(2) See "- 2006 Authorization General Obligation Bond Debt Service Schedule" herein, as well as the footnotes thereto.
(3) See "- 2010 Authorization General Obligation Bond Debt Service Schedule" herein, as well as the footnotes thereto.
(4) See "- 2020 Authorization General Obligation Bond Debt Service Schedule" herein.

Source: San Mateo Union High School District.

TAX MATTERS

In the opinion of 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 Bond Counsel.

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 on 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 A.

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 tax 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 proceeds general obligation bonds can only be used to finance 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 general obligation 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 *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.

Opinions 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 A 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.

LEGAL MATTERS

Legality for Investment in California

Under provisions of the 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 Government Code, are eligible for security for deposits of public moneys in the State.

Expanded Reporting Requirements

Under Section 6049 of the Internal Revenue Code of 1986, as amended by the Tax Increase Prevention and Reconciliation Act of 2005 ("TIPRA"), interest paid on tax-exempt obligations will be subject to information reporting in a manner similar to interest paid on taxable obligations. The effective date for 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.

Continuing Disclosure

Current Undertaking. In connection with the issuance of the Bonds, the District will covenant for the benefit of the respective Owners and 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), and to provide notices of the occurrence of certain listed events. The obligation to file Annual Reports and notices of listed events will commence with the report for the 2022-23 fiscal year. The Annual Reports and notices of listed events will be filed by the District in accordance with the requirements of 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 FOR THE BONDS" attached hereto. These covenants have been made in order to assist the Underwriter in complying with the Rule.

Previous 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.

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.

Financial Statements

The District's audited 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 December 9, 2022 of James Marta & Company, LLP (the "Auditor"), are included in this Official Statement as APPENDIX B. In connection with the inclusion of the financial statements and the report of the Auditor herein, 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.

Legal Opinion

The legal opinion of Bond Counsel approving the validity of the Bonds will be supplied to the respective original purchasers thereof without cost. The proposed form of such legal opinion is attached to this Official Statement as APPENDIX A.

MISCELLANEOUS

Rating

Moody's has assigned a rating of "Aaa" 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. 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 The Electronic Municipal Market Access ("EMMA") website operated by the Municipal Securities Rulemaking Board notices of any rating changes on the Bonds. See "LEGAL MATTERS – Continuing Disclosure" herein and "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS" attached hereto. Notwithstanding such covenant, information relating to rating 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 rating agency and its website and official media outlets for the most current rating changes with respect to the Bonds after the initial issuance of the Bonds.

Underwriting

Stifel, Nicolaus & Company, Incorporated, the Underwriter, has agreed, pursuant to a purchase contract by and between the District and the Underwriter, to purchase all of the (the "Purchase Contract"). The Underwriter will purchase the Bonds for a purchase price of $100,987,082.60 (consisting of the initial principal amount of the Bonds of $96,250,000.00, plus net original issue premium of $5,006,582.60, and less the Underwriter's discount of $269,500.00).

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 such purchase contract, the approval of certain legal matters by bond counsel and certain other conditions. The initial offering prices stated on the inside front cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than such initial offering prices.

Additional Information

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the 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.

Certain 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.

SAN MATEO UNION HIGH SCHOOL DISTRICT

By: /s/ Yancy Hawkins, CPA
Associate Superintendent/Chief Business Officer

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APPENDIX A

FORM OF OPINION OF BOND COUNSEL FOR THE BONDS

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

November 29, 2023

Board of Trustees
San Mateo Union High School District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of $96,250,000 San Mateo Union High School District Election of 2020 General Obligation Bonds, Series C (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 of the State of California (the "Act"), commencing with Section 53506 *et seq*., a fifty-five percent vote of the qualified electors of the San Mateo Union High School District (the "District") voting at an election held on March 3, 2020, and a resolution of the Board of Trustees of the District (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* 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 (and original issue discount) 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 (to the extent the redemption price at

maturity is greater than the issue price) 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 a Bond Owner will increase the Bond Owner's basis in the applicable Bond.

6. The amount by which a Bond Owner's original basis for determining gain or loss on sale or exchange of the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which may 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 Bond Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bond Owner. 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,

APPENDIX B

2021-22 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

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SAN MATEO UNION HIGH SCHOOL DISTRICT

COUNTY OF SAN MATEO
SAN MATEO, CALIFORNIA

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

JAMES MARTA & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

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SAN MATEO UNION HIGH SCHOOL DISTRICT

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James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting and Tax

INDEPENDENT AUDITOR'S REPORT

To the Governing Board
San Mateo Union High School District
San Mateo, 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 San Mateo Union High School District (the "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 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 and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The District's 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.

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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 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, 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 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, the Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget (Non-GAAP) and Actual - General Fund, Schedule of Proportionate Share of Net Pension Liability, Schedule of Pension Contributions, and Schedule of Changes in District's Net OPEB Liability and Related Ratios, respectively, 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 *supplementary information as listed in the table of contents* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *supplementary information* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 9, 2022, except for Note 1GG, as to which the date is May 10, 2023 on our consideration of 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 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.

James Marta + Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 9, 2022, except for Note 1GG, as to which the date is May 10, 2023

MANAGEMENT’S DISCUSSION AND ANALYSIS

DISTRICT PROFILE

The San Mateo Union High School District serves the cities of San Mateo, San Bruno, Burlingame, Foster City, and Millbrae as well as the town of Hillsborough. It operates six comprehensive high schools, a charter school, a continuation high school, a middle college program and an adult school. The District is located in northern Silicon Valley approximately 30 miles south of San Francisco next top U.S. Highway 101.

The District is categorized as Basic Aid funded and receives 86% of its General Fund revenues from local property taxes. Property values within the District have remained strong and inventory low. The District's assessed valuation (AV) growth for 2021 was 3.8% higher than the prior year's AV growth.

The District's average daily attendance (ADA) for grades ninth through twelfth was 8,219. Design Technology Charter High School had 524 ADA. The District's enrollment is anticipated to gradually decrease through 2030.

The District currently employs approximately 1,500 staff members.

This section of District's 2021-2022 annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the District's financial statements, which immediately follow this section.

MISSION

The mission of the District is to challenge and motivate each student to achieve full potential as a responsible member of our diverse community, in a safe learning environment that promotes intellectual growth, health, creativity and respect for self and others.

BELIEFS

We believe that:

- Each individual has equal inherent dignity and worth.
- Family is essential to the development of an individual's values.
- Learning develops the aesthetic, emotional, intellectual, practical, and social aspects of the whole person.
- Learning is a unique, personal, and lifelong experience.
- Motivation is essential for reaching one's potential.
- Higher expectations yield higher results.
- Communities have a responsibility to the individual and the individual has a responsibility to the community.
- Diversity enriches the community.

ENROLLMENT & PROJECTIONS

Grade	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
9	2,389	2,426	2,352	2,222	2,231	2,222	2,143	2,212	2,229	2,123
10	2,374	2,425	2,365	2,366	2,213	2,227	2,233	2,167	2,218	2,231
11	2,370	2,415	2,401	2,344	2,350	2,206	2,233	2,251	2,171	2,216
12	2,302	2,529	2,484	2,550	2,431	2,440	2,293	2,325	2,337	2,250
Total (Including D-Tech)	9,435	9,795	9,602	9,482	9,225	9,095	8,902	8,955	8,955	8,820
Pct Chg:	1.90%	3.80%	-2.00%	-1.20%	-2.70%	-1.40%	-2.10%	0.60%	0.00%	-1.50%
SDC:	163	75	165	177	173	171	167	166	168	166
Totals:	**9,598**	**9,870**	**9,767**	**9,659**	**9,398**	**9,266**	**9,069**	**9,121**	**9,123**	**8,986**

The preceding table shows the enrollment history for the District including its charter school. Design Technology Charter High School's first year of operation was 2014-15.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities and Change in Net Position

The Statement of Net Position and the Statement of Activities provide information about the District as a whole and about its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting system 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. Net position is the difference between assets and liabilities and is one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the District's enrollment, property tax base, and the condition of the District's facilities.

The relationship between revenues and expenses impacts the District's financial operating results. Basic Aid school districts are dependent upon the growth of assessed valuation and changes in enrollment. The Board has set up several safeguards to protect its assets by ensuring unforeseen changes in the assessed valuation do not negatively impact the educational programs we provide to students. The quality of the education, breadth and depth of support programs and services for all students and the safety of our schools are critical.

FUND FINANCIAL STATEMENTS

The fund financial statements are designed to report information about the District's most significant funds and are used to keep track of specific sources of funding and spending on particular programs. Some funds are required by State law and by bond covenants. The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues. Fund financial statements focus on individual parts of the District, reporting the District's operations in more detail than in the District-wide statements.

- Governmental fund statements tell how basic services such as instruction and pupil services were financed in the short term as well as what remains for future spending. Most of the District's basic services are included in governmental funds. Because this information does not encompass the additional long-term focus of the District-wide statements, we provide additional information in the reconciliation statements that explains the relationship (or differences) between them.

- Proprietary fund statements offer financial information about the activities the District operates on a cost reimbursement basis, such as the self-insurance fund. Proprietary funds are reported in the same way as in the District-wide statements.

- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong such as associated student body accounts. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District-wide financial statements because the District cannot use these assets to finance its operations.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in District-wide and fund financial statements. The notes to the financial statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's general fund budget, both the adopted and final version, with year-end actuals.

NET POSITION

The District's combined net position, as of June 30, 2022, was ($65,107,315) reflecting an improvement of 40.0%.

Condensed Statement of Net Position

	June 30, 2021	June 30, 2022	$ Change	% Change
Assets:				
Current Assets	$ 384,426,450	$ 371,747,007	$ (12,679,443)	-3.3%
Capital Assets, Net	496,542,081	513,862,460	17,320,379	3.5%
Total Assets	880,968,531	885,609,467	4,640,936	0.5%
Deferred Outflows of Resources	110,702,813	105,728,404	4,974,409	4.5%
Liabilities:				
Current Liabiliites	18,979,238	31,004,513	12,025,275	63.4%
Long-term Liabilites	1,009,182,421	916,024,266	(93,158,155)	-9.2%
Total Liabilities	1,028,161,659	947,028,779	(81,132,880)	-7.9%
Deferred Inflows of Resources	71,685,656	109,416,407	37,730,751	52.6%
Net Position:				
Net Investment in Capital Assets	(69,491,234)	(72,897,002)	(3,405,768)	4.9%
Restricted	78,662,829	102,900,671	24,237,842	30.8%
Unrestricted	(117,347,566)	(95,110,984)	22,236,582	18.9%
Total Net Position	$ (108,175,971)	$ (65,107,315)	$ 43,068,656	39.8%

CHANGE IN NET POSITION

The District's total revenues increased $12,513,903, 4.6%, to $283,150,685. The total cost of all programs and services decreased 7.3% to $240,082,029. The District's expenses are predominantly related to educating and caring for students (61.5%).

Condensed Statement of Activities

	2021	2022	$ Change	% Change
Revenues:				
Charges for Services	$ 2,108,006	$ 1,707,319	$ (400,687)	-19.0%
Operating Grants & Contributions	35,575,400	39,224,690	3,649,290	10.3%
Federal & State Aid, not restricted for specific purposes	5,388,611	4,378,584	(1,010,027)	-18.7%
Taxes and Subventions	216,598,574	230,390,945	13,792,371	6.4%
Interest & Investment Earnings	3,296,151	2,702,971	(593,180)	-18.0%
Other General Revenues	7,670,040	4,746,176	(2,923,864)	-38.1%
Total Revenues	270,636,782	283,150,685	12,513,903	4.6%
Expenses:				
Instruction	98,075,411	100,477,520	2,402,109	2.4%
Instruction Related Services	26,407,816	23,440,572	(2,967,244)	-11.2%
Pupil Services	23,220,604	23,665,110	444,506	1.9%
General Administration	8,695,262	7,847,968	(847,294)	-9.7%
Plant Services	22,916,635	19,228,294	(3,688,341)	-16.1%
Interest on Long-Term Debt	38,540,998	23,282,573	(15,258,425)	-39.6%
Depreciation (unallocated)	30,192,320	30,355,676	163,356	0.5%
Other Expenses	11,025,510	11,784,316	758,806	6.9%
Total Expenses	259,074,556	240,082,029	(18,992,527)	-7.3%
Change in Net Position	$ 11,562,226	$ 43,068,656	$ (31,506,430)	-272.5%

LONG TERM LIABILITIES

Total long-term liabilities decreased by $93,158,155 (9.23%), primarily due to the decrease in net pension liability of $86,486,139.

	2021	2022	$ Change	% Change
Bonds Payable	$ 689,770,944	$ 671,716,012	$ (18,054,932)	-2.62%
Accreted Interest	125,038,127	135,885,988	10,847,861	8.68%
Capital Leases	168,277	86,228	(82,049)	100.00%
Net OPEB Liability	2,579,531	2,951,408	371,877	14.42%
Net Pension Liability	191,295,818	104,809,679	(86,486,139)	-45.21%
Accumulated Vacation	329,724	574,951	245,227	74.37%
Total	$1,009,182,421	$ 916,024,266	$ (93,158,155)	-9.23%

The notes to the financial statements are an integral part of the financial presentation and contain more detailed information as to interest, principal, retirement amounts, and future debt retirement dates.

CAPITAL ASSETS

Capital assets, net of depreciation, increased by $17,320,379 (3.49%) due to new construction under Measures L and O offset current year depreciation.

	2021	2022	$ Change	% Change
Land	$ 3,693,384	$ 3,693,384	$ -	0.00%
Work-in-Progress	37,388,352	49,456,082	12,067,730	32.28%
Buildings	224,580,715	224,580,715	-	0.00%
Improvement of Sites	586,353,190	621,612,658	35,259,468	6.01%
Equipment	11,003,445	11,352,302	348,857	3.17%
Subtotals	863,019,086	910,695,141	47,676,055	5.52%
Less: Accumulated Depreciation	(366,477,005)	(396,832,681)	(30,355,676)	8.28%
Capital Assets, net	$ 496,542,081	$ 513,862,460	$ 17,320,379	3.49%

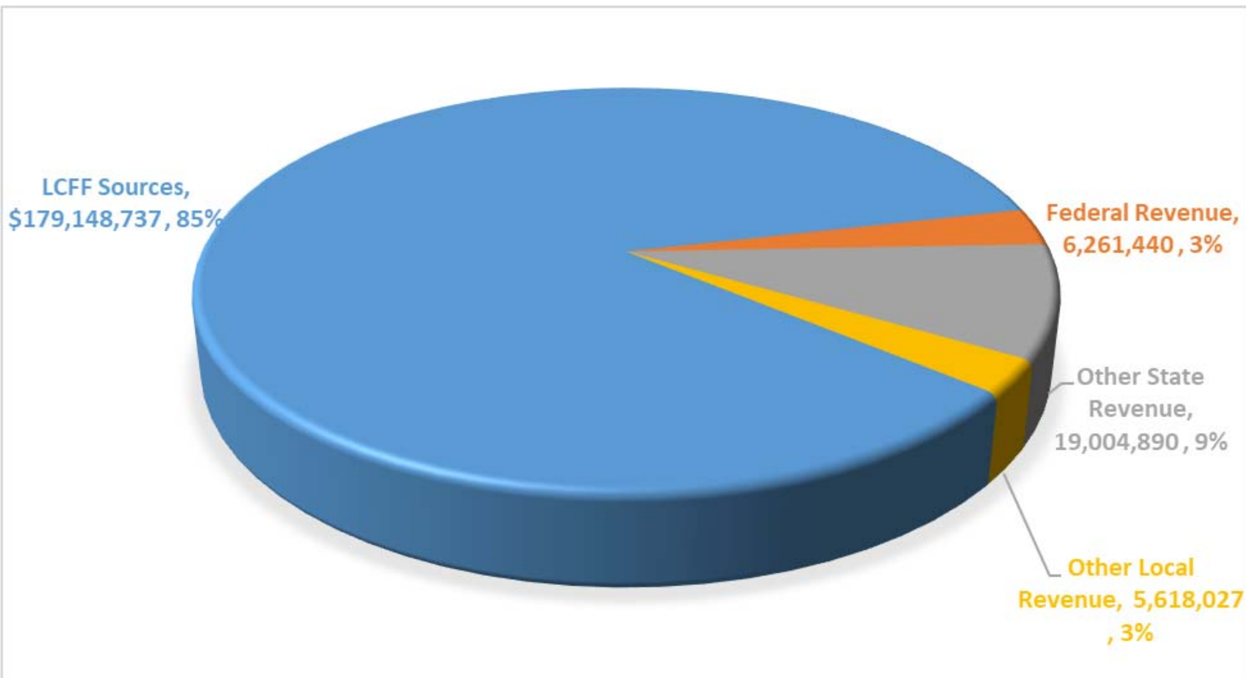
GENERAL FUND

General Fund Budgetary Highlights

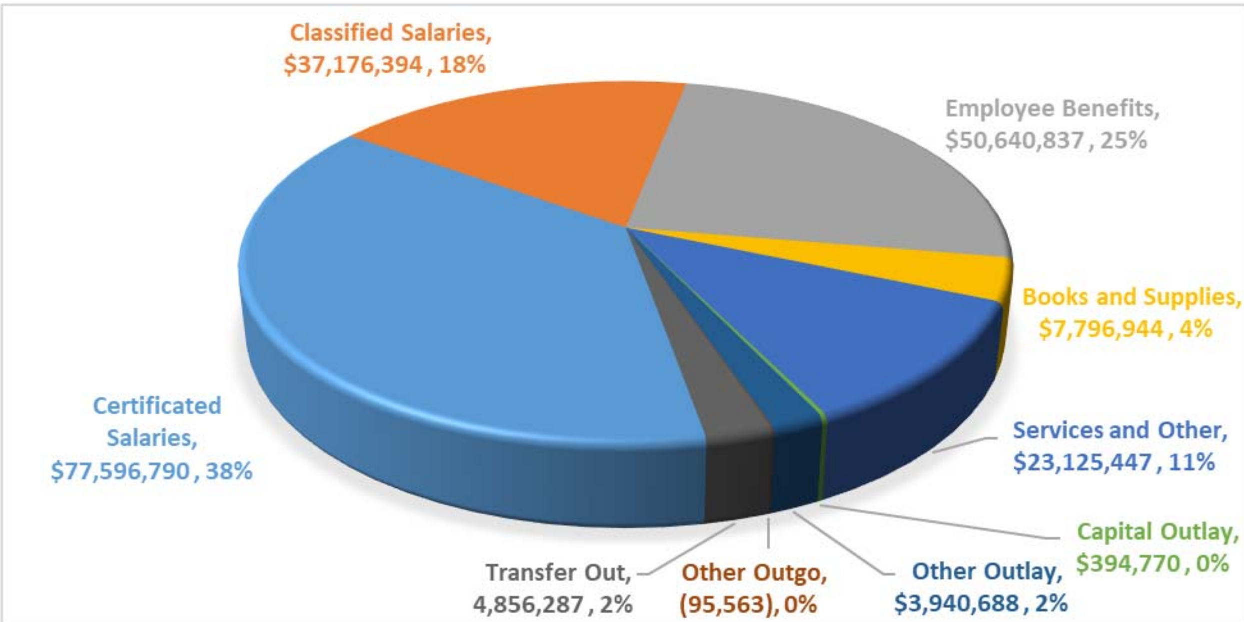
The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting. Over the course of the year, the District revises its budget based on updated financial information. The original budget, approved at the end of June for July 1, is based on May revised figures and updated 45 days after the State approves its final budget. In addition, the District revises its budget at First and Second Interim and any other time there are significant changes.

Governmental Activities

The following chart provides a breakdown of the $199.97 million of General Fund revenues by category:



The following chart provides a breakdown of the $205.43 million of General Fund expenditures by object:



Instruction and instruction-related services account for 64% of total expenditures by function. Overall, salary and benefits made up 81% of the total expenditures in the General Fund for 2021-22.

FACTORS BEARING ON THE DISTRICT'S FUTURE

Basic aid districts have expenditure budgets built on local tax revenues. There is no safety net at all on basic aid revenues until they decline to the level of the state guarantee and the district ceases to be basic aid. Declines in revenue per student are quite common in basic aid districts; they happen every year in either small increments or large drops. Basic aid districts therefore must create their own safety net and must do it by maintaining higher-than-average reserves.

To safeguard the District against fluctuations, the Board of Trustees adopted a prudent Basic Aid contingency reserve equal to 12%.

Increases to state mandated employer rates for State retirement systems (CalSTRS and CalPERS) continue to put negative pressure on the District's budget.

The employer CalSTRS rate was 16.92% in 2021-2022 and increased to 19.1% in 2022-23 and beyond.

The employer CalPERS rate was 22.91% in 2021-2022 and increased to 25.37% in 2022-23. The rate is projected to decrease to 25.20% in 2023-2024, 24.60% in 2024-2025, and 23.70% in 2025-2026.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our community, property taxpayers, parents, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability and safe guards of the money it receives. If you have questions regarding this report or need additional financial information, contact Yancy Hawkins, Associate Superintendent, Chief Business Officer, 650 Delaware Ave. San Mateo, CA 94401.

FINANCIAL SECTION

SAN MATEO UNION HIGH SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 360,142,361
Receivables	11,434,179
Prepaid expenses	136,933
Inventories	33,534
Capital assets, net of accumulated depreciation (Note 4)	513,862,460
Total Assets	885,609,467
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding of bonds	17,969,708
Deferred discount on bonds	960,822
Deferred outflows of resources relating to pensions (Note 6)	86,331,752
Deferred outflows on OPEB (Note 7)	466,122
Total Deferred Outflows	105,728,404
LIABILITIES	
Accounts payable and other current liabilities	28,629,003
Unearned revenue	2,375,510
Long-term liabilities:	
Due within one year	35,736,061
Due in more than one year	880,288,205
Total Liabilities	947,028,779
DEFERRED INFLOWS OF RESOURCES	
Deferred bond premium revenue	41,069,805
Deferred inflows on pensions (Note 6)	67,416,921
Deferred inflows on OPEB (Note 7)	929,681
Total Deferred Inflows	109,416,407
NET POSITION	
Net investment in capital assets	(72,897,002)
Restricted	102,900,671
Unrestricted	(95,110,984)
Total Net Position	$ (65,107,315)

SAN MATEO UNION HIGH SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

		Program Revenues			Net (Expense) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction	$ 100,477,520	$ 60,010	$ 17,117,527	$ -	$ (83,299,983)
Instruction - related services:					
Instructional supervision	7,072,628	3,208	4,093,158	-	(2,976,262)
Instructional library, media and technology	6,901,715	4,268	499,532	-	(6,397,915)
School site administration	9,466,229	33,065	2,417,676	-	(7,015,488)
Pupil Services:					
Home-to-school transportation	2,737,083	182	7,412	-	(2,729,489)
Food services	3,241,994	26,735	4,737,718	-	1,522,459
All other pupil services	17,686,033	10,017	4,235,629	-	(13,440,387)
General administration	7,847,968	1,674	230,333	-	(7,615,961)
Plant services	19,228,294	6,839	719,089	-	(18,502,366)
Ancillary services	6,542,119	21,262	1,675,776	-	(4,845,081)
Community services	17,843	-	-	-	(17,843)
Enterprise activities	1,255,065	-	-	-	(1,255,065)
Interest on long-term debt	23,282,573	-	-	-	(23,282,573)
Other outgo	3,969,289	1,540,059	3,490,840	-	1,061,610
Depreciation (unallocated)	30,355,676	-	-	-	(30,355,676)
Total governmental activities	$ 240,082,029	$ 1,707,319	$ 39,224,690	$ -	(199,150,020)

General Revenues	
Taxes and subventions:	
Taxes levied for general purposes	176,900,410
Taxes levied for debt service	48,062,037
Taxes levied for other specific purposes	5,428,498
Federal and state aid not restricted to specific purposes	4,378,584
Interest and investment earnings	2,702,971
Interagency revenues	155,349
Miscellaneous	4,040,827
Special and extraordinary items	550,000
Total general revenues	242,218,676
Change in net position	43,068,656
Net Position - July 1, 2021	(108,175,971)
Net Position - June 30, 2022	$ (65,107,315)

SAN MATEO UNION HIGH SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2022

	General Fund	Building Fund	Bond Interest and Redemption Fund	All Non-Major Funds	Total
ASSETS					
Cash and cash equivalents	$ 52,991,025	$ 220,928,766	$ 52,766,994	$ 33,455,576	$ 360,142,361
Accounts receivable	8,799,509	1,432,375	127,645	1,074,650	11,434,179
Stores	33,534	-	-	-	33,534
Prepaid expenditures	136,933	-	-	-	136,933
Due from other funds	97,149	742,713	-	6,832	846,694
Total assets	$ 62,058,150	$ 223,103,854	$ 52,894,639	$ 34,537,058	$ 372,593,701
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 6,607,855	$ 11,425,893	$ -	$ 558,084	$ 18,591,832
Unearned revenue	2,278,326	-	-	97,184	2,375,510
Due to other funds	749,545	25	-	97,124	846,694
Total Liabilities	9,635,726	11,425,918	-	752,392	21,814,036
Fund balances					
Nonspendable	190,467	-	-	-	190,467
Restricted	5,730,016	31,987,704	52,894,639	12,288,312	102,900,671
Committed	40,337,934	179,690,232	-	21,496,354	241,524,520
Unassigned	6,164,007	-	-	-	6,164,007
Total Fund Balance	52,422,424	211,677,936	52,894,639	33,784,666	350,779,665
Total liabilities and fund balances	$ 62,058,150	$ 223,103,854	$ 52,894,639	$ 34,537,058	$ 372,593,701

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

SAN MATEO UNION HIGH SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Total fund balances - governmental funds		$ 350,779,665
Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:		
Capital assets: In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.		
Capital assets at historical cost:	$ 910,695,141	
Accumulated depreciation:	(396,832,681)	
Net:		513,862,460
Unamortized costs: In governmental funds, debt issue costs and premiums are recognized in the period they are incurred. In the government-wide statements, debt issue costs and premiums are amortized over the life of the debt. Unamortized debt issue costs and premiums included in deferred inflows and outflows on the statement of net position are:		
Unamortized portion of bond premiums		(41,069,805)
Unamortized portion of loss on refunding of bonds		17,969,708
Unamortized portion of bond discount		960,822
Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmatured interest owing at the end of the period was:		(10,037,171)
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:		
General Obligation Bonds Payable	$ 671,716,012	
Net OPEB liability	2,951,408	
Accreted Interest on General Obligation Bonds Payable	135,885,988	
Compensated absences payable	574,951	
Capital leases payable	86,228	
Net Pension Liability	104,809,679	
		(916,024,266)
Deferred outflows and inflows of resources relating to pensions and other postemployment benefits (OPEB): In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pension and OPEB are reported.		
Deferred outflows of resources relating to pensions		86,331,752
Deferred inflows of resources relating to pensions		(67,416,921)
Deferred outflows of resources relating to OPEB		466,122
Deferred inflows of resources relating to OPEB		(929,681)
Total net position, governmental activities:		$ (65,107,315)

SAN MATEO UNION HIGH SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	Building Fund	Bond Interest and Redemption Fund	All Non-Major Funds	Total
REVENUES					
LCFF sources	$ 179,148,738	$ -	$ -	$ -	$ 179,148,738
Federal revenue	6,261,439	-	632,792	4,801,020	11,695,251
Other state revenues	19,004,891	-	136,996	6,162,302	25,304,189
Other local revenues	5,693,781	8,037,182	48,280,324	4,442,279	66,453,566
Total revenues	210,108,849	8,037,182	49,050,112	15,405,601	282,601,744
EXPENDITURES					
Certificated salaries	77,596,791	-	-	2,341,375	79,938,166
Classified salaries	37,176,399	70,873	-	3,092,644	40,339,916
Employee benefits	50,640,844	26,172	-	2,290,946	52,957,962
Books and supplies	7,796,950	273,619	-	2,435,391	10,505,960
Services and other operating expenditures	23,125,448	391,619	355,472	1,188,049	25,060,588
Capital outlay	394,772	46,290,745	-	50,184	46,735,701
Other outgo	3,845,125	-	-	95,563	3,940,688
Debt service, principal	-	-	25,144,932	-	25,144,932
Debt service, interest	-	-	22,998,339	-	22,998,339
Total expenditures	200,576,329	47,053,028	48,498,743	11,494,152	307,622,252
Excess (deficiency) of revenues over expenditures	9,532,520	(39,015,846)	551,369	3,911,449	(25,020,508)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	3,241,198	-	90,089	3,331,287
Operating transfers out	(3,331,287)	-	-	-	(3,331,287)
Other sources	-	550,000	54,710,000	-	55,260,000
Other uses	-	-	(54,354,528)	-	(54,354,528)
Total other financing sources (uses)	(3,331,287)	3,791,198	355,472	90,089	905,472
Net change in fund balances	6,201,233	(35,224,648)	906,841	4,001,538	(24,115,036)
Fund balances, July 1, 2021	46,221,191	246,902,584	51,987,798	29,783,128	374,894,701
Fund balances, June 30, 2022	$ 52,422,424	$ 211,677,936	$ 52,894,639	$ 33,784,666	$ 350,779,665

SAN MATEO UNION HIGH SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Total net change in fund balances - governmental funds		$ (24,115,036)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:		
Expenditures for capital outlay:	$ 47,676,055	
Depreciation expense:	(30,355,676)	
		17,320,379
Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:		77,502,049
Debt proceeds: In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from were:		(54,710,000)
Accreted interest: In governmental funds, accreted interest on capital appreciation bonds and bond anticipation notes is not recorded as an expenditure from current resources. In the government-wide statement of activities, however, this is recorded as interest expense for the period. Accreted interest incurred exceeded amounts paid during the year by:		(15,502,929)
Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:		(589,679)
Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was:		(245,227)
Postemployment benefits other than pensions (OPEB): In governmental funds, OPEB costs are recognized when employer contributions are made In the statement of activities, OPEB costs are recognized on the accrual basis. The difference between OPEB costs and actual employer contributions was:		(182,309)
Pensions: In government funds, pension costs are recognized when employer contributions are made in the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:		36,188,828
Amortization of debt issue premium or discount or deferred gain or loss from debt refunding: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount, plus any deferred gain or loss from debt refunding, is amortized as interest over the life of the debt. Amortization of premium or discount, or deferred gain or loss from debt refunding, for the period is:		
Amortization of deferred outflows relating to loss from debt refunding	3,724,287	
Amortization of deferred outflows relating to debt issue discount	95,730	
Amortization of deferred inflows relating to debt issue premium	3,582,563	
		7,402,580
Total change in net position - governmental activities		$ 43,068,656

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

For financial reporting purposes, the component unit has a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, and thus is included in the financial statements of the District. The component unit, although a legally separate entity, is reported in the financial statements using the blended presentation method as if it were part of the District's operations because the governing board of the component unit is essentially the same as the governing board of the District and because its purpose is to finance the construction of facilities to be used for the direct benefit of the District.

The San Mateo Union High School District Building Corporation (the Corporation) financial activity is presented in the financial statements as the Capital Projects for Blended Component Units Fund and the Debt Service for Blended Component Units Fund. Certificates of participation and other debt issued by the Corporation are included as long-term liabilities in the government-wide financial statements. Individually prepared financial statements are not prepared for the Corporation.

B. BASIS OF PRESENTATION

<u>Government-wide Financial Statements</u>

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

B. BASIS OF PRESENTATION (CONTINUED)

The government-wide statement of net position presents information on all of the District's assets and liabilities, with the difference between the two presented as net position. Net position is reported as one of three categories: net investment in capital assets; restricted; or unrestricted. Restricted net position are further classified as either net position restricted by enabling legislation or net position that is otherwise restricted.

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 service, 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.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense function. Interest on long-term liabilities is considered an indirect expense and is reported separately in the Statement of Activities.

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.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental Fund Financial Statements

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means collectible within the current period or within 60 days after year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used, or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

D. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The District funds are as follows:

Major Governmental Funds

The **General Fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The District also maintains a Special Reserve Fund for Other Than Capital Outlay Projects. The Special Reserve Fund for Other Than Capital Outlay Projects is not substantially composed of restricted or committed revenue sources, and does not meet the definition of a special revenue fund under GASB 54; therefore, activity in the fund is being reported within the General Fund.

D. FUND ACCOUNTING (CONTINUED)

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

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

Non-Major Governmental Funds

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources, other than for major capital projects, that are legally restricted to expenditures for specific purposes. The District maintains the following special revenue funds:

The **Student Activity Fund** accounts for student body activities (ASB) to account for the raising and expending of money to promote the general welfare, morale and educational experience of the student body.

The **Adult Education Fund** is used to account separately for Federal, State, and local revenues to operate adult education programs and is to be used only for expenditures for the operation of adult education programs.

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).

The **Deferred Maintenance Fund** is used to account separately for State apportionments and the District's contributions for deferred maintenance purposes (Education Code Sections 17582-17587) and for items of maintenance approved by the State Allocation Board.

The **Foundation Special Revenue fund** is used to account for resources received from local donations.

The **Capital Project Funds** are used to account for and report financial resources that are restricted, committed, or assigned to the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

The **Capital Facilities Fund** is used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approving a development (Education Code sections 17620-17626). Expenditures are restricted to the purposes specified in Government Code sections 65970-65981 or to the items specified in agreements with the developer (Government Code Section 66006).

The **Special Reserve Fund for Capital Outlay Projects Fund** is used to account for funds set aside for Board designated construction projects.

The **Foundation Permanent Fund** is used to account for permanently restricted funds.

E. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the District's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

During the year, budget revisions by the District's governing board and district superintendent give consideration to unanticipated revenue and expenditures. The final revised budgets are presented in the financial statements.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by major object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account. The budgets are revised during the year by the District's Board of Education and District Superintendent to provide for unanticipated revenues and expenditures.

F. ENCUMBRANCES

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

G. 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. For the District, available means expected to be received within 90 days of fiscal year-end.

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.

Under the modified accrual basis, 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.

H. UNEARNED REVENUE

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

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

I. 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, if measurable, and typically paid within 90 days. Principal and interest on long-term obligations, which have 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.

J. INVESTMENT VALUATION AND INCOME RECOGNITION

In accordance with *Education Code* Section 41001, the District maintains substantially all its cash in the San Mateo County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is credited to each fund. Any investment losses are proportionately shared by all funds in the pool.

K. 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 for purposes of the statement of cash flows.

L. INVESTMENTS

Investments held at June 30, 2022, 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.

M. RECEIVABLES

Receivables consist of amounts due from the federal and state governments related to federal and state programs. The District has not established an allowance for doubtful accounts, due to the nature of these accounts. However, management continually monitors the accounts for collectability. The District does not charge interest on past due accounts.

N. STORES INVENTORIES

Inventories in the General Fund consist mainly of consumable supplies held for future use. Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventory items are recorded as expenditures in the governmental type funds when used.

O. CAPITAL ASSETS

Capital assets are those purchased or acquired with an original cost of $25,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market 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 expenses as incurred. Depreciation on all capital assets is computed using the straight-line basis over the following estimated useful lives:

Asset Class	Estimated Useful Life in Years
Buildings and Improvements	20 - 50 years
Furniture and Equipment	2 - 15 years
Vehicles	7 years

P. 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 and business-type activities columns of the statement of net position.

Q. COMPENSATED ABSENCES

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

R. LONG-TERM OBLIGATIONS

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

S. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

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

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

T. FUND BALANCE

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that are not expected to be converted to cash, such as resources that are not in a spendable form (e.g. inventories and prepaids) or that are legally or contractually required to be maintained intact. The District has classified it revolving cash account as being nonspendable as it is required to be maintained intact.

Restricted: This classification includes amounts constrained to specific purposes by their providers or by law. The District has classified federal and state categorical programs as being restricted because their use is restricted by Statute. Debt service resources are to be used for future servicing of the general obligation bonds and are restricted through debt covenants.

Committed: This classification includes amounts constrained to specific sources by the Board. For this purpose, all commitments of funds shall be approved by a majority vote of the Board. The constraints shall be imposed no later than the end of the reporting period of June 30, although the actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements.

U. FUND BALANCE (CONTINUED)

Assigned: This classification includes amounts which the Board or its designee intends to use for a specific purpose but are neither restricted nor committed. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: This classification represents fund balance that has not been restricted, committed, or assigned and may be utilized by the district for any purpose.

When multiple types of funds are available for an expenditure, the District shall first utilize funds from the restricted fund balance as appropriate, then from committed fund balance, then from the assigned fund balance, and lastly from the unassigned fund balance.

V. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

W. RESTRICTED NET POSITION

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 or regulations of other governments. The restriction for unspent categorical program revenues represents the portion of net position restricted to specific program expenditures. The restrictions on special revenues and capital projects represent the portion of net position for the special revenue and capital projects funds. The restriction for debt service represents the amount to be used for the repayment of long-term liabilities. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

X. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are primarily interfund insurance premiums. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

Y. INTERFUND ACTIVITY

Transfers between governmental 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.

Z. ESTIMATES

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

AA. ELIMINATIONS AND RECLASSIFICATIONS

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

BB. 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 San Mateo Union High School District's California Public Employees' Retirement System (CalPERS) and California State Teachers Retirement System (CalSTRS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and CalSTRS, respectively. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CC. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

For purposes of measuring the District's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan and additions to/deductions from the District Plan's fiduciary net position have been determined on the same basis as they are reported by the District's OPEB plan. For this purpose, the District's plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

DD. MINIMUM FUND BALANCE POLICY

Pursuant to GASB Statement No. 54, the District adopted a minimum fund balance policy for the General Fund in order to protect the District against revenue shortfalls or unpredicted expenditures.

The Board of Trustees directs the maintenance of no less than a 12 percent Unrestricted General Fund Reserve for Economic Uncertainty. The Unrestricted General Fund Reserve for Economic Uncertainty will be composed of two elements:

- The first element will be composed of a 3% Unrestricted Reserve for Economic Uncertainty, and will be categorized as basic reserve and will align to the level set by the State for the Unrestricted Reserve for Economic Uncertainty.

- The second element will be composed of a 9% Unrestricted Strategic Reserve for Economic Uncertainty.

The total 12 percent Unrestricted General Fund Reserve for Economic Uncertainty will be achieved over a period of time by incrementally growing the unrestricted reserve. The Board intends to adjust its Unrestricted General Fund Reserve for Economic Uncertainty to align to a level comparable to other basic aid school districts. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed unless the governing board has provided otherwise in its commitment or assignment actions.

EE. PROPERTY TAX CALENDAR

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

FF. FINANCING LEASES

A lease is defined as a contract that coveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The long-term liability and corresponding asset for financial leases are recorded in the financial statements to the extent that the District's lease capitalization threshold is met, $5,000,000. Amortization of related assets using the straight-line method over the life of the contract. As of June 30, 2022, the District did not have any financial leases that met the threshold.

GG. DUAL DATING OF AUDIT REPORT

Subsequent to our issuance of our audit report dated December 9, 2022, we noted there was a refunding bond issued in September 2021 as described in note 5. As a result of recording the issuance, there was no change to the fund balance in the Bond Interest and Redemption fund. The net position on the Statement of Activities decreased $208,757 as a result of this adjustment.

2. CASH AND EQUIVALENTS

Cash at June 30, 2022 consisted of the following:

	Governmental Activities
Cash in county treasury	$ 359,925,245
Cash with fiscal agent	196,116
Cash in revolving fund	20,000
Cash on hand and in banks	1,000
Total Cash and Cash Equivalents	$ 360,142,361

Cash in Bank and Revolving Funds

Cash balances held in banks and revolving funds are insured up to $250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the San Mateo County Treasury. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited annually into participating funds. Any investment losses are proportionately shared by all funds in the pool. Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required. In accordance with applicable state laws, the San Mateo County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2022, the San Mateo County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

The fair value of the District's investment in the pool is reported in the financial statements at amounts that are based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The weighted average maturity of the pool is 1.45 years. The pool is rated AA by Standard and Poor’s.

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value.

2. CASH AND EQUIVALENTS (CONTINUED)

Interest Rate Risk

The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2022, the District had no significant interest rate risk related to cash and investments held.

Credit Risk

The District does not have a formal investment policy that limits its investment choices other than the limitations of state law.

Concentration of Credit Risk

The District does not place limits on the amount it may invest in anyone issuer. At June 30, 2022, the District had no concentration of credit risk.

2. INTERFUND TRANSACTIONS

Interfund transactions are reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Interfund Receivables/Payables

As of June 30, 2022, the interfund receivable and payable balances were as follows:

	Interfund Receivables	Interfund Payables
Major Fund		
General Fund	$ 97,149	$ 749,545
Building Fund	742,713	25
Non-major Funds		
Student Activity Fund	-	5
Adult Education Fund	5,944	1,274
Cafeteria Fund	888	95,841
Foundation Special Revenue Fund	-	4
Totals	$ 846,694	$ 846,694

3. INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Interfund transfers for the 2021-2022 fiscal year are as follows:

Transfer from General Fund to the Building Fund for Burlingame Aquatic Center and deferred maintenance.	$ 3,241,198
Transfer from General Fund to the Special Reserve Fund for Capital Outlay Projects to set aside funds for mental health program.	90,089
Total transfers	$ 3,331,287

3. CAPITAL ASSETS

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

	Balance July 1, 2021	Additions / Transfers In	Deletions / Transfers Out	Balance June 30, 2022
Non-depreciable assets:				
Land	$ 3,693,384	$ -	$ -	$ 3,693,384
Work in Progress	37,388,352	46,326,039	34,258,309	49,456,082
	41,081,736	46,326,039	34,258,309	53,149,466
Depreciable assets:				
Buildings	224,580,715	-	-	224,580,715
Improvement of Sites	586,353,190	35,259,468	-	621,612,658
Equipment	11,003,445	348,857	-	11,352,302
	821,937,350	35,608,325	-	857,545,675
Totals, at cost	863,019,086	81,934,364	34,258,309	910,695,141
Accumulated depreciation:				
Buildings	(147,019,702)	(2,461,035)	-	(149,480,737)
Improvement of Sites	(213,658,636)	(27,353,379)	-	(241,012,015)
Equipment	(5,798,667)	(541,262)	-	(6,339,929)
	(366,477,005)	(30,355,676)	-	(396,832,681)
Depreciable assets, net	455,460,345	5,252,649	-	460,712,994
Capital Assets, net	$ 496,542,081	$ 51,578,688	$ 34,258,309	$ 513,862,460

The entire amount of depreciation expense was unallocated in the Statement of Activities.

4. LONG-TERM LIABILITIES

Schedule of Changes in Long-Term Liabilities

The changes in the District's long-term obligations during the year consisted of the following:

	Balance June 30, 2021	Additions	Deductions	Balance June 30, 2022	Amounts Due Within One Year
General Obligation Bonds					
Principal amount	$ 689,770,944	$ 54,710,000	$ 72,764,932	$ 671,716,012	$ 30,518,775
Accreted interest	125,038,127	15,502,929	4,655,068	135,885,988	5,135,237
Capital Leases Payable	168,277	-	82,049	86,228	82,049
Net OPEB Liability	2,579,531	704,625	332,748	2,951,408	-
Net Pension Liability	191,295,818	-	86,486,139	104,809,679	-
Accumulated Vacation	329,724	245,227	-	574,951	-
Subtotal	1,009,182,421	71,162,781	164,320,936	916,024,266	35,736,061
Unamortized General Obligation Bond Premium	44,652,368	-	3,582,563	41,069,805	-
Unamortized Bond Discount	(865,092)	(153,188)	(57,458)	(960,822)	-
Unamortized Loss on Refunding	(14,245,421)	(7,292,284)	(3,567,997)	(17,969,708)	-
Total Long-Term Debt	$ 1,038,724,276	$ 63,717,309	$ 164,278,044	$ 938,163,541	$ 35,736,061

General Obligation Bonds

Measure D
An election was held on November 7, 2000, at which more than two-thirds of the voters in the District authorized the issuance and sale of $137.5 million of general obligation bonds. The bonds are general obligations of the District, and the County is obligated to annually levy ad valorem taxes for the payment of, the interest on, and the principal of the bonds. Bond proceeds were for the purpose of constructing a number of projects within the District.

Measure M
An election was held on November 7, 2006, at which time more than fifty-five percent of the voters in the District authorized the issuance and sale of $298 million of general obligation bonds. The bonds are general obligations of the District, and the County is obligated to annually levy ad valorem taxes for the payment of, the interest on, and the principal of the bonds. Bond proceeds were used to finance the costs of renovating, acquiring, constructing, repairing and equipping of District buildings and other facilities and to pay costs of issuance associated with the bonds.

5. LONG-TERM LIABILITIES (CONTINUED)

A portion of the bonds, issued as Series 2010B, were designated "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act"). Pursuant to the Recovery Act, the District expects to receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable on the Series 2010B Bonds on or about each interest payment date. The cash payment does not constitute a full faith and credit guarantee of the United States Government, but is required to be paid by the Treasury under the Recovery Act. The District is obligated to deposit any cash subsidy payments it receives into the debt service fund for the Bonds.

Measure O

On November 2, 2010, an election was held of the registered voters of the District, at which more than fifty five percent of the voters voting on the proposition approved the issuance and sale of $146 million principal amount of General Obligation Bonds. The bonds are being issued to 1) prepay the District's 2007 Certificates of Participation, 2) to finance the costs of renovating, acquiring, constructing, repairing, and equipping of District buildings and other facilities and 3) to pay certain costs of issuance associated with the bonds.

2012 General Obligation Refunding Bonds, Series A

On February 13, 2012, the District issued $10,835,000 of General Obligation Refunding Bonds. The Bonds consist of serial bonds bearing fixed rates ranging from 2.0 to 4.0 percent with annual maturities from September 2012 through September 2022. The net proceeds of $12,205,678 (after issuance costs of $141,341 and original issue premium of $1,512,020) were used to refund a portion of the District’s outstanding General Obligation Bonds, Election of 2000, Series C.

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the refunded bond escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred charges on refunding on the statement of net position and are amortized to interest expense over the life of the liability. Deferred amounts on the refunding of $35,438 remain to be amortized. As of June 30, 2022, the entire amount has been repaid on the defeased debt.

2012 General Obligation Refunding Bonds, Series B

On November 7, 2012, the District issued $38,940,000 of General Obligation Refunding Bonds. The bonds consist of serial bonds bearing fixed rates ranging from 0.478 to 3.22 percent with annual maturities from September 2013 through September 2024. The net proceeds of $38,615,677 (after issuance costs of $188,033 and underwriter’s discount of $136,290) were used to refund a portion of the District’s outstanding General Obligation Bonds, 2004 Refunding.

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the refunded bond escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred charges on refunding on the statement of net assets and are amortized to interest expense over the life of the liability. No deferred amounts on refunding remain to be amortized.

5. LONG-TERM LIABILITIES (CONTINUED)

2014 Refunding General Obligation Bonds
On November 13, 2014, the District issued \$50,190,000 of General Obligation Refunding Bonds. The bonds bear fixed interest rates ranging between 2.0% and 5.0% with annual maturities from September 1, 2015 through September 1, 2032. The net proceeds of \$60,583,437 (after premiums of \$10,751,678 and issuance costs of \$358,241) were used to prepay a portion of the District's outstanding Election of 2006 General Obligation Bonds, Series 2008 A.

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred amounts on refunding on the statement of net position and are amortized to interest expense over the life of the liability. Deferred amounts on refunding as of June 30, 2022, of \$6,782,601 remain to be amortized for this refunding.

2016 General Obligation Refunding Bonds (2021 Crossover)
On March 24, 2016, the District issued \$12,550,000 of General Obligation Refunding Bonds. The bonds bear fixed interest rates ranging between 2.0% and 5.0% with annual maturities from September 1, 2022 through September 1, 2034. The net proceeds of \$13,315,388 (after premiums of \$946,493 and issuance costs of \$181,105) were used to prepay a portion of the District's outstanding Election of 2006 General Obligation Bonds, Series 2011 A and Election of 2010 General Obligation Bonds, Series 2011 A.

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred amounts on refunding on the statement of net position and are amortized to interest expense over the life of the liability. Deferred amounts on refunding as of June 30, 2022, of \$626,732 remain to be amortized for this refunding.

The transaction resulted in an economic loss (difference between the present value of the debt service on the old and the new bonds) of \$362,210.

2016 General Obligation Refunding Bonds
On August 23, 2016, the District issued \$139,920,000 of General Obligation Refunding Bonds, Series B (\$38,380,000), Series C (\$58,530,000), Series D (\$12,000,000) and Series E (\$22,010,000). The bonds bear fixed interest rates ranging between 2.0% and 5.0% with annual maturities from September 1, 2017 through September 1, 2041. The net proceeds of \$152,482,533 (after premiums of \$22,303,307 and issuance costs of \$740,774) were used to prepay a portion of the District's outstanding Election of 2006 General Obligation Bonds, Series 2013 A, Series 2010 and Series 2012 A and Election of 2010 General Obligation Bonds, Series 2011 A and 2013 A.

5. LONG-TERM LIABILITIES (CONTINUED)

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred amounts on refunding on the statement of net position and are amortized to interest expense over the life of the liability. Deferred amounts on refunding as of June 30, 2022, of $14,169,527 remain to be amortized for this refunding.

2017 General Obligation Refunding Bonds Series F
On December 12, 2017, the District issued $41,930,000 of General Obligation Refunding Bonds. The bonds bear fixed interest rates ranging between 1.687% and 3.5% with annual maturities from September 1, 2018 through September 1, 2042. The net proceeds of $40,877,099 (after discount of $731,671 and issuance costs of $321,230) were used to advance refund a portion of the District's outstanding Election of 2010 General Obligation Bonds, Series 2011A.

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased and the related liability for the bonds has been removed from the District's liabilities. Amounts paid to the escrow agent in excess of the outstanding debt at the time of payment are recorded as deferred amounts on refunding on the statement of net position and are amortized to interest expense over the life of the liability. Deferred amounts on refunding as of June 30, 2022, of $583,859 remain to be amortized for this refunding.

2019 General Obligation Refunding Bonds
On August 13, 2019, the District issued $57,175,000 of 2019 General Obligation Refunding Bonds. The bonds bear fixed interest rates ranging between 1.994% and 3.282% with annual maturities from September 1, 2019 through September 1, 2041. The net proceeds are being issued to (i) advance refund a portion of the District's outstanding Election of 2006 General Obligation Bonds, Series 2013A, (ii) advance refund the District's outstanding Election of 2010 General Obligation Bonds, Series 2013A, and (iii) pay the costs of issuing the Bonds.

On November 7, 2019, the District issued $40,355,000 of 2019 General Obligation Refunding Bonds Series B. The bonds bear fixed interest rates ranging between 1.604% and 2.617% with annual maturities from September 1, 2020 through September 1, 2032. The net proceeds are being issued to (i) advance refund a portion of the District's outstanding 2014 General Obligation Refunding Bonds and (iii) pay the costs of issuing the Bonds.

Measure L
On March 3, 2020, an election was held for Measure L of the registered voters of the District, at which more than fifty-five percent of the voters voting on the proposition approved the issuance and sale of $385 million principal amount of General Obligation Bonds. The bonds are being issued to finance the costs of renovating, acquiring, constructing, repairing and equipping of District buildings and other facilities and to pay certain costs of issuance associated with the bonds.

5. LONG-TERM LIABILITIES (CONTINUED)

Measure L issued 2020 series A bonds on June 10, 2020 in the amount of $96,250,000. The bonds bear fixed interest rates ranging between 1.875% to 4.0% with annual maturities from September 1, 2020 through September 1, 2047.

Measure L issued 2020 series B bonds on March 9, 2021 in the amount of $96,250,000. The bonds bear fixed interest rates ranging between 2.0% to 4.0% with annual maturities from September 1, 2021 through September 1, 2048.

2021 General Obligation Refunding Bonds

On September 21, 2021, the District issued $54,710,000 of 2021 General Obligation Refunding Bonds. The bonds bear fixed interest rates ranging between .166% and 2.11% with annual maturities from September 1, 2021 through September 1, 2034. The net proceeds are being issued to (i) advance refund a portion of the District's outstanding Election of 2010 General Obligation Bonds, Series 2015A and (ii) pay the costs of issuing the Bonds.

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

Series	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance, July 1, 2021	Additions	Deductions	Advance Refunding	Balance, June 30, 2022
Measure D:									
2000B	7/24/2002	2027	2.0% - 5.69%	$ 49,996,152	$ 14,579,298	$ -	$ 2,287,940	$ -	$ 12,291,358
2000C	3/4/2004	2029	2.0% - 5.32%	27,503,798	12,658,798	-	-	-	12,658,798
Measure M:									
2011A	7/6/2011	2051	2.0% - 7.0%	34,999,364	24,713,922	-	35,000	-	24,678,922
2011A-1	7/14/2011	2027	5.01%	25,000,000	14,230,000	-	1,680,000	-	12,550,000
2012A	2/13/2012	2039	4.0% - 12.0%	10,895,752	135,211	-	37,202	-	98,009
2013A	12/20/2013	2031	4.0% - 5.0%	94,400,576	16,651,562	-	4,240,000	-	12,411,562
Measure O:									
2011A	6/15/2011	2041	2.23% - 6.7%	89,999,989	50,552,153	-	314,790	-	50,237,363
2015A	5/19/2015	2034	2.0% - 5.0%	56,000,000	52,955,000	-	505,000	47,620,000	4,830,000
Measure L:									
2020A	6/10/2020	2047	1.875%-4.0%	96,250,000	96,250,000	-	6,120,000	-	90,130,000
2020B	3/9/2021	2048	2%-4%	96,250,000	96,250,000	-	-	-	96,250,000
Refunding Issues:									
2012A	2/13/2012	2022	2.0% - 4.0%	10,835,000	3,450,000	-	1,650,000	-	1,800,000
2012B	11/7/2012	2024	0.478% - 3.22%	38,940,000	15,835,000	-	3,795,000	-	12,040,000
2014	11/13/2014	2032	2.0% - 5.0%	50,190,000	12,250,000	-	1,830,000	-	10,420,000
2016	3/24/2016	2035	2.0% - 5.0%	12,550,000	12,550,000	-	-	-	12,550,000
2016B	9/1/2016	2042	2.0% - 4.0%	38,380,000	37,760,000	-	115,000	-	37,645,000
2016C	9/1/2016	2034	4.0% - 5.0%	58,530,000	58,530,000	-	1,270,000	-	57,260,000
2016D	9/1/2016	2039	2.0% - 4.0%	12,000,000	12,000,000	-	-	-	12,000,000
2016E	9/1/2016	2041	2.0% - 4.0%	22,010,000	22,010,000	-	-	-	22,010,000
2017F	11/14/2017	2042	2.0% - 4.0%	41,930,000	41,410,000	-	-	-	41,410,000
2019A	7/17/2019	2041	1.994%-3.282%	57,175,000	55,545,000	-	590,000	-	54,955,000
2019B	11/7/2019	2032	1-604%-2.617%	40,355,000	39,455,000	-	675,000	-	38,780,000
2021	8/24/2021	2023	.166%-2.111%	54,710,000	-	54,710,000	-	-	54,710,000
				$ 1,191,600,572	$ 689,770,944	$ 54,710,000	$ 25,144,932	$ 47,620,000	$ 671,716,012

Accreted Interest	Balance, July 1, 2021	Additions	Deductions	Advance Refunding	Balance, June 30, 2022
Measure M					
2000B	$ 27,263,402	$ 2,251,987	$ 4,357,060	$ -	$ 25,158,329
2000C	18,211,387	1,662,794	-	-	19,874,181
2011A	24,708,194	3,625,889	-	-	28,334,083
2012A	2,211,898	318,412	12,798	-	2,517,512
2013A	1,327,872	215,592	-	-	1,543,464
Measure O					
2011A	48,271,055	6,909,024	285,210	-	54,894,869
2013A	3,044,319	519,231	-	-	3,563,550
	$ 125,038,127	$ 15,502,929	$ 4,655,068	$ -	$ 135,885,988

5. LONG-TERM LIABILITIES (CONTINUED)

The annual requirements to amortize all general obligation bonds payable outstanding as of June 30, 2022, are as follows:

Year Ended June 30,	Principal	Interest	Total
2023	$ 30,518,773	$ 30,941,421	$ 61,460,194
2024	34,336,470	31,803,982	66,140,452
2025	32,832,346	33,461,996	66,294,342
2026	25,934,255	29,462,774	55,397,029
2027	25,238,411	27,651,982	52,890,393
2028-2032	153,186,011	134,237,065	287,423,076
2033-2037	125,587,340	138,032,072	263,619,412
2038-2042	107,890,934	162,059,618	269,950,552
2043-2047	93,725,432	68,550,268	162,275,700
2048-2052	42,466,040	66,601,037	109,067,077
Total	$ 671,716,012	$ 722,802,215	$ 1,394,518,227

The annual requirements to amortize the capital lease payable as of June 30, 2022 are as follows:

Year Ended June 30,	Principal	Interest	Total
2023	$ 86,228	$ 2,711	$ 88,940

6. EMPLOYEE RETIREMENT SYSTEMS

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

Plan Description

California Public Employees' Retirement System (CalPERS)

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

State Teachers' Retirement System (STRS)

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing, multiple-employer, public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate annual comprehensive financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS Headquarters, 100 Waterfront Place, West Sacramento, California 95605.

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

	CalPERS		CalSTRS	
Hire date	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	62	60	62
Monthly benefits, as a % of eligible compensation	2.0%	2.0%	2.0%	2.0%
Required employee contribution rates	7%	7%	10.25%	10.205%
Required employer contribution rates	22.910%	22.910%	16.92%	16.92%

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Contributions

CalPERS

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. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. 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.

STRS

Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial cost method.

For the year ended June 30, 2022, the contributions reported as deferred outflows of resources related to pensions recognized as part of pension expense for each Plan were as follows:

	CalPERS	STRS	Total
Contributions - employer	$ 7,960,480	$ 12,703,843	$ 20,664,323
On behalf contributions - state	-	8,557,734	8,557,734
Total	$ 7,960,480	$ 21,261,577	$ 29,222,057

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

As of June 30, 2022, the District's reported net pension liabilities for its proportionate share of the net pension liability of the Plans' of:

	Proportionate Share of Net Pension Liability
CalPERS	$ 44,254,621
STRS	60,555,058
Total Net Pension Liability	$ 104,809,679

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2021, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. 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 employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

Measurement Dates	Fiscal Year	CalPERS	STRS
June 30, 2020	2020-21	0.21306%	0.12994%
June 30, 2021	2021-22	0.21763%	0.13306%
Change - Increase (Decrease)		0.00457%	0.00313%

For the year ended June 30, 2022, the District recognized pension expense of ($36,188,828). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	CalPERS		STRS		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 7,960,480	$ -	$ 21,261,577	$ -	$ 29,222,057	$ -
Difference between proportionate share of aggregate employer contributions and actual contributions for 2020-21	751,197	1,341,955	1,632,743	2,045,754	2,383,940	3,387,709
Changes of Assumptions	907,247	-	36,919,979	-	37,827,226	-
Differences between Expected and Actual Experience	3,848,599	78,245	703,810	11,358,170	4,552,409	11,436,415
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,707,565	-	10,638,555	617,723	12,346,120	617,723
Net differences between projected and actual investment earnings on pension plan investments	-	12,908,737	-	39,066,337	-	51,975,074
Total	$ 15,175,088	$ 14,328,937	$ 71,156,664	$ 53,087,984	$ 86,331,752	$ 67,416,921

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	CalPERS	STRS	Total Deferred Outflows/ (Inflows) of Resources
2023	$ 452,527	$ (1,564,401)	$ (1,111,874)
2024	(1,427,416)	133,111	(1,294,305)
2025	(2,742,718)	(1,245,817)	(3,988,535)
2026	(3,396,722)	(4,620,628)	(8,017,350)
2027	-	3,286,480	3,286,480
Thereafter	-	818,358	818,358
Total	$ (7,114,329)	$ (3,192,897)	$ (10,307,226)

Actuarial Assumptions

The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	CalPERS	STRS
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	7.15%	7.10%
Inflation	2.50%	2.75%
Payroll Growth Rate	2.75%	3.50%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return [1]	7.15%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

[1] Net of pension plan investment expenses, including inflation

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

STRS changed the mortality assumptions based on the July 1, 2015 through June 30, 2018, experience study adopted by the board in January 2020. STRS 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 STRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

Discount Rate

CalPERS

The discount rate used to measure the total pension liability for the Plan was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the 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.

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 [a]	Real Return Years 11+ [b]
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	100.0%		

[a] An expected inflation of 2.00% used for this period
[b] An expected inflation of 2.92% used for this period

STRS

The discount rate used to measure the total pension liability was 7.10%, which was unchanged from prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at statutory contribution rates in accordance with the rate increases actuarially determined. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume that contributions, benefit payments and administrative expenses occur midyear. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from STRS investment staff and investment consultants as inputs to the process.

The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, STRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of the June 30, 2021 measurement date, are summarized in the following table:

6. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return [a]
Public Equity	42.0%	4.80%
Real Estate	15.0%	3.60%
Private Equity	13.0%	6.30%
Fixed Income	12.0%	1.30%
Risk Mitigating Strategies	10.0%	1.80%
Inflation Sensitive	6.0%	3.30%
Cash/Liquidity	2.0%	-0.40%
Total	100%	

[a] 20-year average

<u>Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate</u>

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

	CalPERS		
	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability/(Asset)	$ 73,051,925	$ 44,254,621	$ 18,645,156

	STRS		
	Discount Rate - 1% (6.10%)	Current Discount Rate (7.10%)	Discount Rate + 1% (8.10%)
Plan's Net Pension Liability/(Asset)	$ 120,372,198	$ 60,555,058	$ 8,304,354

<u>Pension Plan Fiduciary Net Position</u>

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS and STRS annual comprehensive financial reports available on the CalPERS' and STRS' websites.

<u>Payable to the Pension Plan</u>

As of June 30, 2022, the District had no outstanding required contributions to the pension plans.

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

Plan description. The District's defined benefit OPEB plan provides OPEB for all full-time employees of the District with a minimum of 10 years of service. The Plan is a single-employer defined benefit OPEB plan administered by the District. The Board of Trustees has the authority to establish and amend the benefit terms. The Plan has no assets, does not issue financial statements, and is not a trust.

Benefits provided. The District provides postemployment health care benefits as follows:

	Certificated	Classified	Certificated Management	Classified Management
Benefit Types Provided	Medical	Medical	Medical	Medical
Duration of Benefits	10 years but not beyond age 65	10 years but not beyond age 65	10 years but not beyond age 65	10 years but not beyond age 65
Required Service	10 Years	15 Years	10 Years	10 Years
Minimum Age	Retirement	Retirement	Retirement	Retirement
Dependent Coverage	Spouse	Spouse	Spouse	Spouse
District Contribution %	100% to cap	100% to cap	100% to cap	100% to cap
District Cap	$250 per month	$250 per month	$250 per month	$250 per month

Employees covered by benefit terms. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	10
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	885
Total	895

Contributions. The Board of Trustees has the authority to establish and amend the contribution requirements of the District and employees. For the year ended June 30, 2022, the District paid $51,394 for retiree health benefits. Employees are not required to contribute to the plan.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the actuarial assumptions on the following page, applied to all periods included in the measurement, unless otherwise specified:

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Inflation	2.50%
Salary Increases	2.75%
Investment rate of return	3.54%
Healthcare cost trend rate	4.00%

The discount rate of 3.54% was based on the Bond Buyer 20 Bond Index. There are currently no plan assets.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021	$ 2,579,531	$ -	$ 2,579,531
Changes for the year:			
Service cost	214,889	-	214,889
Interest	57,484	-	57,484
Differences between expected and actual experience	432,252	-	432,252
Assumption changes	(281,354)	-	(281,354)
Contributions - employer	-	51,394	(51,394)
Benefit payments	(51,394)	(51,394)	-
Net changes	371,877	-	371,877
Balances at June 30, 2022	$ 2,951,408	$ -	$ 2,951,408

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Net OPEB liability (asset)	$ 3,154,032	$ 2,951,408	$ 2,756,784

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.0 percent) or 1-percentage-point higher (5.0 percent) than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
Net OPEB liability (asset)	$ 2,795,890	$ 2,951,408	$ 3,129,956

7. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

OPEB plan fiduciary net position. There are currently no assets in the plan as there is no separate trust.

OPEB Expense and 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 $182,309. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 404,720	$ 114,659
Changes of assumptions	61,402	814,822
Total	$ 466,122	$ 929,481

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	Total Deferred Outflows/(Inflows) of Resources
2023	$ (38,870)
2024	(38,870)
2025	(38,870)
2026	(38,870)
2027	(38,870)
Thereafter	(269,009)
Total	$ (463,359)

Payable to the OPEB Plan

At June 30, 2022, the District reported no outstanding amount of contributions to the Plan.

8. FUND BALANCE

As of these financial statements, the District has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. The following schedule is a summary of the components of the ending fund balance by fund type at June 30, 2022:

	General Fund	Building Fund	Bond Interest and Redemption Fund	Non-Major Funds	Total
Nonspendable:					
Revolving cash	$ 20,000	$ -	$ -	$ -	$ 20,000
Stores	33,534	-	-	-	33,534
Prepaid items	136,933	-	-	-	136,933
Total Nonspendable	190,467	-	-	-	190,467
Restricted for:					
Educator Effectiveness, FY 2021-22	2,059,492	-	-	-	2,059,492
Lottery: Instructional Materials	545,774	-	-	-	545,774
Mental Health-Related Services	253,731	-	-	-	253,731
A-G Access/Success Grant	1,778,149	-	-	-	1,778,149
A-G Learning Loss Mitigation Grant	264,234	-	-	-	264,234
Expanded Learning Opportunities (ELO) Grant	813,229	-	-	-	813,229
ELO Grant: Paraprofessional Staff	15,407	-	-	-	15,407
Student Activity Funds	-	-	-	1,278,856	1,278,856
CalWORKs for ROCP or Adult Education	-	-	-	93,798	93,798
Adult Education Program	-	-	-	818,258	818,258
Child Nutrition: School Programs	-	-	-	2,394,481	2,394,481
Child Nutrition: SNP COVID-19 Emergency Operational Costs Reimbursement (ECR)	-	-	-	49,702	49,702
Child Nutrition: Supply Chain Assistance (SCA) Funds	-	-	-	218,048	218,048
Child Nutrition: COVID State Supplemental Meal Reimbursement	-	-	-	35,753	35,753
Child Nutrition: Kitchen Infrastructure Upgrade Funds	-	-	-	25,000	25,000
Child Nutrition: Food Service Staff Training Funds	-	-	-	46,625	46,625
Other Restricted Federal	-	-	-	3,063	3,063
Other Restricted Local	-	31,987,704	52,894,639	7,324,728	92,207,071
Total Restricted	5,730,016	31,987,704	52,894,639	12,288,312	102,900,671
Committed:					
Basic Aid Reserve Policy - 4.5%	9,244,467	-	-	-	9,244,467
Basic Aid Reserve Policy - 4.5%	9,244,467	-	-	-	9,244,467
2021-22 Carryover	1,185,057	-	-	-	1,185,057
Emergency Preparedness	500,000	-	-	-	500,000
Out-year Risk/Covid Pandemic Impact	10,403,278	-	-	-	10,403,278
Other Commitments	9,760,665	179,690,232	-	21,496,354	210,947,251
Total Committed	40,337,934	179,690,232	-	21,496,354	241,524,520
Unassigned:					
Reserve for Economic Uncertainties	6,164,007	-	-	-	6,164,007
Total Unassigned	6,164,007	-	-	-	6,164,007
Totals	$ 52,422,424	$ 211,677,936	$ 52,894,639	$ 33,784,666	$ 350,779,665

9. JOINT VENTURES

The San Mateo Union High School District participates in a joint venture under a joint powers agreement (JPA) with the San Mateo County Schools Insurance Group (SMCSIG). The relationship between the San Mateo Union High School District and the JPA is such that the JPA is not a component unit of the San Mateo Union High School District for financial reporting purposes.

The JPA arranges for and provide workers' compensation, property and liability and health insurance for its member school districts. The JPA is governed by a board consisting of a representative from each member district. The governing board controls the operations of the JPA independent of any influence by the member districts beyond their representation on the governing board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to its participation in the JPA.

Condensed audited financial information for the year ended June 30, 2021, is as follows:

Total Assets	$ 43,493,537
Deferred Outflows of Resources	351,596
Total Liabilities	20,279,678
Deferred Inflows of Resources	47,791
Net Position	$ 23,517,664
Total Revenues	$ 43,521,834
Total Expenditures	(40,112,140)
Change in Net Postion	$ 3,409,694

10. COMMITMENTS AND CONTINGENCIES

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is management's opinion that any required reimbursement subsequently determined will not have a material effect on the District's financial position.

11. RISK MANAGEMENT

A. PROPERTY AND LIABILITY

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2022, the District participated in the SMCSIG public entity risk pool for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

B. WORKERS COMPENSATION

For fiscal year 2021-2022, the District participated in the SMCSIG public entity risk pool for workers compensation, with excess commercial coverage provided by Public Risk Innovation, Solutions, and Management (PRISM).

C. EMPLOYEE MEDICAL BENEFITS

Dental and vision benefits are provided through the SMCSIG public entity risk pool.

12. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The District incurred unanticipated expenditures in excess of appropriations in expenditure classifications for which the budget was not revised. Excess of expenditures over appropriations for the year ended June 30, 2022 were as follows:

	Excess Expenditures
General Fund	
Certificated salaries	$ 44,344

The excess is not in accordance with Education Code 42600. The excess General Fund certificated salaries expenditures is due to a one-time stipend as part of negotiations.

On June 9, 2022, the Board of Trustees approved the required disclosure documents (AB1200) for a settlement with the San Mateo Union High School District Teachers Association (SMUHSDTA), which included a one-time payment for 2021-2022. These AB1200 documents included approval of the required additional budget for the payment.

13. SUBSEQUENT EVENTS

In August 2022, the District authorized the sale and issuance of tax and revenue anticipation notes in the amount of $14,065,000. The notes bear an interest rate of 3.00% and matures on January 31, 2023.

The District's management evaluated its June 30, 2022 financial statements for subsequent events through December 9, 2022 except for Note 1GG, as to which the date is May 10, 2023, the date the financial statements were available to be issued. Management is not aware of any subsequent events, other than the one described above, that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET (NON-GAAP) AND ACTUAL – GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
LCFF sources	$ 174,909,421	$ 179,216,698	$ 179,148,738	$ (67,960)
Federal revenue	5,517,251	4,721,128	6,261,439	1,540,311
Other state revenues	11,723,481	20,186,943	19,004,891	(1,182,052)
Other local revenues	2,283,283	6,497,678	5,693,781	(803,897)
Total revenues	194,433,436	210,622,447	210,108,849	(513,598)
EXPENDITURES				
Certificated salaries	73,052,368	77,552,447	77,596,791	(44,344)
Classified salaries	34,572,517	37,411,909	37,176,399	235,510
Employee benefits	50,098,841	51,582,293	50,640,844	941,449
Books and supplies	15,207,197	12,218,999	7,796,950	4,422,049
Services and other operating expenditures	21,281,938	26,892,359	23,125,448	3,766,911
Capital outlay	550,000	460,305	394,772	65,533
Other outgo	4,650,348	3,617,253	3,845,125	(227,872)
Total expenditures	199,413,209	209,735,565	200,576,329	9,159,236
Excess (deficiency) of revenues over expenditures	(4,979,773)	886,882	9,532,520	8,645,638
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(3,766,198)	(3,331,287)	(3,331,287)	-
Total other financing sources (uses)	(3,766,198)	(3,331,287)	(3,331,287)	-
Net change in fund balances	(8,745,971)	(2,444,405)	6,201,233	8,645,638
Fund balances, July 1, 2021	46,221,191	46,221,191	46,221,191	-
Fund balances, June 30, 2022	$ 37,475,220	$ 43,776,786	$ 52,422,424	$ 8,645,638

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

CalPERS	June 30, 2014 [1]	June 30, 2015 [1]	June 30, 2016 [1]	June 30, 2017 [1]	June 30, 2018 [1]	June 30, 2019 [1]	June 30, 2020 [1]	June 30, 2021 [1]
Proportion of the net pension liability (asset)	0.17824%	0.18521%	0.18479%	0.19903%	0.20463%	0.21075%	0.21306%	0.21763%
Proportionate share of the net pension liability (asset)	$ 20,235,018	$ 27,300,522	$ 36,496,554	$ 47,513,456	$ 54,559,869	$ 61,422,330	$ 65,373,957	$ 44,254,621
Covered payroll [2]	$ 18,188,183	$ 20,373,259	$ 18,911,499	$ 22,695,190	$ 23,208,050	$ 26,735,718	$ 38,543,903	$ 28,211,659
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	111.25%	134.00%	192.99%	209.35%	235.09%	229.74%	169.61%	156.87%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.38%	79.43%	73.90%	71.87%	70.85%	70.05%	70.00%	80.97%
Proportionate share of aggregate employer contributions [3]	$ 2,140,931	$ 2,413,620	$ 2,626,429	$ 3,524,790	$ 4,191,838	$ 5,272,551	$ 7,978,588	$ 6,463,291

STRS	June 30, 2014 [1]	June 30, 2015 [1]	June 30, 2016 [1]	June 30, 2017 [1]	June 30, 2018 [1]	June 30, 2019 [1]	June 30, 2020 [1]	June 30, 2021 [1]
Proportion of the net pension liability (asset)	0.11457%	0.11719%	0.11438%	0.11300%	0.11955%	0.12176%	0.12994%	0.13306%
Proportionate share of the net pension liability (asset)	$ 66,950,663	$ 78,893,947	$ 92,515,407	$ 104,506,132	$ 109,876,848	$ 109,965,686	$ 125,921,861	$ 60,555,058
Covered payroll [2]	$ 47,409,009	$ 45,013,458	$ 48,622,814	$ 52,213,021	$ 56,407,586	$ 62,306,667	$ 78,761,591	$ 80,676,797
Proportionate Share of the net pension liability (asset) as a percentage of covered payroll	141.22%	175.27%	190.27%	200.15%	194.79%	176.49%	159.88%	75.06%
Plan fiduciary net position as a percentage of the total pension liability (asset)	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%
Proportionate share of aggregate employer contributions [3]	$ 4,209,920	$ 4,829,944	$ 6,116,750	$ 7,534,339	$ 9,183,155	$ 10,654,440	$ 12,719,997	$ 13,650,514

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) Covered payroll is the payroll on which contributions to a pension plan are based.

(3) The Plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The Plan's proportionate share of aggregate contributions is based on the Plan's proportion of fiduciary net position as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF PENSION CONTRIBUTIONS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

CalPERS	Fiscal Year 2014-15 (1)	Fiscal Year 2015-16 (1)	Fiscal Year 2016-17 (1)	Fiscal Year 2017-18 (1)	Fiscal Year 2018-19 (1)	Fiscal Year 2019-20 (1)	Fiscal Year 2020-21 (1)	Fiscal Year 2021-22 (1)
Contractually required contribution (2)	$ 2,140,931	$ 2,413,620	$ 2,626,429	$ 3,524,790	$ 4,191,838	$ 5,272,551	$ 7,978,588	$ 6,463,291
Contributions in relation to the contractually required contribution (2)	(2,184,216)	(2,628,697)	(3,493,497)	(3,888,696)	(5,318,906)	(6,089,060)	(6,511,965)	(7,960,480)
Contribution deficiency (excess)	$ (43,285)	$ (215,077)	$ (867,068)	$ (363,906)	$ (1,127,068)	$ (816,509)	$ 1,466,623	$ (1,497,189)
Covered payroll (3)	$ 18,188,183	$ 20,373,259	$ 18,911,499	$ 22,695,190	$ 23,208,050	$ 26,735,718	$ 38,543,903	$ 28,211,659
Contributions as a percentage of covered payroll (3)	11.771%	11.847%	13.888%	15.531%	18.062%	19.721%	20.700%	22.910%

STRS	Fiscal Year 2014-15 (1)	Fiscal Year 2015-16 (1)	Fiscal Year 2016-17 (1)	Fiscal Year 2017-18 (1)	Fiscal Year 2018-19 (1)	Fiscal Year 2019-20 (1)	Fiscal Year 2020-21 (1)	Fiscal Year 2021-22 (1)
Contractually required contribution (2)	$ 4,209,920	$ 4,829,944	$ 6,116,750	$ 7,534,339	$ 9,183,155	$ 10,654,440	$ 12,719,997	$ 13,650,514
Contributions in relation to the contractually required contribution (2)	(4,226,011)	(6,138,654)	(7,678,654)	(8,784,508)	(10,945,270)	(11,897,363)	(11,570,162)	(12,703,843)
Contribution deficiency (excess)	$ (16,091)	$ (1,308,710)	$ (1,561,904)	$ (1,250,169)	$ (1,762,115)	$ (1,242,923)	$ 1,149,835	$ 946,671
Covered payroll (3)	$ 47,409,009	$ 45,013,458	$ 48,622,814	$ 52,213,021	$ 56,407,586	$ 62,306,667	$ 78,761,591	$ 80,676,797
Contributions as a percentage of covered payroll (3)	8.880%	10.730%	12.580%	14.430%	16.280%	17.100%	16.150%	16.920%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) Employers are assumed to make contributions equal to the contractually required contributions. However, some employers may choose to make additional contributions towards their side fund or their unfunded liability. Employer contributions for such plans exceed the contractually required contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB 68, therefore are not considered separately financed specific liabilities.

(3) Covered payroll is the payroll on which contributions to a pension plan are based.

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	2018	2019	2020	2021	2022
Total OPEB liability					
Service cost	$ 151,046	$ 155,200	$ 166,717	$ 207,668	$ 214,889
Interest	99,623	97,554	106,036	53,490	57,484
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	-	(142,628)	-	432,252
Changes of assumptions	-	75,783	(685,876)	7,343	(281,354)
Benefit payments	(87,488)	(90,988)	(92,914)	(33,000)	(51,394)
Net change in total OPEB liability	163,181	237,549	(648,665)	235,501	371,877
Total OPEB liability - beginning	2,591,965	2,755,146	2,992,695	2,344,030	2,579,531
Total OPEB liability - ending (a)	$ 2,755,146	$ 2,992,695	$ 2,344,030	$ 2,579,531	$ 2,951,408
Plan fiduciary net position					
Contributions - employer	$ 87,488	$ 90,988	$ 92,914	$ 33,000	$ 51,394
Net investment income	-	-	-	-	-
Benefit paymens	(87,488)	(90,988)	(92,914)	(33,000)	(51,394)
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-
Plan fiduciary net position - ending (b)	$ -	$ -	$ -	$ -	$ -
District's net OPEB liability - ending (a) - (b)	$ 2,755,146	$ 2,992,695	$ 2,344,030	$ 2,579,531	$ 2,951,408
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%
Covered-employee payroll	$ 74,908,211	$ 79,615,636	$ 89,042,385	$ 117,305,494	$ 108,888,456
District's net OPEB liability as a percentage of covered-employee payroll	4%	4%	3%	2%	3%

PURPOSE OF SCHEDULES

A. Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP) and Actual – General Fund

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Trustees to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

B. Schedule of Proportionate Share of the Net Pension Liability

Benefit Changes
There were no changes in benefits during the year.

Changes in Assumptions
There were no changes of assumptions.

Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

C. Schedule of Pension Contributions

If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll.

Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

	CalPERS	STRS
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost	Entry-Age Normal Cost
Actuarial Assumptions		
Discount Rate	7.15%	7.10%
Inflation	2.50%	2.75%
Payroll Growth Rate	2.75%	3.50%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return (1)	7.15%	7.10%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using STRS' Membership Data for all Funds

(1) Net of pension plan investment expenses, including inflation

D. Schedule of Changes in the Net OPEB Liability and Related Ratios

Benefit Changes
There were no changes in benefits during the year.

Changes in Assumptions
The discount rate changed from 2.16% to 3.54%.

Fiscal year 2018 was the first year of implementation, therefore only five years are shown.

Actuarial cost method	Entry age
Amortization method	Level percent of pay
Amortization period	15.7 years
Asset valuation method	There are no plan assets.
Healthcare cost trend rates	4.00%
Inflation	2.50%
Salary increases	2.75%
Investment rate of return	3.54%
Mortality	
Certificated	2020 CalSTRS Mortality
Classified	2017 CalPERS Mortality for Miscellaneous and Schools Employees
Experience studies	
Retirement	
Certificated	2020 CalSTRS 2.0%@60 Rates
	2020 CalSTRS 2.0%@62 Rates
Classified	2017 CalPERS 2.0%@55 Rates for Schools Employees
	2017 CalPERS 2.0%@62 Rates for Schools Employees
Turnover	
Certificated	2020 CalSTRS Termination Rates
Classified	2017 CalPERS Termination Rates for School Employees

SUPPLEMENTARY INFORMATION

SAN MATEO UNION HIGH SCHOOL DISTRICT

COMBINING BALANCE SHEET

ALL NON-MAJOR FUNDS

JUNE 30, 2022

	Student Activity Fund	Adult Education Fund	Cafeteria Fund	Deferred Maintenance Fund	Foundation Special Revenue Fund	Capital Facilities Fund	Special Reserve Fund For Capital Outlay Projects	Foundation Permanent Fund	Total
ASSETS									
Cash and cash equivalents	$ 1,288,416	$ 7,592,398	$ 2,223,832	$ 2,721,510	$ 1,008,197	$ 11,563,772	$ 5,805,925	$ 1,251,526	$ 33,455,576
Accounts receivable	9,243	279,329	718,329	7,370	2,785	39,323	14,849	3,422	1,074,650
Due from other funds	-	5,944	888	-	-	-	-	-	6,832
Total assets	$ 1,297,659	$ 7,877,671	$ 2,943,049	$ 2,728,880	$ 1,010,982	$ 11,603,095	$ 5,820,774	$ 1,254,948	$ 34,537,058
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable	$ 18,798	$ 309,313	$ 74,536	$ 6,381	$ 1,266	$ 147,790	$ -	$ -	$ 558,084
Unearned revenue	-	97,184	-	-	-	-	-	-	97,184
Due to other funds	5	1,274	95,841	-	4	-	-	-	97,124
Total Liabilities	18,803	407,771	170,377	6,381	1,270	147,790	-	-	752,392
Fund balances									
Restricted	1,278,856	912,056	2,772,672	-	717,565	4,578,186	2,028,977	-	12,288,312
Committed	-	6,557,844	-	2,722,499	292,147	6,877,119	3,791,797	1,254,948	21,496,354
Total Fund Balance	1,278,856	7,469,900	2,772,672	2,722,499	1,009,712	11,455,305	5,820,774	1,254,948	33,784,666
Total liabilities and fund balances	$ 1,297,659	$ 7,877,671	$ 2,943,049	$ 2,728,880	$ 1,010,982	$ 11,603,095	$ 5,820,774	$ 1,254,948	$ 34,537,058

SAN MATEO UNION HIGH SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL NON-MAJOR FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Student Activity Fund	Adult Education Fund	Cafeteria Fund	Deferred Maintenance Fund	Foundation Special Revenue Fund	Capital Facilities Fund	Special Reserve Fund For Capital Outlay Projects	Foundation Permanent Fund	Total
REVENUES									
Federal revenue	$ -	$ 526,261	$ 4,274,759	$ -	$ -	$ -	$ -	$ -	$ 4,801,020
Other state revenues	-	5,269,929	892,213	-	160	-	-	-	6,162,302
Other local revenues	1,435,725	239,044	60,452	25,992	286,743	1,711,435	670,850	12,038	4,442,279
Total revenues	1,435,725	6,035,234	5,227,424	25,992	286,903	1,711,435	670,850	12,038	15,405,601
EXPENDITURES									
Certificated salaries	2,900	2,335,775	-	-	2,700	-	-	-	2,341,375
Classified salaries	19,563	1,614,965	1,458,116	-	-	-	-	-	3,092,644
Employee benefits	3,426	1,612,707	674,306	-	507	-	-	-	2,290,946
Books and supplies	689,847	132,012	1,421,056	-	170,967	3,716	-	17,793	2,435,391
Services and other operating expenditures	593,043	286,107	173,901	29,581	105,367	-	-	50	1,188,049
Capital outlay	-	-	50,184	-	-	-	-	-	50,184
Other outgo	-	-	95,563	-	-	-	-	-	95,563
Total expenditures	1,308,779	5,981,566	3,873,126	29,581	279,541	3,716	-	17,843	11,494,152
Excess(deficiency) of revenues over expenditures	126,946	53,668	1,354,298	(3,589)	7,362	1,707,719	670,850	(5,805)	3,911,449
OTHER FINANCING SOURCES (USES)									
Operating transfers in	-	-	-	-	-	-	90,089	-	90,089
Total other financing sources (uses)	-	-	-	-	-	-	90,089	-	90,089
Net change in fund balances	126,946	53,668	1,354,298	(3,589)	7,362	1,707,719	760,939	(5,805)	4,001,538
Fund balances, July 1, 2021	1,151,910	7,416,232	1,418,374	2,726,088	1,002,350	9,747,586	5,059,835	1,260,753	29,783,128
Fund balances, June 30, 2022	$ 1,278,856	$ 7,469,900	$ 2,772,672	$ 2,722,499	$ 1,009,712	$ 11,455,305	$ 5,820,774	$ 1,254,948	$ 33,784,666

SAN MATEO UNION HIGH SCHOOL DISTRICT

ORGANIZATION

JUNE 30, 2022

The San Mateo Union High School District was established on July 26, 1902 and is located in San Mateo County. There were no changes in the boundaries of the District in the current year. The District operates six high schools, one continuation high school, and an adult education school.

GOVERNING BOARD

Name	Office	Term Expires December
Peter Hanley	President	2022
Linda Lees Dwyer	Vice-President	2022
Greg Land	Clerk	2022
Ligia Andrade Zuniga	Trustee	2024
Robert Griffin	Trustee	2024

ADMINISTRATION

Kevin Skelly, Ph.D.
Superintendent (through June 30, 2022)

Randall Booker
Superintendent (beginning July 1, 2022)

Yancy Hawkins
Associate Superintendent Chief Business Official

Kirk Black, Ed.D.
Deputy Superintendent, Human Resources and Student Services

Julia Kempkey
Assistant Superintendent, Curriculum & Instruction

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF AVERAGE DAILY ATTENDANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Second Period Report	Annual Report
Secondary:		
Ninth through Twelfth	8,164.96	8,287.04
Special Education	54.07	52.35
Totals	8,219.03	8,339.39

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF INSTRUCTIONAL TIME

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Site	Grade Level	Standard Minutes Requirement	2021-22 Actual Minutes	Instructional Days	Status
Aragon High School	Grades 9 -12	64,800	64,825	180	In compliance
Burlingame High School	Grades 9 -12	64,800	64,860	180	In compliance
Capuchino High School	Grades 9 -12	64,800	65,080	180	In compliance
Hillsdale High School	Grades 9 -12	64,800	64,812	180	In compliance
Mills High School	Grades 9 -12	64,800	65,055	180	In compliance
San Mateo High School	Grades 9 -12	64,800	64,860	180	In compliance

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF CHARTER SCHOOLS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Charter Schools Chartered by District	Included in District Financial Statements, or Separate Report
Design Tech Charter School #1647	Separately Reported

SAN MATEO UNION HIGH SCHOOL DISTRICT

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund
Balance, June 30, 2022, Annual Financial and Budget Report	$ 52,421,394
Increase/(decrease) in:	
Cash with Fiscal Agent/Trustee	1,030
Balance, June 30, 2022, Audited Financial Statements	$ 52,422,424

There were no adjustments to any of the other funds of the District.

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Assistance Listing Number	Grantor and Program Title	Pass Through Entity Identifying Number		Federal Expenditures
	U.S. Department of Education			
	Passed through California Department of Education			
	Special Education Cluster (IDEA)			
84.027	Special Education: IDEA Basic Local Assistance Entitlement, Part B, Section 611	13379	*	$ 1,778,945
84.027	Special Education: IDEA Local Assistance, Part B, Sec 611, Private School ISPs	10115	*	9,161
84.027	Special Education: IDEA Local Assistance, Part B, Sec 611, Early Intervening Services	10119	*	167,773
	Special Education Cluster (IDEA) Total			1,955,879
	Adult Education Cluster			
84.002A	Adult Education: Adult Basic Education & ELA (Section 231)	14508		344,491
84.002	Adult Education: Adult Secondary Education (Section 231)	13978		61,773
84.002A	Adult Education: English Literacy & Civics Education - Local Grant	14109		119,997
	Adult Education Cluster Total			526,261
	Title III Cluster			
84.365	ESEA (ESSA): Title III, Immigrant Student Program	15146		18,327
84.365	ESEA (ESSA): Title III, English Learner Student Program	14346		114,042
	Title III Cluster Total			132,369
	Title I Cluster			
84.010	ESEA (ESSA): Title I, Part A, Basic Grants Low-Income and Neglected	14329		366,388
84.010	ESEA: ESSA School Improvement (CSI) Funding for LEAs	15438		120,019
	Title I Cluster Total			486,407
	Education Stabilization Fund (ESF) Cluster			
84.425D	Elementary and Secondary School Emergency Relief (ESSER) Fund	15536	*	42
84.425D	Elementary and Secondary School Emergency Relief II (ESSER II) Fund	15547	*	373,384
84.425	Expanded Learning Opportunities (ELO) Grant ESSER II State Reserve	15618	*	915,200
84.425	Expanded Learning Opportunities (ELO) Grant GEER II	15619	*	210,047
84.425	Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Emergency Needs	15620	*	596,604
84.425	Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve, Learning Loss	15621	*	1,028,443
	Education Stabilization Fund (ESF) Cluster Total			3,123,720
84.367	ESEA (ESSA): Title II, Part A, Supporting Effective Instruction Local Grants	14341		138,540
84.048	Strengthening Career and Technical Education for the 21st Century (Perkins V): Secondary, Sec. 131	14894		144,214
84.158	Department of Rehabilitation: Workability II, Transitions Partnership Program	10006		265,037
	Total U.S. Department of Education			6,772,427

(continued)

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Assistance Listing Number	Grantor and Program Title	Pass Through Entity Identifying Number	Federal Expenditures
U.S. Environmental Protection Agency			
N/A	EPA Environmental Education & Community Awareness Project	10048	$ 3,756
	Total U.S. Environmental Protection Agency		3,756
U.S. Department of Agriculture			
Passed through California Department of Education			
10.555	Child Nutrition: School Programs (NSL Sec 11)	13524	3,873,124
10.555	Child Nutrition - Nonmonetary Assistance	13524	88,144
	Total Child Nutrition Cluster		3,961,268
	Total U.S. Department of Agriculture		3,961,268
	Total Federal Programs		$ 10,737,451

* Tested as a major program

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Adopted Budget 2022/2023	Actuals 2021/2022	Actuals 2020/2021	Actuals 2019/2020
General Fund				
Revenues and Other Financial Sources	$ 209,099,596	$ 210,108,849	$ 200,047,559	$ 179,611,741
Expenditures	203,883,117	200,576,329	179,480,156	175,678,822
Other Uses and Transfers Out	3,820,160	3,331,287	4,002,324	4,233,755
Total Outgo	207,703,277	203,907,616	183,482,480	179,912,577
Change in Fund Balance	1,396,319	6,201,233	16,565,079	(300,836)
Ending Fund Balance	$ 53,818,743	$ 52,422,424	$ 46,221,191	$ 29,656,112
Available Reserves	$ 6,276,848	$ 6,164,007	$ 5,564,474	$ 5,398,022
Reserve for Economic Uncertainties	$ 6,276,848	$ 6,164,007	$ 5,564,474	$ 5,398,022
Undesignated Fund Balance	$ -	$ -	$ -	$ -
Available Reserves as a Percentage of Total Outgo	3%	3%	3%	3%
All Funds				
Total Long-Term Debt	$ 880,288,205	$ 916,024,266	$ 1,009,182,421	$ 895,199,558
Average Daily Attendance at P-2	8,368	8,219	8,790	8,787

*Available reserves consist of all undesignated fund balances and all funds designated for economic uncertainty contained within the General Fund

The general fund balance has increased by $22,766,312 over the past three years. For a District this size, the State of California recommends available reserves of at least 3 percent of total general fund expenditures, transfers out, and other uses (total outgo). The District met this requirement.

The District had incurred an operating surplus in the 2021-22 and 2020-21 fiscal years, and an operating deficit in the 2019-20 fiscal year; and anticipates a surplus in the 2022-23 fiscal year.

Total long-term liabilities have increased by $13,734,708 over the past two years due to the addition of G.O. Bonds and increase of the net pension liability.

Average Daily Attendance (ADA) has decreased by 568 over the past two years. An increase of 149 ADA is projected for the 2022-23 fiscal year.

1. Schedule of Average Daily Attendance

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

2. Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46206. Districts must maintain their instructional minutes at the State's standard requirements as required by Education Code Section 46201(b).

3. Schedule of Charter Schools

This schedule provides information for the California Department of Education to monitor financial reporting by Charter Schools.

4. Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements

This schedule provides information necessary to reconcile the Unaudited Actual Fund Financial Reports to the audited financial statements.

5. Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards includes federal grant activity of the District and is presented under the modified accrual basis of accounting. The April 2022 Edition of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance) requires a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with the Uniform Guidance and state requirements. Therefore, some amounts presented in this schedule may differ from amounts used in the preparation of the general purpose financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

The following schedule provides a reconciliation between federal revenues reported on the Statement of Revenues, Expenditures and Changes in Fund Balances, and the related expenditures reported on the Schedule of Expenditures of Federal Awards:

5. Schedule of Expenditures of Federal Awards (continued)

	Assistance Listing Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenditures, and Changes in Fund Balance		$ 11,695,251
Reconciling items		
Child Nutrition: School Programs (NSL Sec 11)	10.555	(130,822)
SNP COVID-19 Emergency Operational Costs Reimbursement (ECR)	10.555	(49,702)
Supply Chain Assistance (SCA) Funds	10.555	(218,048)
Food Distribution - Commodities	10.555	88,144
Pandemic EBT Local Administrative Grant	10.649	(3,063)
EPA Environmental Education & Community Awareness Project	N/A	(11,517)
IRS Bond Interest Subsidies	N/A	(632,792)
Total Schedule of Expenditures of Federal Awards		$ 10,737,451

6. 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.

OTHER INDEPENDENT AUDITOR'S REPORTS

James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Education
San Mateo Union High School District
San Mateo, California

Report on Compliance

Opinion

We have audited the San Mateo Union High School District (the "District") compliance with the requirements specified in the 2021-22 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, San Mateo Union High School District complied, in all material respects, with 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 2021-22 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 *2021-22 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 *2021-22 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 *2021-22 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:

Local Education Agencies Other Than Charter Schools

Description	Procedures Performed
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	No, see below
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes

Local Education Agencies Other Than Charter Schools

Description	Procedures Performed
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	Yes
K-3 Grade Span Adjustment	No, see below
Transportation Maintenance of Effort	Yes
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

Description	Procedures Performed
California Clean Energy Jobs Act	No, see below
After/Before School Education and Safety Program	
General Requirements	No, see below
After School	No, see below
Before School	No, see below
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	No, see below
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Yes
In-Person Instruction Grant	Yes

Charter Schools

Description	Procedures Performed
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

We did not perform any procedures for Kindergarten Continuance or K-3 Grade Span Adjustment because these grade levels are not offered by the District.

We did not perform any procedures related to California Clean Energy Jobs Act because the District already submitted the final project completion in a previous year.

We did not perform any procedures related to Early Retirement Incentive, Juvenile Court Schools, Apprenticeship: Related and Supplemental Instruction, District of Choice, After/Before School Education and Safety Program, and Independent Study-Course Based because the District did not offer these programs in the current year.

We did not perform any procedures related to Immunizations as the District did not have any Kindergarten or 7^{th} grade students subject.

We did not perform any procedures related to Charter School Attendance, Mode of Instruction, Nonclassroom-Based Instruction/Independent Study, Determination of Funding for Nonclassroom-Based Instruction, Annual Instructional Minutes-Classroom-Based, and Charter School Facility Grant Program because the charter school that the District sponsors (Design Tech High) is reported separately.

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 2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting. Accordingly, this report is not suitable for any other purpose.

James Marta + Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 9, 2022

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

INDEPENDENT AUDITOR'S REPORT

Board of Education
San Mateo Union High School District
San Mateo, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Mateo Union High School District (the "District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise San Mateo Union High School District 's basic financial statements, and have issued our report thereon dated December 9, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 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 district's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 9, 2022

James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting and Tax

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Board of Education
San Mateo Union High School District
San Mateo, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited San Mateo Union High School District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the April 2022 Edition of 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 the April 2022 Edition of the 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.

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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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of San Mateo Union High School District as of and for the year ended June 30, 2022, and have issued our report thereon dated December 9, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 is fairly stated in all material respects in relation to the financial statements as a whole.

James Marta & Company LLP

James Marta & Company LLP
Certified Public Accountants
Sacramento, California
December 9, 2022

FINDINGS AND RECOMMENDATIONS

SAN MATEO UNION HIGH SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	____	Yes	X	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	____	Yes	X	None reported
Noncompliance material to financial statements noted?	____	Yes	X	No

Federal Awards

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

Internal control over major programs:

Material weakness(es) identified?	____	Yes	X	No
Significant deficiency(ies) identified not considered to be material weaknesses?	____	Yes	X	None reported
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, Section 200.516(a)?	____	Yes	X	No

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
84.425, 84.425D	Education Stabilization Fund (ESF) Cluster
84.027	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee?	X	Yes	____	No

State Awards

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

Internal control over state programs:

Material weakness(es) identified?	____	Yes	X	No
Significant deficiency(ies) identified not considered to be material weaknesses?	____	Yes	X	None reported

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Section IV – State Award Findings and Questioned Costs

No matters were reported.

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Findings and Recommendations	Current Status	Explanation If Not Implemented
Internal Controls		
2021-01 Payroll (30000)	Implemented	N/A
Two employees were found to have underpayments during the 2020-21 fiscal year. Longevity credits were not paid in time. Personnel action forms should be used for all payroll related changes. The form should be signed by the employee and a supervisor. These change forms should immediately be delivered to the appropriate department so the changes can be implemented in the appropriate pay period.		
2021-02 Associated Student Body (30000)	Implemented	N/A
Receipts were not being logged or time stamped. We recommend that all cash and checks be recorder into a log and/or prenumbered receipts book. Receipts should be issued for all cash and check collections and turned into the student body bookkeeper.		
Additionally, student store inventories are not being reviewed. Inventories should be reviewed periodically to determine propriety as to character and quantities.		

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE FOR THE BONDS

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the San Mateo Union High School District (the "District") in connection with the issuance of $96,250,000 of the District's Election of 2020 General Obligation Bonds, Series C (the "Bonds"). The Bonds are being issued pursuant to the Resolution of the Board of Trustees of the District adopted on October 12, 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 the Rule.

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 Section 5(a) or 5(b) of this Disclosure Certificate.

"Official Statement" shall mean the Official Statement dated as of November 8, 2023 and relating to the Bonds.

"Participating Underwriter" shall mean Stifel, Nicolaus & Company, Incorporated, as the original Underwriter 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, 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(b).

(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 timely notice to the Repository in substantially the form attached as Exhibit A with a copy to the Dissemination Agent, no later than the date required by subsection (a). 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 to the Repository.

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 value of taxable property in the District, as shown on the most recent equalized assessment roll;

(f) top 20 largest property taxpayers for the District, as shown in the most recent equalized assessment roll; and

(g) the property tax levies, collections and delinquencies for the District, for the most recently completed fiscal year, to the extent that the District is no longer on the Teeter Plan.

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 or 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. 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)(9), 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.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

(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 bondholders.

(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).

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, or 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(a), 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 attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross 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

SAN MATEO UNION HIGH SCHOOL DISTRICT

By: ____
Authorized Officer

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of District: SAN MATEO UNION HIGH SCHOOL DISTRICT

Name of Bond Issue: Election of 2020 General Obligation Bonds, Series C

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:_______________________

SAN MATEO UNION HIGH SCHOOL DISTRICT

By ______[form only; no signature required]_________

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APPENDIX D

GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF SAN MATEO, THE CITY OF BURLINGAME, THE CITY OF FOSTER CITY, THE TOWN OF HILLSBOROUGH AND SAN MATEO COUNTY

The following information regarding the City of San Mateo ("San Mateo"), the City of Burlingame ("Burlingame"), and the City of Foster City ("Foster City," and, together with San Mateo and Burlingame, the "Cities"), the Town of Hillsborough (the "Town") 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 Cities, the Town or the County. This material has been prepared by or excerpted from the sources as noted herein and has not been independently verified by the District, Bond Counsel, the Underwriter or the Municipal Advisor.

General

The City of San Mateo. Located 19 miles south of San Francisco and 30 miles north of San Jose, San Mateo is comprised of an area of 14.6 square miles. It is bordered by Burlingame to the north, the Foster City to the east, the City of Belmont to the south, and the Town to the west. Incorporated in 1894, it became a charter city in 1922. With a council-manager form of government, San Mateo's five City Council members are elected at large to four-year terms, with a Mayor selected from the members each year. As one of the major centers of economic activity in the County, San Mateo is home to over 10,000 businesses, with employment concentrated in professional and financial services, retail, and health, educational and recreational services.

The City of Burlingame. Incorporated in 1908, Burlingame is located on the western shore of the San Francisco Bay approximately 10 miles south of San Francisco and has an area of approximately 6 square miles. It is a general law city and has a council-manager form of government, with a five-member council elected at large to four-year terms. The City Council selects a Mayor from among its members annually. The top three revenue streams for Burlingame are transient occupancy tax, property tax and sales tax. It is known in the San Francisco Bay Area for its desirable retail businesses and restaurants.

The City of Foster City. Incorporated in 1971, Foster City is a general law city with a council-manager form of government. Five council members are elected to staggered four-year terms, with a two-term limit. The City Council also acts as District Board Members for the Estero Municipal Improvement District, which was created in 1960 by the California State Legislature as a general-purpose district with the power to issue municipal bonds. Over the years the bonds issued have been used to fill and reclaim land and provide the infrastructure for a master-planned community built on a former dairy farm and the former salt ponds near the San Francisco Bay.

The Town of Hillsborough. An affluent community that is purely residential except for its schools and private clubs, the Town is located west of Highway 101 within a short commute to San Francisco. Incorporated in 1910, the hilly town is well known for its rural nature and has a land area of approximately 6.23 square miles. Governed under the council-manager format, it has a City Council comprised of a Mayor, a Vice-Mayor and three council members. City Council members are elected biennially to staggered four-year terms, and the Mayor and Vice-Mayor are selected each year from among the members.

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.

Population

The following table shows historical population figures for the Cities, the Town, the County and the State for the past 10 years.

POPULATION ESTIMATES
2014 through 2023
City of San Mateo, City of Burlingame, City of Foster City, Town of Hillsborough, San Mateo County and the State of California

Year[1]	City of San Mateo	City of Burlingame	City of Foster City	Town of Hillsborough	San Mateo County	State of California
2014	100,678	30,039	32,326	11,186	754,234	38,556,731
2015	101,884	30,224	32,511	11,325	761,621	38,865,532
2016	102,877	30,377	32,624	11,418	767,099	39,103,587
2017	103,038	30,355	32,741	11,455	769,401	39,352,398
2018	103,412	30,318	32,746	11,486	770,927	39,519,535
2019	103,140	30,224	33,221	11,444	771,160	39,605,361
2020[2]	105,751	31,253	33,697	11,377	764,442	39,538,223
2021	105,500	30,752	33,399	11,188	754,439	39,286,510
2022	103,651	30,069	32,852	10,984	740,821	39,078,674
2023	103,318	30,136	32,703	10,962	737,644	38,940,231

(1) As of January 1.
(2) U.S. Department of Commerce, Bureau of the Census, for April 1.
Source: California Department of Finance.

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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
2013 through 2022
San Mateo County, the State of California, and the United States

Year	San Mateo County	State of California	United States
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	70,643	59,765
2021	160,485	76,800	64,143
2022	--[1]	77,339	--[1]

(1) Not available.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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Employment

The following table summarizes the labor force, employment and unemployment figures for the years 2018 through 2022 for the Cities, the Town, the County, the State and the United States.

LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ANNUAL AVERAGES
2018 THROUGH 2022[1]
City of San Mateo, City of Burlingame, City of Foster City, Town of Hillsborough, San Mateo County, and the State of California

Year	Area	Labor Force	Employment[2]	Unemployment[3]	Unemployment Rate (%)
2018	City of San Mateo	64,000	62,600	1,400	2.1
	City of Burlingame	18,100	17,700	400	2.2
	City of Foster City	19,700	19,300	400	2.1
	Town of Hillsborough	5,100	5,000	100	2.4
	San Mateo County	449,000	438,900	10,100	2.2
	State of California	19,289,500	18,469,900	819,600	4.2
2019	City of San Mateo	65,000	63,700	1,300	2.0
	City of Burlingame	18,700	18,400	400	1.9
	City of Foster City	20,000	19,600	400	2.0
	Town of Hillsborough	5,300	5,200	100	1.7
	San Mateo County	457,400	447,900	9,500	2.1
	State of California	19,413,200	18,617,900	795,300	4.1
2020	City of San Mateo	61,600	57,700	3,800	6.2
	City of Burlingame	17,300	16,200	1,000	6.0
	City of Foster City	18,600	17,600	1,000	5.2
	Town of Hillsborough	5,200	4,900	300	6.1
	San Mateo County	439,500	409,000	30,400	6.9
	State of California	18,971,600	17,047,600	1,924,000	10.1
2021	City of San Mateo	60,900	58,300	2,500	4.2
	City of Burlingame	17,100	16,400	700	4.0
	City of Foster City	18,400	17,800	700	3.6
	Town of Hillsborough	5,300	5,100	200	4.5
	San Mateo County	433,400	413,300	20,100	4.6
	State of California	18,973,400	17,586,300	1,387,100	7.3
2022	City of San Mateo	63,900	62,400	1,400	2.3
	City of Burlingame	18,000	17,600	400	2.3
	City of Foster City	19,500	19,000	400	2.2
	Town of Hillsborough	5,600	5,500	100	2.3
	San Mateo County	453,400	442,400	11,000	2.4
	State of California	19,252,000	18,440,900	811,100	4.2

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.

Industry

The County is part of the San Francisco-San Mateo-Redwood City Metropolitan District (the "MD"). The distribution of employment in the MD is presented in the following table for the last five years for which data is available. These figures are multi county-wide statistics and may not necessarily accurately reflect employment trends in the County.

INDUSTRY EMPLOYMENT & LABOR FORCE ANNUAL AVERAGES
San Francisco-Redwood City-South San Francisco MD
2018-2022

	2018	2019	2020	2021	2022
Total Farm	1,700	1,700	1,600	1,700	1,800
Mining, Logging and Construction	42,500	44,500	42,700	41,200	41,000
Manufacturing	40,700	40,800	37,500	36,900	38,900
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 & 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
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.

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Principal Employers

The following tables list the principal employers located in the Cities and the County. The Town is primarily residential.

PRINCIPAL EMPLOYERS
as of June 30, 2022
City of San Mateo

Rank	Employer	Number of Employees
1.	County of San Mateo Medical Center	1,317
2.	Sony Interactive Entertainment America	1,248
3.	San Mateo Union High School District[(1)]	1,003
4.	San Mateo-Foster City Unified School District	999
5.	San Mateo Community College District	579
6.	Franklin Templeton Investor	541
7.	San Mateo County Behavioral Health	467
8.	City of San Mateo	456
9.	Rakuten	423
10.	Mills-Peninsula Health Services	351

[(1)] For updated information regarding the School District's employees, see "SAN MATEO UNION HIGH SCHOOL DISTRICT – Labor Relations" in the front part of this Official Statement.
Source: City of San Mateo Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022.

PRINCIPAL EMPLOYERS
as of June 30, 2022
City of Burlingame

Rank	Employer	Number of Employees
1.	Mills - Peninsula Medical Center – Sutter Health	1,751
2.	Burlingame School District	325
3.	Hyatt Regency San Francisco Airport	314
4.	American Medical Response (AMR)	266
5.	Guittard Chocolate Co.	257
6.	Burlingame Long Term Care	214
7.	Lahlouh Inc.	190
8.	Putnam Auto	185
9.	Safeway	130
10.	California Teachers Association	126

Source: City of Burlingame Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022.

PRINCIPAL EMPLOYERS
as of June 30, 2022
City of Foster City

Rank	Employer	Number of Employees
1.	Gilead Sciences, Inc.	5,747
2.	Visa U.S.A. Inc.	2,863
3.	Visa Technology & Operations LLC, FKA Inovant LLC	1,094
4.	Cybersource Corporation	427
5.	CSG Consultants, Inc.	329
6.	Sledgehammer Games Inc.	304
7.	Costco Wholesale Corporation	276
8.	IBM Corporation	248
9.	Qualys Inc.	240
10.	Peninsula Jewish Community Center	231

Source: City of Foster City and Estero Municipal Improvement District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022.

PRINCIPAL EMPLOYERS
as of June 30, 2021
San Mateo County

Rank	Employer	Number of Employees
1.	Meta (Facebook Inc.)	15,407
2.	Genentech Inc.	12,000
3.	Oracle Corp.	9,149
4.	United Airlines	7,894
5.	County of San Mateo	5,705
6.	Gilead Sciences Inc.	4,190
7.	You Tube	2,384
8.	Sony Interactive Entertainment	1,855
9.	Alaska Airlines	1,591
10.	Electronic Arts Inc.	1,478

Source: County of San Mateo Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022. Reflects largest employers as of June 30, 2021, which is the latest information regarding principal employers in the County.

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Commercial Activity

Summaries of annual taxable sales for the Cities, the Town and the County for 2018 through 2022 are shown in the following tables.

ANNUAL TAXABLE SALES
2018 through 2022
City of San Mateo
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2018	2,447	$1,366,771	4,000	$1,647,756
2019	2,423	1,393,982	4,012	1,650,542
2020	2,463	1,073,288	4,129	1,253,493
2021	2,158	1,378,286	3,671	1,573,225
2022	2,106	1,595,129	3,604	1,847,184

Source: Taxable Sales in California, California Department of Tax and Fee Administration.

ANNUAL TAXABLE SALES
2018 through 2022
City of Burlingame
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2018	917	$847,023	1,729	$1,188,032
2019	906	863,949	1,737	1,239,939
2020	926	654,231	1,806	910,682
2021	833	751,241	1,613	1,091,991
2022	804	778,095	1,563	1,165,149

Source: Taxable Sales in California, California Department of Tax and Fee Administration.

ANNUAL TAXABLE SALES
2018 through 2022
City of Foster City
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2018	351	$247,266	626	$309,911
2019	347	240,203	634	287,878
2020	357	187,671	658	222,207
2021	306	220,122	570	266,620
2022	311	272,232	572	357,317

Source: Taxable Sales in California, California Department of Tax and Fee Administration.

ANNUAL TAXABLE SALES
2018 through 2022
Town of Hillsborough
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2018	95	$1,562	182	$8,501
2019	96	1,642	185	9,432
2020	100	4,327	196	9,024
2021	79	5,100	157	12,658
2022	78	4,059	154	11,324

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	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total 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	12,709,016	21,396	19,494,221
2022	11,838	13,969,703	21,402	21,851,586

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 2018 through 2022 for the Cities, the Town and the County are shown in the following tables.

BUILDING PERMITS AND VALUATIONS
2018 through 2022
City of San Mateo
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Valuation					
Residential	$61,325	$147,834	$70,497	$106,616	$192,465
Non-residential	178,120	56,812	72,051	71,470	139,292
Total	$239,445	$204,646	$142,548	$178,086	$331,757
Units:					
Single family	8	15	52	58	39
Multiple family	63	332	25	120	283
Total	71	347	77	178	322

Note: Columns may not add to totals because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
2018 through 2022
City of Burlingame
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Valuation					
Residential	$120,462	$44,787	$27,737	$40,239	$146,369
Non-residential	15,566	21,371	90,499	6,592	25,477
Total	$136,028	$66,158	$118,236	$46,831	$171,846
Units:					
Single family	17	24	22	30	34
Multiple family	279	26	0	4	448
Total	296	50	22	34	482

Note: Columns may not add to totals because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
2018 through 2022
City of Foster City
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Valuation					
Residential	$12,004	$26,750	$13,225	$34,909	$15,937
Non-residential	192,713	27,749	13,649	135,095	70,944
Total	$204,717	$54,499	$26,874	$170,004	$86,881
Units:					
Single family	0	21	14	25	7
Multiple family	0	0	0	4	0
Total	0	21	14	29	7

Note: Columns may not add to totals because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
2018 through 2022
Town of Hillsborough
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Valuation					
Residential	$44,786	$38,821	$36,210	$57,460	$48,811
Non-residential	144	1,696	1,548	1,264	1,808
Total	$44,930	$40,517	$37,758	$58,724	$50,619
Units:					
Single family	18	19	28	60	62
Multiple family	0	0	0	0	0
Total	18	19	28	60	62

Note: Columns may not add to totals 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	2,243,823
Total	$3,506,691	$2,594,810	$2,118,209	$1,868,325	$3,437,504
Units:					
Single family	443	497	548	657	645
Multiple family	1,046	1,049	439	638	K 2,067
Total	1,489	1,546	987	1,295	2,712

Note: Columns may not add to totals because of rounding.
Source: Construction Industry Research Board.

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APPENDIX E

SAN MATEO COUNTY TREASURY POOL

The following information concerning the San Mateo County (the "County") Treasury Pool (the "Treasury Pool") has been provided by the County Treasurer-Tax Collector (the "Treasurer"), and has not been confirmed or verified by the District, the Municipal Advisor or the Underwriter. Neither the District, the Municipal Advisor nor the Underwriter has made an independent investigation of the investments in the Treasury Pool nor any 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 may change the 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, neither the District, the Municipal Advisor nor the Underwriter makes 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 is correct as of any time subsequent to its date. Further information may be obtained from the Treasurer at the following website: https://treasurer.smcgov.org/. However, the information presented on such website is not incorporated into this Official Statement by any reference.

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Sandie Arnott
TREASURER-TAX COLLECTOR

SAN MATEO COUNTY INVESTMENT POOL FUND
SEPTEMBER 2023 QUARTER END REPORT

TABLE OF CONTENTS

INTRODUCTION SUMMARY

Gross earnings for the month ending September 2023 was 3.226%. Gross earnings for the quarter ending September 2023 was 3.320%. Current average maturity of the portfolio is 1.71 years with an average duration of 1.55 years. The current Par Value of the pool is $7.257 Billion. The largest non-government aggregate position is currently Natixis NY Branch 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://treasurer.smcgov.org/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

September 30, 2023

RE: SAN MATEO COUNTY INVESTMENT POOL, GASB FAIR MARKET VALUE FACTOR AS OF 9/30/23

As of September 30, 2023, the GASB fair market value factor for the San Mateo County Investment Pool is 0.96975

555 COUNTY CENTER, 1ST FLOOR, REDWOOD CITY, CA 94063

ESTIMATED SUMMARY OF POOL EARNINGS

September 2023

		Par Value		Gross Earnings
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	$	1,226,880,000.00	$	1,380,097.63
Corporate Notes		793,602,000.00		2,133,374.61
Federal Agencies		2,150,492,318.87		6,278,682.61
U.S, Instrumentalities		104,650,000.00		55,387.90
Asset Backed Securities		39,247,555.77		19,656.96
Certificate of Deposit		17,000,000.00		28,741.64
	$	**4,331,871,874.64**	**$**	**9,895,941.36**
Short Term Securities Maturing < 1 year				
U S Treasury Notes	$	675,515,000.00	$	682,429.60
Corporate Notes		227,315,000.00		316,696.67
Federal Agencies		1,343,345,000.00		4,352,745.92
U.S, Instrumentalities		152,366,000.00		419,644.72
Asset Backed Securities		-		-
Certificate of Deposit		99,000,000.00		461,893.15
Commercial Paper		111,000,000.00		504,625.00
Dreyfus		126,288,735.69		-
CAMP		175,000,000.00		342,452.05
CALTRUST		15,000,000.00		14,597.26
	$	**2,924,829,735.69**	**$**	**7,095,084.38**
Total Accrued Interest	**$**	**7,256,701,610.33**	**$**	**16,991,025.72**
Total Dollar Earnings for September			**$**	**19,290,640.60**

		Period Earnings
Realized Gain/Loss & Interest Received		
Corporate Notes	$	63,489.77
Federal Agencies		1,418,982.61
U.S, Instrumentalities		58,117.95
Asset Backed Securities		18,548.55
Certificate of Deposit		28,671.99
U S Treasury Notes		266,106.38
Dreyfus		419,815.97
US Bank Earnings Credit		25,881.66
Total Realized Income	**$**	**2,299,614.88**

AVERAGE BALANCE		**$**	**7,276,049,102.91**
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	**3.226%**		**19,290,640.60**
ADMINISTRATION FEES*			**(568,129.86)**
NET EARNINGS RATE / NET DOLLAR EARNINGS	**3.131%**	**$**	**18,722,510.74**

*Current admin fees rate is at 9.5bp

SUMMARY OF POOL EARNINGS
Q1 FISCAL YEAR 2023-24

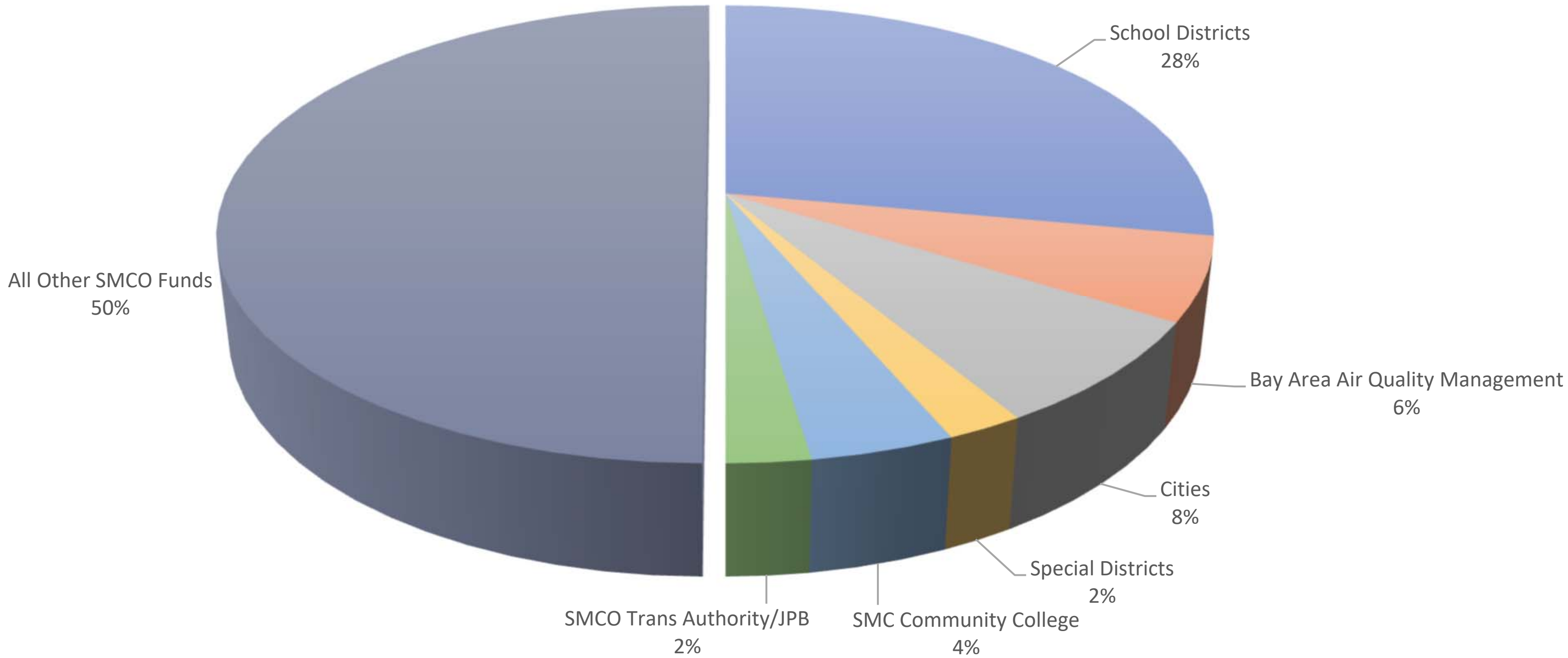
	Par Value	Gross Earnings
Fixed Income Securities Maturing > 1 year		
U S Treasury Notes	$ 1,226,880,000.00	$ 3,439,364.73
Corporate Notes	793,602,000.00	5,388,399.13
Federal Agencies	2,150,492,318.87	15,943,097.30
U.S, Instrumentalities	114,650,000.00	189,266.81
Asset Backed Securities	39,247,555.77	19,809.56
Certificate of Deposit	17,000,000.00	28,741.64
	$ 4,341,871,874.64	**$ 25,008,679.17**
Short Term Securities Maturing < 1 year		
U S Treasury Notes	$ 675,515,000.00	$ 1,422,022.67
Corporate Notes	227,315,000.00	655,025.45
Federal Agencies	1,343,345,000.00	11,350,854.57
U.S, Instrumentalities	142,366,000.00	836,981.55
Asset Backed Securities	-	-
Certificate of Deposit	99,000,000.00	1,142,431.78
Commercial Paper	111,000,000.00	1,547,516.67
Dreyfus	126,288,735.69	-
CAMP	175,000,000.00	1,976,528.77
CALTRUST	15,000,000.00	14,597.26
	$ 2,914,829,735.69	**$ 18,945,958.71**
Total Accrued Interest	**$ 7,256,701,610.33**	**$ 43,954,637.88**
Total Dollar Earnings for Q1 FY 2023-24		**$ 63,017,047.59**

Realized Gain/Loss & Interest Received	Period Earnings
U S Treasury Notes	$ 2,351,529.96
Corporate Notes	1,264,459.87
Certificate of Deposit	495,795.28
Federal Agencies	10,763,068.10
U.S, Instrumentalities	850,814.91
U S Treasury Bills	224,650.00
Asset Backed Securities	102,271.51
Dreyfus	702,189.82
CAMP	2,219,038.01
US Bank Earnings Credit	88,592.25
Total Realized Income	**$ 19,062,409.71**

AVERAGE BALANCE		**$ 7,531,461,003.97**
GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	**3.320%**	**63,017,047.59**
ADMINISTRATION FEES*		**(1,803,423.81)**
NET EARNINGS RATE / NET DOLLAR EARNINGS	**3.225%**	**$ 61,213,623.78**

*Current admin fees rate is at 9.5bp

SAN MATEO COUNTY TREASURER'S OFFICE POOL PARTICIPANTS DISTRIBUTION
September 30, 2023



Participants		$	%
School Districts	$	2,018,919,086.79	28.0%
Bay Area Air Quality Management		427,289,593.92	5.9%
Cities		544,999,170.14	7.5%
Special Districts		156,841,461.23	2.2%
SMC Community College		292,653,890.27	4.1%
SMCO Trans Authority/JPB		169,927,958.48	2.4%
All Other SMCO Funds		3,611,167,086.58	50.0%
Total	**$**	**7,221,798,247.41**	**100.0%**

*Figures are based on the account balances of current pool participants and it will not match the Market Value of the pool.

SAN MATEO COUNTY TREASURER'S OFFICE

FIXED INCOME DISTRIBUTION - SETTLED TRADES

SAN MATEO COUNTY POOL

September 30, 2023

Summary Information

Totals	
Par Value	7,256,701,610
Market Value	7,051,368,733.82
Total Cost	7,218,385,870.52
Net Gain/Loss	-167,017,136.69
Annual Income	206,836,209.17
Accrued Interest	52,655,586.24
Number of Issues	358

Weighted Averages	
Average YTM	5.30
Average Maturity (yrs)	1.71
Average Coupon (%)	2.89
Average Duration	1.55
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	132	2,916,874,037.18	41.4	5.3	2.922%	0.4
1 Yr - 3 Yrs	140	2,778,602,709.70	39.4	5.3	2.461%	1.8
3 Yrs - 5 Yrs	86	1,355,891,986.94	19.2	5.3	3.724%	3.5

Distribution by Coupon

Coupon %	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Under 1%	76	1,730,344,443.22	24.5	4.8	0.381%	1.4
1% - 3%	103	1,956,883,966.16	27.8	5.3	1.976%	1.4
3% - 5%	103	1,718,119,932.01	24.4	5.5	4.239%	1.5
5% - 7%	76	1,646,020,392.43	23.3	5.7	5.267%	2.0

Distribution by Duration

Duration	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Under 1 Yr	137	3,031,134,883.38	43.0	5.3	2.966%	0.5
1 Yr - 3 Yrs	150	2,896,229,579.83	41.1	5.3	2.368%	1.9
3 Yrs - 5 Yrs	71	1,124,004,270.61	15.9	5.4	4.061%	3.7

SAN MATEO COUNTY TREASURER'S OFFICE

FIXED INCOME DISTRIBUTION - SETTLED TRADES

SAN MATEO COUNTY POOL

September 30, 2023

Distribution by Moody Rating

Rating	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
Aaa	239	5,779,482,519.42	82.0	5.2	2.863%	1.5
Aa1	1	1,814,696.55	0.0	5.6	2.101%	0.8
Aa2	8	75,851,816.46	1.1	5.5	3.427%	2.0
Aa3	4	42,957,244.24	0.6	5.5	3.820%	2.6
A1	44	526,112,959.69	7.5	5.8	3.266%	1.6
A2	36	346,984,217.64	4.9	5.7	2.676%	1.9
A3	18	157,010,232.62	2.2	5.7	2.910%	2.1
Not Rated	8	121,155,047.20	1.7	4.8	2.724%	2.0

Distribution by S&P Rating

Rating	Number	Mkt Value	% Bond Holdings	Average Y T M	Average Coupon	Average Duration
AAA	29	612,981,322.04	8.7	4.0	2.418%	0.7
AA+	214	5,187,102,907.62	73.6	5.4	2.910%	1.6
AA	10	126,406,098.72	1.8	5.4	3.119%	2.2
AA-	8	106,038,454.78	1.5	5.6	4.639%	1.2
A+	20	150,798,670.62	2.1	5.5	2.791%	1.5
A	37	428,367,947.52	6.1	5.8	2.702%	1.7
A-	28	267,999,405.09	3.8	5.7	2.937%	2.1
BBB+	9	96,109,945.47	1.4	5.8	2.904%	1.7
Not Rated	3	75,563,981.97	1.1	5.2	3.937%	2.5

** 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
September 30, 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	668,750.00	25,668,750.00	AA-	0.36
MUFG BANK LTD/NY	5.34	03-28-24			25,000,000	100.00	25,000,000.00	100.00	25,000,000.00	656,375.00	25,656,375.00	A	0.36
TORONTO DOMINION BANK NY	6.03	07-05-24			24,000,000	100.00	24,000,000.00	100.00	24,000,000.00	349,740.00	24,349,740.00	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	150,000.00	25,150,000.00	AA-	0.36
NATIXIS NY BRANCH	5.61	09-18-26			17,000,000	100.00	17,000,000.00	100.00	17,000,000.00	31,790.00	17,031,790.00	A	0.24
					116,000,000		116,000,000.00		116,000,000.00	1,856,655.00	117,856,655.00		1.66
COMMERCIAL PAPER													
CREDIT AGRICOLE CIB NY	0.00	10-03-23			25,000,000	97.44	24,361,250.00	99.96	24,989,355.00	0.00	24,989,355.00	A+	0.36
NATIXIS NY BRANCH	5.58	02-14-24			25,000,000	96.30	24,073,875.00	97.88	24,469,125.00	883,500.00	25,352,625.00	A	0.35
NATIXIS NY BRANCH	0.00	03-07-24			30,000,000	95.90	28,769,325.00	97.62	29,286,300.00	0.00	29,286,300.00	A	0.42
NATIXIS NY BRANCH	0.00	03-22-24			31,000,000	95.83	29,707,644.44	97.29	30,160,932.30	0.00	30,160,932.30	A	0.43
					111,000,000		106,912,094.44		108,905,712.30	883,500.00	109,789,212.30		1.56
LOCAL AGENCY INVESTMENT FUND													
CA ASSET MGMT PROGRAM	5.00	10-01-23			50,000,000	100.00	50,000,000.00	100.00	50,000,000.00	201,388.89	50,201,388.89	AAA	0.71
CALTRUST	4.97	10-01-23			15,000,000	100.00	15,000,000.00	100.00	15,000,000.00	39,345.83	15,039,345.83	AAA	0.21
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	535,533.33	12,535,533.33	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	133,421.67	3,133,421.67	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	408,175.00	10,408,175.00	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	1,767,000.00	51,767,000.00	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	1,545,166.67	51,545,166.67	AAA	0.71
					190,000,000		190,000,000.00		190,000,000.00	4,630,031.39	194,630,031.39		2.71
UNITED STATES TREASURY-BILLS													
UNITED STATES TREAS NTS	1.25	06-30-28			6,000,000	86.83	5,210,054.35	85.65	5,139,140.64	18,750.00	5,157,890.64	AA+	0.07
UNITED STATES TREASURY-NOTES													
UNITED STATES TREAS NTS	0.12	10-15-23			16,500,000	99.29	16,383,339.84	99.81	16,469,100.94	9,467.21	16,478,568.16	AA+	0.24
UNITED STATES TREAS NTS	1.62	10-31-23			50,000,000	100.16	50,078,125.00	99.70	49,852,079.00	339,651.64	50,191,730.64	AA+	0.71
UNITED STATES TREAS NTS	0.25	11-15-23			32,000,000	100.25	32,081,250.00	99.38	31,801,977.92	30,000.00	31,831,977.92	AA+	0.45
UNITED STATES TREAS NTS	2.87	11-30-23			26,000,000	104.20	27,092,812.50	99.58	25,890,956.00	249,166.67	26,140,122.67	AA+	0.37
UNITED STATES TREAS NTS	0.50	11-30-23			10,000,000	99.82	9,981,640.63	99.21	9,920,808.10	16,666.67	9,937,474.77	AA+	0.14
UNITED STATES TREAS NTS	2.62	12-31-23			25,000,000	103.46	25,864,257.81	99.30	24,826,172.00	164,959.02	24,991,131.02	AA+	0.35
UNITED STATES TREAS NTS	2.50	01-31-24			18,900,000	103.59	19,577,742.19	99.04	18,717,644.48	78,322.01	18,795,966.49	AA+	0.27
UNITED STATES TREAS NTS	2.50	01-31-24			43,000,000	104.37	44,879,570.31	99.04	42,585,117.08	178,192.93	42,763,310.01	AA+	0.61
UNITED STATES TREAS NTS	2.50	01-31-24			19,000,000	103.36	19,639,023.44	99.04	18,816,679.64	78,736.41	18,895,416.05	AA+	0.27
UNITED STATES TREAS NTS	0.12	02-15-24			20,000,000	99.41	19,882,812.50	98.06	19,612,500.00	3,125.00	19,615,625.00	AA+	0.28
UNITED STATES TREAS NTS	2.37	02-29-24			31,790,000	103.20	32,805,789.84	98.75	31,393,866.72	62,226.30	31,456,093.02	AA+	0.45
UNITED STATES TREAS NTS	2.12	02-29-24			15,500,000	102.43	15,876,601.56	98.66	15,292,324.18	27,146.29	15,319,470.47	AA+	0.22
UNITED STATES TREAS NTS	2.12	02-29-24			40,000,000	101.59	40,635,937.50	98.66	39,464,062.40	70,054.95	39,534,117.35	AA+	0.56
UNITED STATES TREAS NTS	2.12	03-31-24			29,300,000	102.23	29,953,527.34	98.36	28,820,441.33	0.00	28,820,441.33	AA+	0.41
UNITED STATES TREAS NTS	2.25	04-30-24			15,000,000	102.87	15,430,664.06	98.16	14,724,023.40	140,319.29	14,864,342.69	AA+	0.21
UNITED STATES TREAS NTS	2.25	04-30-24			25,000,000	102.44	25,610,351.56	98.16	24,540,039.00	233,865.49	24,773,904.49	AA+	0.35
UNITED STATES TREAS NTS	2.25	04-30-24			19,000,000	106.78	20,287,695.31	98.16	18,650,429.64	177,737.77	18,828,167.41	AA+	0.27
UNITED STATES TREAS NTS	2.00	04-30-24			15,000,000	102.04	15,305,859.38	98.04	14,705,859.30	124,728.26	14,830,587.56	AA+	0.21
UNITED STATES TREAS NTS	2.50	05-15-24			25,000,000	104.22	26,055,664.06	98.17	24,542,968.75	234,375.00	24,777,343.75	AA+	0.35
UNITED STATES TREAS NTS	2.00	05-31-24			15,125,000	102.00	15,427,500.00	97.72	14,780,551.72	101,107.34	14,881,659.06	AA+	0.21
UNITED STATES TREAS NTS	2.00	06-30-24			5,100,000	101.89	5,196,222.66	97.45	4,969,710.91	25,500.00	4,995,210.91	AA+	0.07
UNITED STATES TREAS NTS	2.00	06-30-24			10,000,000	101.85	10,185,156.25	97.45	9,744,531.20	50,000.00	9,794,531.20	AA+	0.14
UNITED STATES TREAS NTS	2.00	06-30-24			25,000,000	101.44	25,360,351.56	97.45	24,361,328.00	125,000.00	24,486,328.00	AA+	0.35
UNITED STATES TREAS NTS	2.00	06-30-24			25,000,000	105.14	26,285,156.25	97.45	24,361,328.00	125,000.00	24,486,328.00	AA+	0.35
UNITED STATES TREAS NTS	2.12	07-31-24			25,000,000	101.98	25,496,093.75	97.28	24,319,336.00	88,060.46	24,407,396.46	AA+	0.35

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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	3.00	07-31-24			19,400,000	98.25	19,059,742.19	97.97	19,006,695.26	97,000.00	19,103,695.26	AA+	0.27
UNITED STATES TREAS NTS	1.87	08-31-24			25,000,000	100.86	25,213,867.19	96.79	24,198,242.25	42,034.65	24,240,276.90	AA+	0.35
UNITED STATES TREAS NTS	2.12	09-30-24			15,900,000	102.27	16,260,855.47	96.78	15,388,218.75	0.00	15,388,218.75	AA+	0.22
UNITED STATES TREAS NTS	1.50	09-30-24			9,000,000	100.80	9,072,070.31	96.20	8,657,578.08	0.00	8,657,578.08	AA+	0.12
UNITED STATES TREAS NTS	1.50	09-30-24			25,000,000	104.75	26,186,523.44	96.20	24,048,828.00	0.00	24,048,828.00	AA+	0.34
UNITED STATES TREAS NTS	1.50	10-31-24			33,895,000	99.94	33,875,139.65	95.91	32,507,423.44	212,538.32	32,719,961.76	AA+	0.46
UNITED STATES TREAS NTS	1.50	10-31-24			10,000,000	104.53	10,453,125.00	95.91	9,590,625.00	62,704.92	9,653,329.92	AA+	0.14
UNITED STATES TREAS NTS	1.50	10-31-24			34,500,000	103.57	35,730,410.16	95.91	33,087,656.25	216,331.97	33,303,988.22	AA+	0.47
UNITED STATES TREAS NTS	0.75	11-15-24			15,000,000	99.62	14,943,750.00	94.99	14,248,242.15	42,187.50	14,290,429.65	AA+	0.20
UNITED STATES TREAS NTS	1.00	12-15-24			35,000,000	100.04	35,013,671.88	94.96	33,237,695.40	102,322.40	33,340,017.80	AA+	0.47
UNITED STATES TREAS NTS	1.75	12-31-24			25,000,000	104.49	26,123,046.88	95.68	23,919,922.00	109,972.68	24,029,894.68	AA+	0.34
UNITED STATES TREAS NTS	1.37	01-31-25			25,000,000	103.08	25,770,507.81	94.97	23,743,164.00	56,980.30	23,800,144.30	AA+	0.34
UNITED STATES TREAS NTS	1.50	02-15-25			29,350,000	95.07	27,901,990.23	94.99	27,880,207.18	55,031.25	27,935,238.43	AA+	0.40
UNITED STATES TREAS NTS	0.50	03-31-25			25,000,000	99.58	24,894,531.25	93.21	23,302,734.50	0.00	23,302,734.50	AA+	0.33
UNITED STATES TREAS NTS	0.25	05-31-25			10,125,000	98.45	9,967,587.89	92.21	9,336,357.47	8,460.43	9,344,817.90	AA+	0.13
UNITED STATES TREAS NTS	0.25	05-31-25			11,000,000	98.32	10,815,664.06	92.21	10,143,203.18	9,191.58	10,152,394.76	AA+	0.14
UNITED STATES TREAS NTS	2.75	06-30-25			25,000,000	108.70	27,174,804.69	96.03	24,006,836.00	171,875.00	24,178,711.00	AA+	0.34
UNITED STATES TREAS NTS	0.25	06-30-25			19,000,000	98.18	18,654,140.63	91.91	17,462,187.50	11,875.00	17,474,062.50	AA+	0.25
UNITED STATES TREAS NTS	0.25	06-30-25			10,000,000	98.17	9,817,187.50	91.91	9,190,625.00	6,250.00	9,196,875.00	AA+	0.13
UNITED STATES TREAS NTS	0.25	07-31-25			20,000,000	99.74	19,947,656.25	91.56	18,312,500.00	8,288.04	18,320,788.04	AA+	0.26
UNITED STATES TREAS NTS	0.25	07-31-25			10,175,000	98.21	9,992,962.89	91.56	9,316,484.37	4,216.54	9,320,700.92	AA+	0.13
UNITED STATES TREAS NTS	0.25	07-31-25			30,000,000	97.90	29,370,703.13	91.56	27,468,750.00	12,432.07	27,481,182.07	AA+	0.39
UNITED STATES TREAS NTS	0.25	08-31-25			25,000,000	98.82	24,706,054.69	91.25	22,811,523.50	5,604.62	22,817,128.12	AA+	0.33
UNITED STATES TREAS NTS	0.25	09-30-25			20,000,000	98.20	19,639,843.75	91.00	18,200,781.20	0.00	18,200,781.20	AA+	0.26
UNITED STATES TREAS NTS	0.25	10-31-25			11,000,000	99.04	10,893,867.19	90.68	9,974,765.68	11,495.90	9,986,261.58	AA+	0.14
UNITED STATES TREAS NTS	0.25	10-31-25			25,000,000	97.68	24,419,921.88	90.68	22,669,922.00	26,127.05	22,696,049.05	AA+	0.32
UNITED STATES TREAS NTS	0.25	10-31-25			25,000,000	97.84	24,460,937.50	90.68	22,669,922.00	26,127.05	22,696,049.05	AA+	0.32
UNITED STATES TREAS NTS	0.37	11-30-25			48,800,000	98.17	47,907,875.00	90.62	44,223,093.87	61,000.00	44,284,093.87	AA+	0.63
UNITED STATES TREAS NTS	0.37	12-31-25			14,000,000	99.92	13,988,515.63	90.41	12,657,421.84	13,196.72	12,670,618.56	AA+	0.18
UNITED STATES TREAS NTS	0.37	01-31-26			40,500,000	98.99	40,090,253.91	90.03	36,461,074.32	25,174.93	36,486,249.25	AA+	0.52
UNITED STATES TREAS NTS	0.37	01-31-26			20,000,000	98.05	19,610,937.50	90.03	18,005,468.80	12,432.07	18,017,900.87	AA+	0.26
UNITED STATES TREAS NTS	1.62	02-15-26			50,000,000	103.85	51,923,828.13	92.63	46,316,406.00	101,562.50	46,417,968.50	AA+	0.66
UNITED STATES TREAS NTS	2.50	02-28-26			46,100,000	108.14	49,854,628.91	94.55	43,589,711.17	94,986.26	43,684,697.43	AA+	0.62
UNITED STATES TREAS NTS	0.50	02-28-26			20,000,000	98.42	19,683,593.75	90.02	18,004,687.60	7,967.03	18,012,654.63	AA+	0.26
UNITED STATES TREAS NTS	0.75	03-31-26			10,200,000	97.21	9,915,515.63	90.43	9,223,828.18	0.00	9,223,828.18	AA+	0.13
UNITED STATES TREAS NTS	0.75	03-31-26			11,500,000	91.83	10,560,683.59	90.43	10,399,414.12	0.00	10,399,414.12	AA+	0.15
UNITED STATES TREAS NTS	3.75	04-15-26			15,000,000	98.75	14,813,143.57	97.27	14,589,843.75	257,812.50	14,847,656.25	AA+	0.21
UNITED STATES TREAS NTS	0.75	04-30-26			10,000,000	99.69	9,969,140.63	90.09	9,008,593.80	31,182.07	9,039,775.87	AA+	0.13
UNITED STATES TREAS NTS	0.75	04-30-26			18,000,000	98.03	17,645,625.00	90.09	16,215,468.84	56,127.72	16,271,596.56	AA+	0.23
UNITED STATES TREAS NTS	0.75	04-30-26			25,000,000	92.27	23,067,382.81	90.09	22,521,484.50	77,955.16	22,599,439.66	AA+	0.32
UNITED STATES TREAS NTS	0.75	05-31-26			14,250,000	99.84	14,227,177.73	89.81	12,798,281.25	35,721.81	12,834,003.06	AA+	0.18
UNITED STATES TREAS NTS	0.75	05-31-26			15,000,000	99.83	14,974,804.69	89.81	13,471,875.00	37,601.90	13,509,476.90	AA+	0.19
UNITED STATES TREAS NTS	0.75	05-31-26			20,500,000	100.11	20,522,421.88	89.81	18,411,562.50	51,389.27	18,462,951.77	AA+	0.26
UNITED STATES TREAS NTS	0.87	06-30-26			26,000,000	98.72	25,666,875.00	89.98	23,395,937.50	56,875.00	23,452,812.50	AA+	0.33
UNITED STATES TREAS NTS	0.62	07-31-26			10,000,000	95.80	9,580,078.13	89.00	8,900,390.60	10,360.05	8,910,750.65	AA+	0.13
UNITED STATES TREAS NTS	0.75	08-31-26			15,975,000	99.36	15,872,036.13	89.06	14,227,110.39	10,744.06	14,237,854.45	AA+	0.20
UNITED STATES TREAS NTS	0.75	08-31-26			17,000,000	97.83	16,630,781.25	89.06	15,139,960.98	11,433.42	15,151,394.40	AA+	0.22
UNITED STATES TREAS NTS	0.75	08-31-26			20,000,000	88.75	17,749,218.75	89.06	17,811,718.80	13,451.09	17,825,169.89	AA+	0.25
UNITED STATES TREAS NTS	1.62	09-30-26			25,000,000	101.72	25,430,664.06	91.29	22,823,242.25	0.00	22,823,242.25	AA+	0.33
UNITED STATES TREAS NTS	0.87	09-30-26			10,000,000	99.69	9,968,750.00	89.24	8,924,218.80	0.00	8,924,218.80	AA+	0.13
UNITED STATES TREAS NTS	0.87	09-30-26			13,000,000	99.05	12,876,601.56	89.24	11,601,484.44	0.00	11,601,484.44	AA+	0.17
UNITED STATES TREAS NTS	1.12	10-31-26			35,000,000	99.54	34,837,304.69	89.61	31,363,281.25	164,600.41	31,527,881.66	AA+	0.45
UNITED STATES TREAS NTS	1.62	11-30-26			15,000,000	101.82	15,272,460.94	90.80	13,619,531.25	81,250.00	13,700,781.25	AA+	0.19
UNITED STATES TREAS NTS	1.62	11-30-26			4,000,000	94.70	3,788,125.00	90.80	3,631,875.00	21,666.67	3,653,541.67	AA+	0.05

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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	1.25	12-31-26			18,500,000	91.71	16,965,800.78	89.59	16,573,398.53	57,812.50	16,631,211.03	AA+	0.24
UNITED STATES TREAS NTS	1.87	02-28-27			14,760,000	92.47	13,648,387.50	91.02	13,435,059.45	23,062.50	13,458,121.95	AA+	0.19
UNITED STATES TREAS NTS	2.50	03-31-27			11,450,000	95.53	10,938,328.13	92.90	10,636,871.15	0.00	10,636,871.15	AA+	0.15
UNITED STATES TREAS NTS	4.12	10-31-27			15,200,000	102.02	15,506,375.00	97.87	14,875,812.58	261,250.00	15,137,062.58	AA+	0.21
UNITED STATES TREAS NTS	2.25	11-15-27			39,400,000	94.54	37,248,390.63	90.96	35,840,148.54	332,437.50	36,172,586.04	AA+	0.51
UNITED STATES TREAS NTS	2.75	02-15-28			25,000,000	97.14	24,284,179.69	92.50	23,124,023.50	85,937.50	23,209,961.00	AA+	0.33
UNITED STATES TREAS NTS	2.75	02-15-28			4,200,000	95.97	4,030,851.56	92.50	3,884,835.95	14,437.50	3,899,273.45	AA+	0.06
UNITED STATES TREAS NTS	1.25	03-31-28			15,000,000	87.87	13,181,250.00	86.33	12,949,218.75	0.00	12,949,218.75	AA+	0.19
UNITED STATES TREAS NTS	1.25	04-30-28			13,500,000	87.82	11,855,719.26	86.11	11,625,292.93	70,312.50	11,695,605.43	AA+	0.17
UNITED STATES TREAS NTS	1.25	05-31-28			20,000,000	87.70	17,539,241.80	85.90	17,179,687.60	83,333.33	17,263,020.93	AA+	0.25
					1,896,395,000		1,897,360,657.03		1,785,006,241.66	6,195,529.94	1,791,201,771.60		25.50
FEDERAL AGENCY SECURITIES													
FEDERAL HOME LOAN MORTGAGE CORP	0.12	10-16-23			19,580,000	99.63	19,506,966.60	99.79	19,539,758.60	11,149.72	19,550,908.32	AA+	0.28
FEDERAL HOME LOAN MORTGAGE CORP	0.12	10-16-23			25,000,000	95.72	23,930,600.00	99.79	24,948,619.25	14,236.11	24,962,855.36	AA+	0.36
FEDERAL HOME LOAN BANK	4.25	10-20-23			4,750,000	100.00	4,750,000.00	99.93	4,746,754.04	39,253.47	4,786,007.51	AA+	0.07
FEDERAL HOME LOAN BANK	4.50	10-26-23			25,000,000	100.00	25,000,000.00	99.92	24,980,415.25	481,250.00	25,461,665.25	AA+	0.36
FEDERAL HOME LOAN BANK	1.50	10-27-23			25,000,000	100.00	25,000,000.00	99.82	24,954,322.50	159,375.00	25,113,697.50	AA+	0.36
FEDERAL HOME LOAN BANK	1.62	10-27-23			25,000,000	100.00	25,000,000.00	99.86	24,964,820.75	170,399.31	25,135,220.06	AA+	0.36
FEDERAL HOME LOAN BANK	4.62	11-01-23			25,000,000	99.93	24,981,750.00	99.92	24,979,744.75	478,559.03	25,458,303.78	AA+	0.36
FEDERAL HOME LOAN BANK	4.75	11-03-23	11-03-23	100	25,000,000	100.00	25,000,000.00	99.93	24,981,418.75	188,020.83	25,169,439.58	AA+	0.36
FEDERAL HOME LOAN MORTGAGE CORP	0.25	11-06-23			15,000,000	99.91	14,986,500.00	99.51	14,927,248.95	15,000.00	14,942,248.95	AA+	0.21
FEDERAL FARM CREDIT BANK	5.05	11-09-23	10-09-23	100	9,796,000	100.00	9,796,000.00	99.94	9,790,185.00	193,756.72	9,983,941.71	AA+	0.14
FEDERAL HOME LOAN BANK	1.75	11-09-23			25,000,000	100.00	25,000,000.00	99.72	24,930,734.25	171,354.17	25,102,088.42	AA+	0.36
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.25	11-27-23			17,000,000	99.89	16,980,620.00	99.22	16,868,165.51	14,520.83	16,882,686.34	AA+	0.24
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.25	11-27-23			25,000,000	95.11	23,778,325.00	99.22	24,806,125.75	21,354.17	24,827,479.92	AA+	0.35
FEDERAL HOME LOAN BANK	5.05	11-28-23			25,000,000	100.00	25,000,000.00	99.90	24,975,229.25	427,847.22	25,403,076.47	AA+	0.36
FEDERAL HOME LOAN BANK	4.87	12-07-23			22,795,000	100.07	22,811,412.40	99.86	22,762,148.53	348,810.99	23,110,959.52	AA+	0.33
FEDERAL HOME LOAN BANK	5.00	12-15-23			25,000,000	100.00	25,000,000.00	99.87	24,966,911.00	364,583.33	25,331,494.33	AA+	0.36
FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.00	12-20-23			25,000,000	100.00	25,000,000.00	99.88	24,971,090.25	347,222.22	25,318,312.47	AA+	0.36
FEDERAL HOME LOAN BANK	0.25	12-28-23			7,450,000	96.49	7,188,207.00	98.77	7,358,415.51	4,759.72	7,363,175.23	AA+	0.11
FEDERAL HOME LOAN BANK	3.00	12-29-23			5,355,000	99.70	5,338,935.00	99.40	5,323,048.32	40,608.75	5,363,657.07	AA+	0.08
FEDERAL HOME LOAN BANK	3.00	12-29-23			8,250,000	99.78	8,232,015.00	99.40	8,200,774.72	62,562.50	8,263,337.22	AA+	0.12
FEDERAL HOME LOAN BANK-DISCOUNT NOTE	0.00	01-04-24			25,000,000	96.62	24,154,375.00	98.67	24,666,370.50	0.00	24,666,370.50	AA+	0.35
FEDERAL HOME LOAN BANK-DISCOUNT NOTE	0.00	01-04-24			25,000,000	96.62	24,154,368.06	98.67	24,666,370.50	0.00	24,666,370.50	AA+	0.35
FEDERAL HOME LOAN BANK DISCOUNT NOTE	0.00	01-16-24			25,000,000	96.48	24,119,385.42	98.50	24,624,101.25	0.00	24,624,101.25	AA+	0.35
FEDERAL HOME LOAN BANK	5.00	01-26-24	10-26-23	100	25,000,000	100.00	25,000,000.00	99.84	24,959,618.25	222,222.22	25,181,840.47	AA+	0.36
FEDERAL HOME LOAN BANK	3.87	01-29-24	10-29-23	100	25,000,000	100.00	25,000,000.00	99.61	24,901,800.75	164,149.31	25,065,950.06	AA+	0.36
FEDERAL HOME LOAN BANK	4.92	02-01-24			25,000,000	100.00	25,000,000.00	99.79	24,946,480.25	201,583.33	25,148,063.58	AA+	0.36
FEDERAL HOME LOAN BANK - DISCOUNT NOTE	0.00	02-01-24			25,000,000	96.32	24,080,895.83	98.27	24,568,250.50	0.00	24,568,250.50	AA+	0.35
FEDERAL HOME LOAN BANK-DISCOUNT NOTE	0.00	02-02-24			25,000,000	96.41	24,101,375.00	98.26	24,564,742.50	0.00	24,564,742.50	AA+	0.35
FEDERAL HOME LOAN BANK	4.78	02-07-24			10,000,000	99.87	9,986,660.00	99.73	9,973,031.10	70,372.22	10,043,403.32	AA+	0.14
FEDERAL FARM CREDIT BANK	5.04	02-23-24	10-23-23	100	15,239,000	100.00	15,239,000.00	99.78	15,205,178.26	78,938.02	15,284,116.28	AA+	0.22
FEDERAL HOME LOAN BANK	2.66	02-23-24			25,000,000	100.00	25,000,000.00	98.89	24,723,679.50	68,347.22	24,792,026.72	AA+	0.35
FEDERAL HOME LOAN BANK	4.75	03-08-24			4,000,000	100.03	4,001,240.00	99.66	3,986,249.16	11,611.11	3,997,860.27	AA+	0.06
FEDERAL HOME LOAN BANK	4.75	03-08-24			25,000,000	100.08	25,019,700.00	99.66	24,914,057.25	72,569.44	24,986,626.69	AA+	0.36
FEDERAL HOME LOAN BANK	4.75	03-08-24			4,470,000	99.94	4,467,228.60	99.66	4,454,633.44	12,975.42	4,467,608.85	AA+	0.06
FEDERAL HOME LOAN BANK	4.75	03-08-24			19,000,000	99.91	18,982,074.07	99.66	18,934,683.51	55,152.78	18,989,836.29	AA+	0.27
FEDERAL HOME LOAN BANK	4.00	03-28-24			3,250,000	99.55	3,235,375.00	99.24	3,225,264.09	722.22	3,225,986.31	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	99.95	5,097,444.95	17,141.67	5,114,586.62	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	99.86	9,986,325.10	2,966.67	9,989,291.77	AA+	0.14
FEDERAL HOME LOAN BANK	2.72	04-29-24	10-29-23	100	25,000,000	100.00	25,000,000.00	98.37	24,592,832.75	285,222.22	24,878,054.97	AA+	0.35
FEDERAL HOME LOAN BANK	3.50	04-29-24	10-29-23	100	25,000,000	100.00	25,000,000.00	99.09	24,773,050.75	148,263.89	24,921,314.64	AA+	0.35
FEDERAL HOME LOAN BANK	4.62	05-08-24			10,000,000	99.97	9,997,300.00	99.50	9,950,445.60	182,430.56	10,132,876.16	AA+	0.14

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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	4.62	05-08-24			12,500,000	99.89	12,485,875.00	99.50	12,438,057.00	228,038.19	12,666,095.19	AA+	0.18
FEDERAL HOME LOAN BANK	4.75	05-17-24			25,000,000	99.97	24,992,250.00	99.57	24,892,206.50	438,715.28	25,330,921.78	AA+	0.36
FEDERAL HOME LOAN BANK	5.12	05-22-24	10-22-23	100	25,000,000	100.00	25,000,000.00	99.63	24,907,182.75	455,111.11	25,362,293.86	AA+	0.36
FEDERAL HOME LOAN BANK	4.87	05-22-24			4,350,000	99.87	4,344,459.19	99.64	4,334,245.34	75,400.00	4,409,645.34	AA+	0.06
FEDERAL HOME LOAN BANK	4.72	06-07-24			15,000,000	100.00	15,000,000.00	99.52	14,927,253.75	222,233.33	15,149,487.08	AA+	0.21
FEDERAL HOME LOAN BANK	2.87	06-14-24			5,000,000	104.25	5,212,300.00	98.10	4,904,846.95	42,326.39	4,947,173.34	AA+	0.07
FEDERAL HOME LOAN BANK	2.81	06-14-24			25,000,000	100.00	25,000,000.00	98.16	24,540,271.00	206,847.22	24,747,118.22	AA+	0.35
FEDERAL HOME LOAN BANK	4.50	06-14-24			25,000,000	99.61	24,902,250.00	99.22	24,804,159.75	331,250.00	25,135,409.75	AA+	0.35
FEDERAL HOME LOAN BANK	4.87	06-14-24			10,000,000	100.06	10,006,156.82	99.42	9,941,734.90	143,541.67	10,085,276.57	AA+	0.14
FEDERAL HOME LOAN BANK	4.87	06-14-24			20,000,000	100.37	20,074,200.00	99.42	19,883,469.80	287,083.33	20,170,553.13	AA+	0.28
FEDERAL HOME LOAN BANK	4.87	06-14-24			17,985,000	100.55	18,083,362.96	99.42	17,880,210.22	258,159.69	18,138,369.91	AA+	0.26
FEDERAL HOME LOAN MORTGAGE CORP	5.25	06-20-24	12-20-23	100	25,000,000	100.00	25,000,000.00	99.65	24,913,585.50	364,583.33	25,278,168.83	AA+	0.36
FEDERAL HOME LOAN BANK	5.25	06-21-24	12-21-23	100	25,000,000	100.00	25,000,000.00	99.65	24,912,157.50	360,937.50	25,273,095.00	AA+	0.36
FEDERAL HOME LOAN BANK	4.55	06-26-24			25,000,000	100.00	25,000,000.00	99.25	24,813,534.50	297,013.89	25,110,548.39	AA+	0.35
FEDERAL HOME LOAN BANK	2.75	06-28-24			14,165,000	96.77	13,706,782.96	97.98	13,878,422.22	99,548.47	13,977,970.69	AA+	0.20
FEDERAL FARM CREDIT BANK	5.37	07-03-24			6,000,000	100.00	6,000,000.00	99.83	5,990,004.18	77,937.50	6,067,941.68	AA+	0.09
FEDERAL HOME LOAN BANK	3.00	07-08-24			10,000,000	98.04	9,803,582.02	98.12	9,812,083.70	68,333.33	9,880,417.03	AA+	0.14
FEDERAL HOME LOAN BANK	4.55	07-19-24			25,000,000	100.00	25,000,000.00	99.17	24,793,086.25	224,340.28	25,017,426.53	AA+	0.35
FEDERAL HOME LOAN BANK	4.60	07-19-24			25,000,000	100.00	25,000,000.00	99.21	24,802,678.00	226,805.56	25,029,483.56	AA+	0.35
FEDERAL HOME LOAN BANK	4.67	07-22-24			25,000,000	100.00	25,000,000.00	99.26	24,814,309.50	220,527.78	25,034,837.28	AA+	0.35
FEDERAL HOME LOAN BANK	4.50	07-24-24			25,000,000	100.00	25,000,000.00	99.12	24,779,944.00	206,250.00	24,986,194.00	AA+	0.35
FEDERAL HOME LOAN BANK	4.45	08-15-24			25,000,000	100.00	25,000,000.00	99.11	24,776,395.00	139,062.50	24,915,457.50	AA+	0.35
FEDERAL HOME LOAN BANK	2.87	09-13-24			4,000,000	109.63	4,385,200.00	97.56	3,902,588.60	5,430.56	3,908,019.16	AA+	0.06
FEDERAL HOME LOAN BANK	4.87	09-13-24			15,000,000	100.34	15,051,150.00	99.44	14,916,436.20	34,531.25	14,950,967.45	AA+	0.21
FEDERAL HOME LOAN BANK	4.87	09-13-24			25,000,000	99.70	24,924,300.00	99.44	24,860,727.00	57,552.08	24,918,279.08	AA+	0.36
FEDERAL HOME LOAN BANK	4.87	09-13-24			25,000,000	100.27	25,067,500.00	99.44	24,860,727.00	57,552.08	24,918,279.08	AA+	0.36
FEDERAL HOME LOAN BANK	4.87	09-13-24			2,000,000	99.47	1,989,440.00	99.44	1,988,858.16	4,604.17	1,993,462.33	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	95.19	31,412,743.89	5,005.00	31,417,748.89	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	99.48	24,870,981.75	353,645.83	25,224,627.58	AA+	0.36
FEDERAL HOME LOAN BANK	5.18	09-24-24			25,000,000	100.00	25,000,000.00	99.76	24,940,079.00	21,583.33	24,961,662.33	AA+	0.36
FEDERAL FARM CREDIT BANK	5.25	10-02-24			25,000,000	99.90	24,975,000.00	99.80	24,950,204.75	648,958.33	25,599,163.08	AA+	0.36
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.62	10-15-24			15,900,000	99.83	15,872,811.00	96.11	15,281,255.79	118,421.87	15,399,677.67	AA+	0.22
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.62	10-15-24			12,300,000	103.37	12,714,141.00	96.11	11,821,348.82	91,609.37	11,912,958.20	AA+	0.17
FEDERAL HOME LOAN BANK	5.05	10-21-24	10-21-23	100	25,000,000	100.00	25,000,000.00	99.29	24,821,941.75	557,604.17	25,379,545.92	AA+	0.35
FEDERAL HOME LOAN BANK	5.50	10-25-24	10-25-23	100	25,000,000	100.00	25,000,000.00	99.67	24,916,721.75	592,013.89	25,508,735.64	AA+	0.36
FEDERAL HOME LOAN MORTGAGE CORP	4.65	11-15-24	11-15-23	100	25,000,000	99.95	24,987,500.00	99.81	24,953,688.50	435,937.50	25,389,626.00	AA+	0.36
FEDERAL NATIONAL MORTGAGE ASSOCIATION	5.25	11-22-24	11-22-23	100	25,000,000	100.00	25,000,000.00	99.37	24,842,015.00	466,666.67	25,308,681.67	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	99.43	24,857,764.75	428,541.67	25,286,306.42	AA+	0.36
FEDERAL FARM CREDIT BANK	4.62	12-05-24			10,000,000	99.93	9,992,630.00	98.90	9,890,494.20	147,743.06	10,038,237.26	AA+	0.14
FEDERAL FARM CREDIT BANK	4.62	12-05-24			10,000,000	100.29	10,028,600.00	98.90	9,890,494.20	147,743.06	10,038,237.26	AA+	0.14
FEDERAL HOME LOAN BANK	0.62	12-09-24	10-09-23	100	14,420,000	93.60	13,497,696.80	94.39	13,611,695.12	27,566.23	13,639,261.35	AA+	0.19
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1.62	01-07-25			34,900,000	99.68	34,788,669.00	95.44	33,307,652.25	130,753.82	33,438,406.07	AA+	0.48
FEDERAL HOME LOAN MORTGAGE CORP	5.20	01-10-25	10-10-23	100	25,000,000	100.00	25,000,000.00	99.19	24,798,211.50	288,888.89	25,087,100.39	AA+	0.35
FEDERAL HOME LOAN BANK	4.82	01-15-25			25,000,000	100.00	25,000,000.00	99.24	24,809,806.25	251,041.67	25,060,847.92	AA+	0.35
FEDERAL HOME LOAN BANK	5.12	01-24-25	10-24-23	100	25,000,000	100.00	25,000,000.00	99.10	24,774,025.00	555,208.33	25,329,233.33	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	98.88	24,719,864.50	204,166.67	24,924,031.17	AA+	0.35
FEDERAL HOME LOAN BANK	4.31	02-10-25			25,000,000	100.00	25,000,000.00	98.66	24,665,676.50	149,652.78	24,815,329.28	AA+	0.35
FEDERAL HOME LOAN BANK	5.20	02-11-25			25,000,000	100.00	25,000,000.00	99.86	24,964,756.75	176,944.44	25,141,701.19	AA+	0.36
FEDERAL HOME LOAN MORTGAGE CORP	1.50	02-12-25			41,535,000	99.92	41,503,018.05	95.06	39,481,881.75	83,070.00	39,564,951.75	AA+	0.56
FEDERAL FARM CREDIT BANK	1.75	02-14-25			17,305,000	99.73	17,258,795.65	95.21	16,475,747.51	38,695.90	16,514,443.42	AA+	0.24
FEDERAL FARM CREDIT BANK	1.75	02-14-25			6,809,000	95.74	6,519,208.96	95.21	6,482,713.95	15,225.68	6,497,939.63	AA+	0.09
FEDERAL FARM CREDIT BANK	4.00	03-10-25			25,000,000	99.97	24,991,500.00	98.03	24,507,821.00	55,555.56	24,563,376.56	AA+	0.35
FEDERAL HOME LOAN BANK	2.37	03-14-25			18,800,000	106.96	20,109,420.00	95.91	18,031,938.78	19,844.44	18,051,783.23	AA+	0.26
FEDERAL HOME LOAN BANK	4.62	03-14-25			20,000,000	101.31	20,262,600.00	98.87	19,774,719.40	41,111.11	19,815,830.51	AA+	0.28

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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 FARM CREDIT BANK	4.00	03-28-25			25,000,000	99.57	24,893,650.00	98.05	24,512,138.25	5,555.56	24,517,693.81	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.62	04-22-25			25,000,000	101.13	25,283,250.00	93.16	23,289,545.25	68,576.39	23,358,121.64	AA+	0.33
FEDERAL FARM CREDIT BANK	4.00	05-09-25			10,000,000	99.98	9,998,000.00	98.02	9,801,715.70	156,666.67	9,958,382.37	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	99.10	26,467,737.87	521,938.37	26,989,676.25	AA+	0.38
FEDERAL FARM CREDIT BANK	4.25	06-13-25			25,000,000	100.00	25,000,000.00	98.21	24,552,560.25	315,798.61	24,868,358.86	AA+	0.35
FEDERAL HOME LOAN BANK	5.12	06-13-25			5,000,000	100.33	5,016,312.50	99.84	4,992,015.80	76,163.19	5,068,178.99	AA+	0.07
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			24,800,000	99.79	24,748,664.00	92.48	22,935,632.47	35,477.78	22,971,110.25	AA+	0.33
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			18,400,000	100.50	18,492,920.00	92.48	17,016,759.58	26,322.22	17,043,081.80	AA+	0.24
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			5,000,000	92.74	4,637,100.00	92.48	4,624,119.45	7,152.78	4,631,272.23	AA+	0.07
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			5,000,000	92.60	4,630,100.00	92.48	4,624,119.45	7,152.78	4,631,272.23	AA+	0.07
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	06-17-25			25,000,000	92.64	23,160,375.00	92.48	23,120,597.25	35,763.89	23,156,361.14	AA+	0.33
FEDERAL FARM CREDIT BANK	4.62	06-20-25			11,000,000	99.92	10,990,651.99	99.03	10,892,822.82	141,319.44	11,034,142.26	AA+	0.16
FEDERAL HOME LOAN BANK	3.30	06-30-25	06-30-24	100	7,000,000	99.85	6,989,500.00	96.57	6,759,742.22	57,750.00	6,817,492.22	AA+	0.10
FEDERAL HOME LOAN BANK	5.03	07-16-25			6,000,000	99.85	5,991,082.33	99.88	5,992,695.00	62,036.67	6,054,731.67	AA+	0.09
FEDERAL HOME LOAN MORTGAGE CORP	0.37	07-21-25			15,135,000	99.50	15,059,627.70	91.92	13,911,647.18	10,878.28	13,922,525.46	AA+	0.20
FEDERAL HOME LOAN MORTGAGE CORP	0.37	07-21-25			5,000,000	99.62	4,981,100.00	91.92	4,595,853.05	3,593.75	4,599,446.80	AA+	0.07
FEDERAL HOME LOAN MORTGAGE CORP	0.37	07-21-25			10,000,000	99.52	9,951,600.00	91.92	9,191,706.10	7,187.50	9,198,893.60	AA+	0.13
FEDERAL FARM CREDIT BANK	4.25	07-24-25			20,000,000	99.93	19,986,200.00	98.43	19,685,950.60	155,833.33	19,841,783.93	AA+	0.28
FEDERAL FARM CREDIT BANK	4.25	07-24-25			25,000,000	99.94	24,985,250.00	98.43	24,607,438.25	194,791.67	24,802,229.92	AA+	0.35
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.37	08-25-25			47,475,000	99.53	47,252,817.00	91.48	43,428,037.30	17,308.59	43,445,345.90	AA+	0.62
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.37	08-25-25			7,000,000	91.91	6,433,420.00	91.48	6,403,291.44	2,552.08	6,405,843.52	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	97.44	24,360,305.75	88,888.89	24,449,194.64	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	97.74	48,867,917.00	180,000.00	49,047,917.00	Aaa	0.70
FEDERAL HOME LOAN BANK	0.37	09-04-25			5,140,000	99.70	5,124,580.00	91.38	4,697,052.74	1,392.08	4,698,444.82	AA+	0.07
FEDERAL FARM CREDIT BANK	5.00	09-15-25			25,000,000	99.88	24,970,361.11	99.80	24,949,788.75	52,083.33	25,001,872.08	AA+	0.36
FEDERAL HOME LOAN MORTGAGE CORP	0.37	09-23-25			46,035,000	99.70	45,896,434.65	91.18	41,974,559.24	3,356.72	41,977,915.96	AA+	0.60
FEDERAL HOME LOAN MORTGAGE CORP	0.37	09-23-25			10,200,000	99.70	10,169,400.00	91.18	9,300,325.93	743.75	9,301,069.68	AA+	0.13
FEDERAL HOME LOAN MORTGAGE CORP	0.37	09-23-25			25,000,000	99.71	24,927,500.00	91.18	22,794,916.50	1,822.92	22,796,739.42	AA+	0.33
FEDERAL HOME LOAN MORTGAGE CORP	0.60	10-20-25			25,000,000	90.00	22,500,525.00	91.04	22,760,708.00	66,666.67	22,827,374.67	AA+	0.33
FEDERAL NATIONAL MORTGAGE ASSOCIATION	0.50	11-07-25			18,015,000	99.64	17,950,506.30	90.95	16,383,853.80	35,779.79	16,419,633.59	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	99.11	13,703,595.41	219,695.67	13,923,291.07	AA+	0.20
FEDERAL HOME LOAN BANK	5.50	01-27-26	10-27-23	100	25,000,000	100.00	25,000,000.00	99.06	24,765,250.25	240,625.00	25,005,875.25	AA+	0.35
FEDERAL HOME LOAN BANK	5.20	01-27-26	10-27-23	100	16,950,000	100.00	16,950,000.00	98.74	16,737,192.75	154,245.00	16,891,437.75	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	89.82	8,982,366.70	6,800.00	8,989,166.70	AA+	0.13
FEDERAL FARM CREDIT BANK	4.50	03-02-26			25,000,000	101.09	25,272,000.00	98.96	24,739,025.00	87,500.00	24,826,525.00	AA+	0.35
FEDERAL FARM CREDIT BANK	3.87	03-30-26			25,000,000	99.38	24,845,000.00	97.47	24,368,348.00	0.00	24,368,348.00	AA+	0.35
FEDERAL FARM CREDIT BANK	5.50	05-14-26	11-14-23	100	25,000,000	100.00	25,000,000.00	99.05	24,761,268.50	519,444.44	25,280,712.94	AA+	0.35
FEDERAL FARM CREDIT BANK	4.00	05-26-26			6,195,000	99.86	6,186,332.10	97.62	6,047,293.85	85,353.33	6,132,647.19	AA+	0.09
FEDERAL FARM CREDIT BANK	4.75	05-28-26			10,000,000	99.82	9,981,600.00	99.42	9,942,295.00	160,972.22	10,103,267.22	AA+	0.14
FEDERAL HOME LOAN BANK	4.00	06-12-26			6,320,000	99.83	6,309,104.50	97.71	6,175,311.63	75,840.00	6,251,151.63	AA+	0.09
FEDERAL HOME LOAN BANK	4.37	06-12-26			9,835,000	99.58	9,794,166.99	98.60	9,697,418.09	129,084.37	9,826,502.46	AA+	0.14
FEDERAL FARM CREDIT BANK	4.25	06-15-26			24,700,000	99.97	24,693,112.48	98.19	24,253,162.43	306,177.08	24,559,339.51	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.00	06-18-26	06-20-24	100	25,000,000	100.00	25,000,000.00	98.57	24,641,789.25	347,222.22	24,989,011.47	AA+	0.35
FEDERAL FARM CREDIT BANK	4.75	07-08-26			4,797,000	99.63	4,779,053.89	99.53	4,774,294.65	51,900.87	4,826,195.52	AA+	0.07
FEDERAL HOME LOAN MORTGAGE CORP	4.65	07-30-26	07-30-24	100	25,000,000	100.00	25,000,000.00	97.99	24,497,151.75	193,750.00	24,690,901.75	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	99.33	22,871,023.31	187,877.60	23,058,900.91	AA+	0.33
FEDERAL FARM CREDIT BANK	4.50	08-14-26			15,000,000	99.66	14,948,400.00	99.02	14,853,451.95	86,250.00	14,939,701.95	AA+	0.21
FEDERAL FARM CREDIT BANK	5.18	10-13-26	10-13-23	100	28,000,000	100.00	28,000,000.00	98.45	27,566,273.00	672,824.44	28,239,097.44	AA+	0.39
FEDERAL HOME LOAN BANK	1.25	10-26-26	10-26-23	100	25,000,000	91.35	22,836,500.00	89.17	22,291,785.75	133,680.56	22,425,466.31	AA+	0.32
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-27-26	10-27-23	100	12,650,000	86.91	10,994,115.00	87.90	11,119,236.28	43,010.00	11,162,246.28	AA+	0.16
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-27-26	10-27-23	100	5,000,000	87.68	4,383,950.00	87.90	4,394,955.05	17,000.00	4,411,955.05	AA+	0.06
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-27-26	10-27-23	100	20,000,000	89.00	17,800,400.00	87.90	17,579,820.20	68,000.00	17,647,820.20	AA+	0.25
FEDERAL HOME LOAN MORTGAGE CORP	0.80	10-28-26			22,767,000	88.78	20,212,770.27	87.89	20,009,799.96	76,901.87	20,086,701.83	AA+	0.29
FEDERAL HOME LOAN MORTGAGE CORP	0.63	12-14-26	12-14-23	100	10,000,000	88.13	8,812,600.00	86.96	8,696,369.70	18,697.22	8,715,066.92	AA+	0.12

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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	0.87	12-18-26	12-18-23	100	8,700,000	88.40	7,690,808.70	87.63	7,623,382.39	21,568.75	7,644,951.14	AA+	0.11
FEDERAL HOME LOAN BANK	5.45	12-21-26	10-21-23	100	3,890,000	100.00	3,890,000.00	98.73	3,840,712.57	93,635.54	3,934,348.11	AA+	0.05
FEDERAL FARM CREDIT BANK	0.70	01-27-27	10-10-23	100	10,000,000	88.81	8,881,200.00	86.63	8,662,810.70	12,250.00	8,675,060.70	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	97.68	24,419,239.75	319,444.44	24,738,684.19	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	97.29	24,322,988.50	257,291.67	24,580,280.17	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	49,096,599.00	911,111.11	50,007,710.11	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	98.18	24,544,642.25	393,750.00	24,938,392.25	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	96.86	24,215,905.00	293,854.17	24,509,759.17	AA+	0.35
FEDERAL HOME LOAN BANK	5.00	12-27-27	06-27-24	100	25,000,000	100.00	25,000,000.00	97.42	24,355,950.75	322,916.67	24,678,867.42	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.35	01-06-28	10-06-23	100	25,000,000	100.00	25,000,000.00	98.13	24,532,548.00	312,083.33	24,844,631.33	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	98.15	24,536,407.00	289,791.67	24,826,198.67	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	97.74	24,434,362.75	257,000.00	24,691,362.75	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	97.56	24,389,877.25	184,027.78	24,573,905.03	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.02	02-16-28	02-16-24	100	10,000,000	100.00	10,000,000.00	97.59	9,759,101.60	61,355.56	9,820,457.16	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	97.59	24,397,754.00	153,388.89	24,551,142.89	AA+	0.35
FEDERAL HOME LOAN BANK	6.00	03-16-28	12-16-23	100	9,273,319	100.00	9,273,318.87	99.07	9,187,501.82	21,637.74	9,209,139.56	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	98.87	24,716,893.00	11,875.00	24,728,768.00	AA+	0.35
FEDERAL HOME LONA BANK	6.05	04-03-28	10-03-23	100	25,000,000	100.00	25,000,000.00	98.96	24,739,831.00	743,645.83	25,483,476.83	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	97.26	24,315,304.00	583,333.33	24,898,637.33	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.10	04-17-28	04-17-24	100	25,000,000	100.00	25,000,000.00	97.29	24,322,195.50	577,291.67	24,899,487.17	AA+	0.35
FEDEAL HOME LOAN MORTGAGE CORP	5.12	04-24-28	01-24-24	100	25,000,000	100.00	25,000,000.00	97.34	24,335,573.75	555,208.33	24,890,782.08	AA+	0.35
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	24,322,670.00	552,500.00	24,875,170.00	AA+	0.35
FEDERAL HOME LOAN MORTGAGE CORP	5.35	04-28-28	10-28-23	100	25,000,000	100.00	25,000,000.00	97.80	24,449,353.25	0.00	24,449,353.25	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	99.76	24,940,273.50	370,555.56	25,310,829.06	AA+	0.36
FEDERAL FARM CREDIT BANK	5.00	06-30-28	06-30-25	100	25,000,000	100.00	25,000,000.00	97.31	24,327,306.25	312,500.00	24,639,806.25	AA+	0.35
FEDERAL HOME LOAN BANK	4.00	06-30-28			10,000,000	99.73	9,973,400.00	97.19	9,719,041.40	100,000.00	9,819,041.40	AA+	0.14
FEDERAL FARM CREDIT BANK	4.50	08-28-28			10,000,000	99.99	9,999,250.00	98.72	9,872,351.20	40,000.00	9,912,351.20	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	99.90	24,975,857.75	75,604.17	25,051,461.92	AA+	0.36
FEDERAL HOME LOAN MORTGAGE CORP	5.00	09-18-28	09-18-24	100	10,000,000	98.91	9,891,300.00	98.79	9,879,062.80	16,666.67	9,895,729.47	AA+	0.14
					3,475,842,319		3,446,564,255.78		3,394,015,488.75	30,403,901.65	3,424,419,390.40		48.49
US INSTRUMENTALITIES													
INTERNATIONAL BANK RECON & DEVELOP	0.25	11-24-23			17,625,000	99.78	17,587,106.25	99.22	17,487,195.76	15,421.87	17,502,617.64	AAA	0.25
INTER-AMERICAN DEVELOPMENT BANK	2.62	01-16-24			30,290,000	98.42	29,810,266.98	99.15	30,032,891.21	163,439.79	30,196,331.00	AAA	0.43
INTER-AMERICAN DEVELOPMENT BANK	3.00	02-21-24			25,000,000	98.48	24,619,750.00	99.01	24,751,787.50	81,250.00	24,833,037.50	AAA	0.35
INTER-AMERICAN DEVELOPMENT BANK	3.00	02-21-24			21,172,000	98.47	20,848,491.84	99.01	20,961,793.80	68,809.00	21,030,602.80	AAA	0.30
INTER-AMERICAN DEVELOPMENT BANK	3.00	02-21-24			10,000,000	98.40	9,840,300.00	99.01	9,900,715.00	32,500.00	9,933,215.00	AAA	0.14
INTERNATIONAL BANK RECON & DEVELOP	2.50	03-19-24			10,000,000	107.39	10,739,200.00	98.56	9,855,940.60	7,638.89	9,863,579.49	AAA	0.14
INTER-AMERICAN DEVELOPMENT BANK	3.25	07-08-24			10,000,000	98.38	9,838,316.11	98.25	9,824,888.60	80,347.22	9,905,235.82	AAA	0.14
INTER-AMERICAN DEVELOPMENT BANK	0.50	09-23-24			24,390,000	99.93	24,371,951.40	95.14	23,203,679.42	2,371.25	23,206,050.67	AAA	0.33
INTER-AMERICAN DEVELOPMENT BANK	0.50	09-23-24			3,889,000	95.00	3,694,713.34	95.14	3,699,840.48	378.10	3,700,218.58	AAA	0.05
INTERNATIONAL BANK RECON & DEVELOP	1.62	01-15-25			15,000,000	99.77	14,965,500.00	95.26	14,288,501.55	50,781.25	14,339,282.80	AAA	0.20
INTER-AMERICAN DEVELOPMENT BANK	1.75	03-14-25			25,000,000	105.37	26,342,750.00	94.95	23,737,936.50	19,444.44	23,757,380.94	AAA	0.34
INTERNATIONAL BANK RECON & DEVELOP	0.37	07-28-25			25,000,000	99.83	24,956,750.00	91.63	22,907,747.00	16,145.83	22,923,892.83	AAA	0.33
INTERNATIONAL BANK RECON & DEVELOP	0.50	10-28-25			20,000,000	100.11	20,023,000.00	91.01	18,202,850.60	42,222.22	18,245,072.82	AAA	0.26
INTER-AMERICAN DEVELOPMENT BANK	1.50	01-13-27			15,000,000	99.69	14,954,100.00	89.86	13,478,961.75	37,500.00	13,516,461.75	AAA	0.19
INTER-AMERICAN DEVELOPMENT BANK	1.50	01-13-27			4,650,000	99.67	4,634,887.50	89.86	4,178,478.14	11,625.00	4,190,103.14	AAA	0.06
					257,016,000		257,227,083.42		246,513,207.92	629,874.87	247,143,082.79		3.52
CORPORATE BONDS													
PEPSICO INC	0.40	10-07-23			5,150,000	99.94	5,147,064.50	99.90	5,144,850.31	9,899.44	5,154,749.75	A+	0.07
TOYOTA MOTOR CREDIT CORP	2.25	10-18-23			10,000,000	101.59	10,159,400.00	99.85	9,985,304.00	101,250.00	10,086,554.00	A+	0.14
ABBOTT LABORATORIES (A)	3.40	11-30-23	10-30-23	100	10,000,000	108.15	10,815,300.00	99.59	9,958,831.70	113,333.33	10,072,165.03	AA-	0.14
JOHN DEERE CAPITAL CORP	0.45	01-17-24			19,895,000	99.93	19,880,874.55	98.47	19,590,919.65	18,154.19	19,609,073.83	A	0.28

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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
CHARLES SCHWAB CORP	3.55	02-01-24	01-02-24	100	10,000,000	105.50	10,550,000.00	99.18	9,917,738.10	58,180.56	9,975,918.66	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	99.14	4,956,840.10	28,388.89	4,985,228.99	A	0.07
NATIONAL RURAL UTIL COOP	0.35	02-08-24			12,645,000	99.93	12,636,274.95	98.12	12,407,070.67	6,392.75	12,413,463.42	A-	0.18
AMERICAN EXPRESS CO (1)	3.40	02-22-24	01-22-24	100	10,000,000	103.82	10,382,500.00	98.99	9,899,049.80	35,888.89	9,934,938.69	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	97.61	8,057,675.12	2,063.75	8,059,738.87	A-	0.12
BANK OF AMERICA CORP.	4.00	04-01-24			10,000,000	106.68	10,668,400.00	99.07	9,906,549.50	198,888.89	10,105,438.39	A-	0.14
IBM CORP.	3.00	05-15-24			5,000,000	105.66	5,282,800.00	98.30	4,915,066.25	56,250.00	4,971,316.25	A-	0.07
CATERPILLAR FINANCIAL SERVICE	2.85	05-17-24			4,785,000	102.97	4,927,018.80	98.23	4,700,499.68	50,382.06	4,750,881.74	A	0.07
NVIDIA CORP	0.58	06-14-24	10-14-23	100	5,000,000	97.97	4,898,600.00	96.53	4,826,699.90	8,597.78	4,835,297.68	A	0.07
AMERICAN HONDA FINANCE	2.40	06-27-24			10,000,000	99.55	9,954,600.00	97.54	9,754,081.30	62,000.00	9,816,081.30	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	98.41	9,349,199.56	83,309.72	9,432,509.29	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	98.41	9,831,421.44	87,606.75	9,919,028.19	BBB+	0.14
US BANK	2.40	07-30-24	06-28-24	100	10,000,000	99.91	9,991,100.00	97.14	9,713,657.30	40,000.00	9,753,657.30	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	96.92	14,538,342.15	61,458.33	14,599,800.48	A-	0.21
PACCAR FINANCIAL CORP	0.50	08-09-24			5,260,000	99.95	5,257,159.60	95.71	5,034,153.54	3,725.83	5,037,879.37	A+	0.07
BMW US CAPITAL LLC	0.75	08-12-24			4,080,000	99.99	4,079,632.80	95.75	3,906,748.10	4,080.00	3,910,828.10	A	0.06
UNILEVER CAPITAL CORP	0.63	08-12-24	10-12-23	100	2,320,000	100.00	2,320,000.00	95.73	2,220,892.96	1,936.43	2,222,829.39	A+	0.03
PACCAR FINANCIAL CORP.	2.15	08-15-24			8,000,000	100.13	8,010,560.00	96.97	7,757,459.76	21,500.00	7,778,959.76	A+	0.11
UNITED HEALTH GROUP INC	2.37	08-15-24			5,000,000	100.47	5,023,500.00	97.18	4,858,884.55	14,843.75	4,873,728.30	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	96.46	8,792,710.28	14,178.89	8,806,889.17	BBB+	0.13
JOHN DEERE CAPITAL CORP	0.62	09-10-24			4,045,000	99.93	4,042,370.75	95.45	3,861,120.89	1,404.51	3,862,525.41	A	0.06
COOPERATIEVE RABOBANK UA	5.95	09-12-24			12,000,000	100.03	12,003,425.51	100.01	12,001,236.00	35,700.00	12,036,936.00	A+	0.17
NESTLE HOLDINGS INC.-A	0.61	09-14-24	10-14-23	100	7,275,000	100.00	7,275,000.00	95.37	6,938,358.40	1,959.40	6,940,317.80	AA-	0.10
BANK OF NY MELLON CORP.	2.10	10-24-24			10,785,000	100.44	10,832,454.00	96.08	10,362,622.19	98,143.50	10,460,765.69	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	94.87	8,457,503.33	32,626.42	8,490,129.75	A	0.12
PNC FINANCIAL SERVICES	2.20	11-01-24	10-02-24	100	5,000,000	99.97	4,998,350.00	95.97	4,798,286.30	45,527.78	4,843,814.08	A-	0.07
PNC FINANCIAL SERVICES	2.20	11-01-24	10-02-24	100	10,000,000	99.74	9,973,800.00	95.97	9,596,572.60	91,055.56	9,687,628.16	A-	0.14
CATERPILLAR FINL SERVICE	2.15	11-08-24			10,000,000	99.80	9,979,800.00	96.33	9,633,331.60	84,805.56	9,718,137.16	A	0.14
CATERPILLAR FINL SERVICE	2.15	11-08-24			25,000,000	100.22	25,055,500.00	96.33	24,083,329.00	212,013.89	24,295,342.89	A	0.34
JOHN DEERE CAPITAL CORP	2.05	01-09-25			12,000,000	100.08	12,010,080.00	95.75	11,490,419.88	55,350.00	11,545,769.88	A	0.16
JOHN DEERE CAPITAL CORP	1.25	01-10-25			5,480,000	99.95	5,477,424.40	94.77	5,193,209.35	15,222.22	5,208,431.57	A	0.07
COOPERATIEVE RABOBANK UA	5.00	01-13-25			10,000,000	99.98	9,998,500.00	99.10	9,910,441.40	106,944.44	10,017,385.84	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	96.54	7,240,174.95	43,619.79	7,283,794.74	A-	0.10
PACCAR FINANCIAL CORP	1.80	02-06-25			5,450,000	104.51	5,695,849.50	95.11	5,183,560.02	14,715.00	5,198,275.02	A+	0.07
NATIONAL RURAL UTIL COOP	1.87	02-07-25			2,875,000	100.00	2,874,913.75	94.99	2,731,050.88	7,936.20	2,738,987.08	A-	0.04
NATIONAL RURAL UTIL COOP	1.87	02-07-25			5,000,000	95.61	4,780,400.00	94.99	4,749,653.70	13,802.08	4,763,455.78	A-	0.07
TOYOTA MOTOR CREDIT CORP.	1.80	02-13-25			7,000,000	100.98	7,068,390.00	95.03	6,652,323.23	16,450.00	6,668,773.23	A+	0.10
AMERICAN EXPRESS CO	2.25	03-04-25	10-04-23	100	3,485,000	99.90	3,481,480.15	95.04	3,312,031.23	5,663.12	3,317,694.35	BBB+	0.05
ROCHE HOLDINGS INC	2.13	03-10-25	02-10-25	100	8,620,000	100.00	8,620,000.00	95.39	8,222,513.35	10,209.91	8,232,723.26	AA	0.12
EXXON MOBIL CORPORATION	2.99	03-19-25	02-19-25	100	10,000,000	109.28	10,927,700.00	96.57	9,656,909.70	9,142.22	9,666,051.92	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	97.48	4,873,936.60	92,625.00	4,966,561.60	A	0.07
AMAZON.COM INC	3.00	04-13-25			25,090,000	99.84	25,050,106.90	96.62	24,242,546.86	349,169.17	24,591,716.03	AA	0.35
HOME DEPOT INC	2.70	04-15-25	03-15-25	100	1,040,000	99.82	1,038,180.00	96.03	998,689.30	12,870.00	1,011,559.30	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	96.55	9,655,072.60	165,555.56	9,820,628.16	A-	0.14
APPLE INC	3.20	05-13-25			5,000,000	111.44	5,571,950.00	96.74	4,836,832.65	60,888.89	4,897,721.54	AA+	0.07
CATERPILLAR FINL SERVICE	3.40	05-13-25			7,505,000	99.87	7,495,468.65	96.69	7,256,783.01	97,106.36	7,353,889.37	A	0.10
CATERPILLAR FINL SERVICE	3.40	05-13-25			5,000,000	99.95	4,997,700.00	96.69	4,834,632.25	64,694.44	4,899,326.69	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	96.39	8,674,758.45	120,000.00	8,794,758.45	BBB+	0.12
BMW US CAPITAL LLC	5.30	08-11-25			10,000,000	99.99	9,999,116.67	99.48	9,947,781.60	72,138.89	10,019,920.49	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	96.72	5,215,968.95	26,122.34	5,242,091.29	A+	0.07
BANK OF AMERICA CORP	3.09	10-01-25	10-01-24	100	8,200,000	96.95	7,950,292.23	96.71	7,929,842.06	126,108.48	8,055,950.55	A-	0.11
PACCAR FINANCIAL CORP	4.95	10-03-25			2,500,000	99.93	2,498,150.00	99.17	2,479,299.65	60,843.75	2,540,143.40	A+	0.04
MORGAN STANLEY	1.16	10-21-25	10-21-24	100	6,085,000	100.00	6,085,000.00	94.40	5,744,311.80	31,282.98	5,775,594.79	A-	0.08
NATIONAL AUSTRALIA BK/NY	4.97	01-12-26			16,780,000	100.00	16,780,000.00	98.83	16,582,872.25	180,547.21	16,763,419.46	AA-	0.24

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 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
CITIGROUP INC	2.01	01-25-26	01-25-25	100	4,950,000	100.00	4,950,000.00	94.44	4,674,543.59	18,000.12	4,692,543.71	BBB+	0.07
CITIGROUP INC	2.01	01-25-26	01-25-25	100	10,000,000	96.65	9,665,100.00	94.44	9,443,522.40	36,363.89	9,479,886.29	BBB+	0.13
MORGAN STANLEY	2.63	02-18-26	02-18-25	100	11,695,000	100.00	11,695,000.00	95.19	11,132,304.31	35,884.16	11,168,188.47	A-	0.16
MORGAN STANLEY	2.63	02-18-26	02-18-25	100	7,000,000	100.05	7,003,780.00	95.19	6,663,200.53	21,478.33	6,684,678.86	A-	0.10
ROCHE HOLDINGS INC	0.99	03-05-26	02-05-26	100	15,000,000	90.83	13,624,350.00	90.38	13,557,654.45	10,322.92	13,567,977.37	AA	0.19
JPMORGAN CHASE & CO	3.30	04-01-26	01-02-26	100	13,000,000	96.12	12,496,228.33	94.45	12,279,072.00	213,308.33	12,492,380.33	A-	0.18
BANK OF AMERICA CORP	3.50	04-19-26			6,000,000	97.22	5,833,000.00	94.43	5,665,552.26	93,916.67	5,759,468.93	A-	0.08
AMAZON.COM INC	1.00	05-12-26	04-12-26	100	10,000,000	88.95	8,895,200.00	89.92	8,992,220.80	38,333.33	9,030,554.13	AA	0.13
ASTRAZENECA FINANCE LLC	1.20	05-28-26			4,500,000	100.71	4,532,040.00	89.87	4,043,952.81	18,300.00	4,062,252.81	A	0.06
TOYOTA MOTOR CREDIT CORP	1.12	06-18-26			5,815,000	99.78	5,802,090.70	89.30	5,193,063.25	18,535.31	5,211,598.56	A+	0.07
STATE STREET CORP	5.27	08-03-26	07-06-26	100	17,000,000	100.02	17,004,080.00	99.07	16,842,447.91	141,904.67	16,984,352.58	A	0.24
MICROSOFT CORP	2.40	08-08-26	05-08-26	100	10,000,000	94.11	9,411,100.00	92.89	9,289,211.40	34,666.67	9,323,878.07	AAA	0.13
TOYOTA MOTOR CREDIT CORP	5.00	08-14-26			7,500,000	100.19	7,514,250.00	99.03	7,427,341.72	47,916.67	7,475,258.39	A+	0.11
BANK OF NY MELLON CORP	2.45	08-17-26	05-17-26	100	5,000,000	104.40	5,219,850.00	92.04	4,602,231.55	14,631.94	4,616,863.49	A	0.07
AMERICAN HONDA FINANCE	1.30	09-09-26			4,200,000	96.77	4,064,466.00	88.75	3,727,343.93	3,185.00	3,730,528.93	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	92.61	4,630,477.40	73,340.28	4,703,817.68	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	92.61	4,630,477.40	73,340.28	4,703,817.68	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	92.61	9,260,954.80	146,680.56	9,407,635.36	A-	0.13
CITIGROUP INC	3.20	10-21-26	07-21-26	100	10,000,000	92.89	9,289,100.00	92.33	9,232,924.80	141,333.33	9,374,258.13	BBB+	0.13
HONEYWELL INTERNATIONAL	2.50	11-01-26	09-01-26	100	4,473,000	93.43	4,179,213.36	92.54	4,139,171.60	46,283.12	4,185,454.73	A	0.06
AMERICAN EXPRESS CO	1.65	11-04-26	10-04-26	100	5,000,000	99.29	4,964,450.00	88.52	4,425,945.40	33,458.33	4,459,403.73	BBB+	0.06
AMERICAN EXPRESS CO	1.65	11-04-26	10-04-26	100	10,000,000	94.49	9,449,300.00	88.52	8,851,890.80	66,916.67	8,918,807.47	BBB+	0.13
TARGET CORP	1.95	01-15-27	12-15-26	100	1,770,000	99.83	1,766,991.00	90.32	1,598,738.20	7,190.62	1,605,928.82	A	0.02
TARGET CORP	1.95	01-15-27	12-15-26	100	13,700,000	100.23	13,731,373.00	90.32	12,374,414.30	55,656.25	12,430,070.55	A	0.18
BANK OF NY MELLON CORP	2.05	01-26-27			10,000,000	100.12	10,012,100.00	89.37	8,937,075.30	36,444.44	8,973,519.74	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	93.83	8,914,205.77	65,022.22	8,979,228.00	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	89.01	4,450,348.35	8,088.89	4,458,437.24	A-	0.06
IBM CORP	2.20	02-09-27	01-09-27	100	5,000,000	98.63	4,931,400.00	89.97	4,498,421.75	15,583.33	4,514,005.08	A-	0.06
IBM CORP	2.20	02-09-27	01-09-27	100	5,000,000	90.58	4,528,950.00	89.97	4,498,421.75	15,583.33	4,514,005.08	A-	0.06
HONEYWELL INTERNATIONAL	1.10	03-01-27			10,000,000	95.31	9,531,400.00	87.72	8,771,568.70	8,861.11	8,780,429.81	A	0.13
HONEYWELL INTERNATIONAL	1.10	03-01-27			18,000,000	89.76	16,156,800.00	87.72	15,788,823.66	15,950.00	15,804,773.66	A	0.23
TRUIST FINANCIAL CORP	1.27	03-02-27			10,000,000	93.96	9,396,000.00	88.62	8,862,083.40	9,854.44	8,871,937.84	A-	0.13
COMCAST CORP	3.30	04-01-27			10,000,000	100.83	10,083,300.00	93.16	9,315,661.80	164,083.33	9,479,745.13	A-	0.13
AMAZON.COM INC	3.30	04-13-27	03-13-27	100	10,000,000	98.95	9,895,400.00	94.10	9,410,042.50	153,083.33	9,563,125.83	AA	0.13
NORTHERN TRUST CORP	4.00	05-10-27	04-10-27	100	12,311,000	101.42	12,485,816.20	94.57	11,642,168.36	191,504.44	11,833,672.81	A+	0.17
UNITED HEALTH GROUP INC	3.70	05-15-27	04-15-27	100	300,000	99.95	299,838.00	94.80	284,393.65	4,162.50	288,556.15	A+	0.00
IBM CORP	4.15	07-27-27	06-27-27	100	10,000,000	97.84	9,783,900.00	95.45	9,545,330.50	72,625.00	9,617,955.50	A-	0.14
INTEL CORP	3.75	08-05-27	07-05-27	100	4,325,000	99.98	4,324,178.25	94.34	4,080,181.95	24,778.65	4,104,960.59	A	0.06
HOME DEPOT INC	2.80	09-14-27	06-14-27	100	5,000,000	93.30	4,665,100.00	91.62	4,580,958.55	6,222.22	4,587,180.77	A	0.07
BANK OF AMERICA CORP	3.25	10-21-27	10-21-26	100	6,000,000	94.33	5,660,017.33	91.27	5,476,462.26	86,072.00	5,562,534.26	A-	0.08
TEXAS INSTRUMENT INC	2.90	11-03-27	08-03-27	100	10,000,000	93.49	9,349,400.00	91.72	9,172,036.30	118,416.67	9,290,452.97	A+	0.13
COMCAST CORP	5.35	11-15-27	10-15-27	100	4,860,000	102.23	4,968,475.20	99.96	4,858,238.10	97,503.75	4,955,741.85	A-	0.07
COMCAST CORP	5.35	11-15-27	10-15-27	100	5,000,000	102.65	5,132,700.00	99.96	4,998,187.35	100,312.50	5,098,499.85	A-	0.07
UNITED PARCEL SERVICE	3.05	11-15-27	08-15-27	100	10,000,000	93.64	9,363,600.00	92.18	9,218,086.30	114,375.00	9,332,461.30	A	0.13
STATE STREET CORP	1.68	11-18-27	11-18-26	100	15,000,000	89.42	13,412,700.00	88.61	13,290,966.90	92,620.00	13,383,586.90	A	0.19
TOYOTA MOTOR CREDIT CORP	4.62	01-12-28			10,000,000	99.19	9,918,900.00	97.69	9,769,032.90	100,208.33	9,869,241.23	A+	0.14
JOHN DEERE CAPITAL CORP	4.75	01-20-28			5,000,000	101.61	5,080,500.00	98.20	4,909,865.95	46,180.56	4,956,046.51	A	0.07
HONEYWELL INTERNATIONAL	4.95	02-15-28	01-15-28	100	10,000,000	102.25	10,224,900.00	99.62	9,961,886.90	61,875.00	10,023,761.90	A	0.14
NESTLE HOLDINGS INC	5.00	03-14-28	02-14-28	100	10,000,000	101.56	10,156,500.00	99.41	9,940,831.80	22,222.22	9,963,054.02	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	97.51	9,751,064.30	20,000.00	9,771,064.30	A-	0.14
WALMART INC	3.90	04-15-28	03-15-28	100	18,000,000	99.53	17,915,250.00	95.48	17,186,414.94	321,750.00	17,508,164.94	AA	0.25
BANK OF AMERICA CORP	4.38	04-27-28	04-27-27	100	10,000,000	96.35	9,635,328.89	94.44	9,443,709.80	185,980.00	9,629,689.80	A-	0.13
BANK OF NEW YORK MELLON CORP	3.85	04-28-28			10,000,000	97.16	9,715,766.67	93.84	9,384,444.30	162,555.56	9,546,999.86	A	0.13
APPLE INC	4.00	05-10-28	04-10-28	100	25,000,000	99.81	24,951,750.00	96.03	24,008,520.00	388,888.89	24,397,408.89		0.34

SAN MATEO COUNTY TREASURER'S OFFICE

PORTFOLIO APPRAISAL

SAN MATEO COUNTY POOL

September 30, 2023

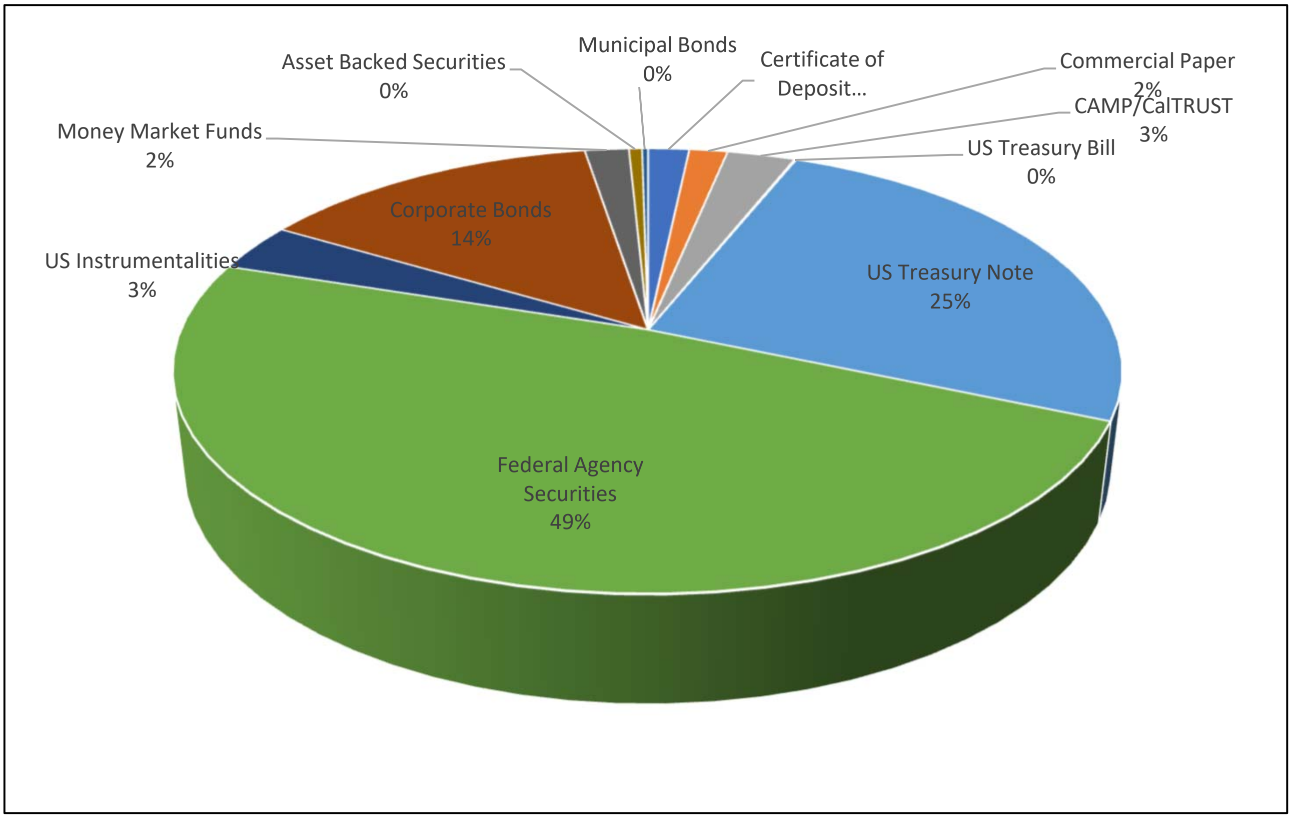
Security	Coupon	Mature Date	Call Date One	Call Price One	Quantity	Unit Cost	Total Cost	Market Price	Market Value	Accrued Interest	Market Value + Accrued Interest	S&P	Pct Assets
AMAZON.COM INC	1.65	05-12-28	03-12-28	100	17,000,000	88.63	15,066,391.67	86.07	14,631,995.03	107,525.00	14,739,520.03	AA	0.21
AMERICAN HONDA FINANCE	5.12	07-07-28			10,000,000	101.00	10,100,273.61	98.46	9,845,502.50	118,159.72	9,963,662.22	A-	0.14
JOHN DEERE CAPITAL CORP	4.95	07-14-28			8,000,000	101.23	8,098,600.00	98.63	7,890,781.84	83,600.00	7,974,381.84	A	0.11
PACCAR FINANCIAL CORP	4.95	08-10-28			5,000,000	100.88	5,044,050.00	98.96	4,947,855.15	34,375.00	4,982,230.15	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	97.81	9,780,835.80	68,736.11	9,849,571.91	A	0.14
					1,020,917,000		1,015,299,554.42		972,097,683.78	7,958,705.94	980,056,389.72		13.89
MONEY MARKET FUNDS													
DREYFUS-713762	0.00	10-01-23			90,267,245	100.00	90,267,244.97	100.00	90,267,244.97	20.80	90,267,265.77	AAA	1.29
DREYFUS-715757	0.00	10-01-23			36,021,491	100.00	36,021,490.72	100.00	36,021,490.72	8.30	36,021,499.02	AAA	0.51
					126,288,736		126,288,735.69		126,288,735.69	29.09	126,288,764.79		1.80
ASSET BACKED SECURITIES													
CARMAX	1.89	12-16-24			139,418	99.98	139,390.76	99.87	139,236.87	109.79	139,346.66	AAA	0.00
GM FINANCIAL AUTOMOBILE	0.50	07-21-25			2,260,000	100.00	2,259,918.41	98.02	2,215,252.00	313.89	2,215,565.89	AAA	0.03
KUBOTA CREDIT OWNER TRUST 2021-A1 A3	0.62	08-15-25			2,177,093	99.98	2,176,647.45	97.29	2,118,093.66	562.42	2,118,656.08	NR	0.03
VW AUTO LOAN ENHANCED TRUST 2021-1 A3	1.02	06-22-26			3,092,538	100.00	3,092,417.13	96.55	2,985,845.79	876.22	2,986,722.01	AAA	0.04
DISCOVER CARD EXECUTION NT 2021-A1 A1	0.58	09-15-26			8,325,000	99.98	8,323,217.62	95.13	7,919,572.50	2,011.87	7,921,584.37	AAA	0.11
GM FINL CONSMR AUTO RCVBL TRST 2021-4 A3	0.68	09-16-26	08-16-25	100	2,047,855	100.00	2,047,803.19	96.02	1,966,350.76	541.54	1,966,892.31	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	96.59	10,711,831.00	10,258.25	10,722,089.25	AAA	0.15
WORLD OMNI AUTO RCVBL TR 2021-D A3	0.81	10-15-26	08-15-25	100	2,945,651	99.99	2,945,249.81	96.29	2,836,367.36	994.16	2,837,361.51	AAA	0.04
CAPITAL ONE MULTI-ASSET EXEC. TRUST	1.04	11-15-26			7,170,000	99.99	7,169,011.97	94.88	6,802,896.00	3,107.00	6,806,003.00	AAA	0.10
					39,247,556		39,243,229.38		37,695,445.94	18,775.14	37,714,221.08		0.54
MUNICIPAL BONDS													
UNIV OF CALIFORNIA REVS SRS 2020-BF	0.83	05-15-24			2,000,000	100.00	2,000,000.00	97.14	1,942,860.00	6,247.50	1,949,107.50	AA	0.03
CHAFFEY JT UN HSD	2.10	08-01-24			1,860,000	100.00	1,860,000.00	97.22	1,808,292.00	6,404.55	1,814,696.55	AA-	0.03
LOS ANGELES CCD SR 2020	0.67	08-01-24			4,450,000	100.00	4,450,000.00	96.00	4,272,222.50	4,908.23	4,277,130.73	AA+	0.06
UNIV OF CALIFORNIA REVS 2013-AG TXBL	3.05	05-15-25			2,950,000	109.67	3,235,206.00	96.26	2,839,729.00	33,740.62	2,873,469.62	AA	0.04
LOS ANGELES CCD SR 2020	0.77	08-01-25			6,735,000	100.00	6,735,000.00	91.88	6,188,387.40	8,532.31	6,196,919.71	AA+	0.09
					17,995,000		18,280,206.00		17,051,490.90	59,833.21	17,111,324.11		0.24
TOTAL PORTFOLIO					**7,256,701,610**		**7,218,385,870.52**		**6,998,713,147.58**	**52,655,586.24**	**7,051,368,733.82**		**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%
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%
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%
Carmax	$139,418					$139,418	0.00%
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				$24,950,000		$24,950,000	0.36%
Comcast Corp				$19,860,000		$19,860,000	0.29%
Cooperatieve Rabobank				$22,000,000		$22,000,000	0.32%
Credit Agricole CIB NY			$25,000,000			$25,000,000	0.37%
Discover Card Execution Note	$8,325,000					$8,325,000	0.12%
Exxon Mobil				$10,000,000		$10,000,000	0.15%
General Motors	$4,307,855					$4,307,855	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				$35,500,000		$35,500,000	0.52%
Kubota Credit	$2,177,093					$2,177,093	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%
Pepsico Inc				$5,150,000		$5,150,000	0.08%
PNC Financial Services				$15,000,000		$15,000,000	0.22%
Roche Holdings Inc.				$23,620,000		$23,620,000	0.35%
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				$40,315,000		$40,315,000	0.59%
Truist Financial Corp				$10,000,000		$10,000,000	0.15%
Unilever Capital Corp				$2,320,000		$2,320,000	0.03%
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	$3,092,538					$3,092,538	0.05%
Walmart Inc				$18,000,000		$18,000,000	0.26%
Walt Disney Co.				$9,115,000		$9,115,000	0.13%
World Omni	$2,945,651					$2,945,651	0.04%
Grand Total	**$39,247,556**	**$116,000,000**	**$111,000,000**	**$1,020,917,000**	**$17,995,000**	$1,305,159,556	19.08%

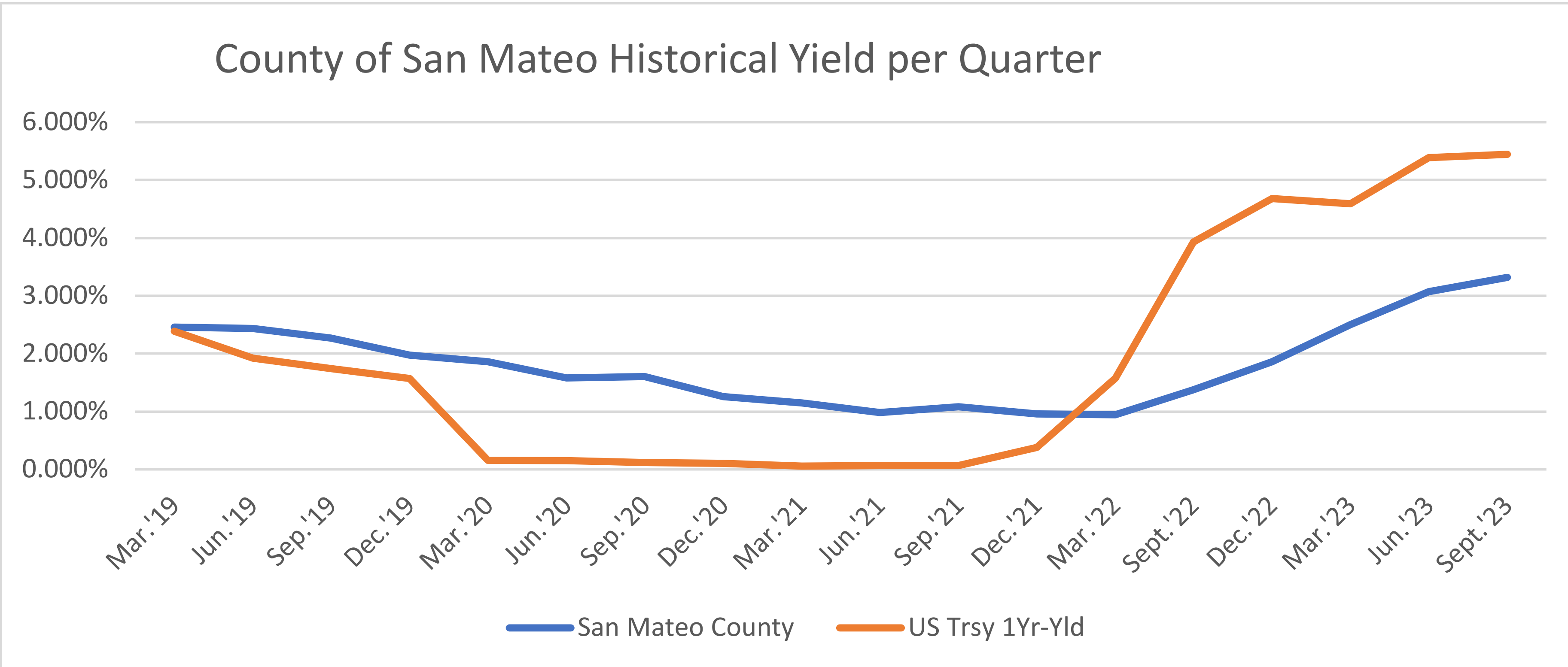
SAN MATEO COUNTY TREASURER - ASSET ALLOCATION
as of September 30, 2023



SECTOR	MARKET VALUE*	
Certificate of Deposit	117,856,655	1.7%
Commercial Paper	109,789,212	1.6%
CAMP/CalTRUST	194,630,031	2.8%
US Treasury Bill	5,157,891	0.1%
US Treasury Note	1,791,201,772	25.4%
Federal Agency Securities	3,424,419,390	48.6%
US Instrumentalities	247,143,083	3.5%
Corporate Bonds	980,056,390	13.9%
Money Market Funds	126,288,765	1.8%
Asset Backed Securities	37,714,221	0.5%
Municipal Bonds	17,111,324	0.2%
TOTALS	7,051,368,734	100.0%

*Market Values listed include accrued interest for the reported period.

(In 000's)	OCTOBER 2023	NOVEMBER	DECEMBER	JANUARY 2024	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	TOTAL
CASH IN:													
Taxes:													
Secured	$96,358	$350,842	$250,368	$48,844	$39,848	$139,980	$153,751	$7,295	$1,222	$0	$0	$0	**$1,088,507**
Mixed	$168,015	$434,926	$763,281	$86,065	$94,817	$321,101	$615,722	$34,107	$28,717	$17,621	$114,905	$25,018	**$2,704,296**
State Automatics	$89,507	$50,034	$109,892	$71,601	$85,537	$92,016	$67,581	$83,315	$49,735	$76,319	$99,085	$90,379	**$965,000**
Unscheduled Sub. (Lockbox)	$28,467	$58,293	$57,264	$38,101	$33,448	$57,114	$59,759	$30,441	$46,963	$15,553	$17,131	$35,522	**$478,054**
Treasurer's Deposit	$82,883	$104,615	$74,769	$94,175	$62,088	$92,019	$60,071	$89,499	$81,464	$61,398	$92,864	$67,823	**$963,667**
Hospitals	$41,318	$14,263	$16,027	$11,690	$16,669	$19,049	$48,989	$12,252	$34,142	$19,820	$49,792	$13,908	**$297,919**
Retirement Deposit	$0	$0	$17	$0	$0	$10,200	$22,103	$22,103	$19,499	$0	$20,706	$22,341	**$116,969**
Housing Authority	$4,094	$4,625	$6,058	$3,337	$3,391	$3,649	$4,135	$3,308	$6,947	$12,258	$3,576	$3,624	**$59,001**
SMCOE/SMCCCD	$2,165	$4,329	$2,273	$3,619	$7,562	$2,707	$4,981	$2,580	$1,491	$1,324	$4,382	$3,335	**$40,749**
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	$7,777	$6,942	$6,400	$11,371	$10,143	$11,742	$18,658	$16,635	$20,407	$15,057	$13,994	$18,537	**$157,663**
TOTAL CASH IN:	$520,583	$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	**$6,871,824**
CASH OUT:													
Tax Apportionments:	($1,197)	($21,983)	($221,008)	($24,649)	($30,801)	($20,752)	($113,316)	($13,021)	($54,609)	($731)	($24,472)	($263)	**($526,803)**
Voluntary Particpants W/D	($24,999)	($30,032)	($152,792)	($142,743)	($32,625)	($54,035)	($122,334)	($51,052)	($53,909)	($133,091)	($54,361)	($42,848)	**($894,819)**
County Payments	($791)	($124,846)	($17,615)	($14,396)	($27,492)	($24,140)	($1,692)	($45,471)	($49,201)	($48,241)	($13,653)	($26,117)	**($393,653)**
GO Bond/TRANS Payments	($6,461)	$0	$0	($36,576)	($26,120)	($22,516)	($3,119)	$0	($29,611)	($41,984)	($90,053)	($127,232)	**($383,671)**
Payroll - County	($52,942)	($55,985)	($73,235)	($63,380)	($54,104)	($55,338)	($56,734)	($55,927)	($76,180)	($65,048)	($55,363)	($54,619)	**($718,855)**
SMCOE/SMCCCD	($114,370)	($112,613)	($134,027)	($82,130)	($110,538)	($113,657)	($122,343)	($118,253)	($126,304)	($94,998)	($80,239)	($113,847)	**($1,323,319)**
Retirement	($27,901)	($24,337)	($23,766)	($24,325)	($24,976)	($24,655)	($26,218)	($22,311)	($29,738)	($26,311)	($26,797)	($26,284)	**($307,620)**
SMC-payables	($83,460)	($62,081)	($97,916)	($80,210)	($118,336)	($114,515)	($93,695)	($81,617)	($93,390)	($118,880)	($65,153)	($69,806)	**($1,079,059)**
SMCOE-payables	($82,652)	($66,158)	($80,935)	($69,564)	($75,645)	($79,508)	($70,525)	($99,876)	($77,711)	($73,653)	($92,959)	($84,230)	**($953,415)**
SMCCCD-payables	($8,974)	($7,353)	($5,930)	($4,963)	($9,254)	($9,882)	($5,161)	($10,169)	($8,189)	($17,135)	($5,960)	($10,527)	**($103,496)**
Housing Authority(Payroll-Payables)	($3,451)	($4,437)	($4,894)	($3,204)	($3,270)	($3,904)	($3,910)	($3,610)	($4,800)	($12,740)	($4,540)	($3,413)	**($56,172)**
Other ARS Debits	($15,340)	($16,241)	($19,257)	($18,942)	($16,777)	($26,997)	($14,570)	($22,029)	($22,752)	($32,093)	($25,319)	($22,602)	**($252,918)**
Returned Chks/Misc. Fees	($186)	($44)	($8)	($18)	($3)	($4)	($3)	($11)	($1)	($157)	($105)	($8)	**($546)**
TOTAL CASH OUT:	($422,722)	($526,110)	($831,382)	($565,099)	($529,940)	($549,902)	($633,620)	($523,346)	($626,394)	($665,062)	($538,973)	($581,795)	**($6,994,345)**
TOTAL ESTIMATED CASH FLOW	$97,861	$502,759	$454,968	($196,296)	($176,437)	$199,674	$422,130	($221,812)	($335,807)	($445,712)	($122,539)	($301,309)	**($122,520)**
MATURING SECURITIES (SMC)	**$104,750**	**$134,796**	**$93,850**	**$155,290**	**$181,411**	**$28,250**	**$50,000**	**$76,850**	**$202,150**	**$126,000**	**$25,000**	**$105,889**	**$1,284,236**
LAIF/CAMP/DREYFUS(SMC)	**$316,289**												**$316,289**
CALLABLE SECURITIES (SMC)	**$398,875**	**$201,709**	**$133,100**	**$115,000**	**$60,000**	**$0**	**$50,000**	**$0**	**$132,000**	**$75,000**	**$0**	**$35,000**	**$1,200,684**



County of San Mateo Historical Yield per Quarter
6.000%
5.000%
4.000%
3.000%
2.000%
1.000%
0.000%
Mar.'19
Jun.'19
Sep.'19
Dec.'19
Mar.'20
Jun.'20
Sep.'20
Dec.'20
Mar.'21
Jun.'21
Sep.'21
Dec.'21
Mar.'22
Sept.'22
Dec.'22
Mar.'23
Jun.'23
Sept.'23
San Mateo County
US Trsy 1Yr-Yld