

**NEW ISSUE - FULL BOOK-ENTRY
BANK QUALIFIED**

**INSURED RATING (BONDS): S&P: "AA"
UNDERLYING RATING (BONDS): S&P: "A"
UNDERLYING RATING (NOTES): S&P: "A"
See "RATINGS" herein.**

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Obligations is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Obligations may be subject to the corporate alternative minimum tax. The Obligations are "qualified tax-exempt obligations" within the meaning of section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

**\$3,000,000
LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)
General Obligation Bonds
Election Of 2024, Series A
(Bank Qualified)**

**\$3,235,000
LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)
2025 General Obligation Bond Anticipation Notes
(Bank Qualified)**

Dated: Date of Delivery

Due: August 1, as shown on inside front cover

Issuance. The Laton Joint Unified School District (the "District") is issuing its General Obligation Bonds, Election of 2024, Series A (the "Bonds") and its 2025 General Obligation Bond Anticipation Notes (the "Notes" and, together with the Bonds, the "Obligations") for the purpose of (i) financing the acquisition and construction of educational facilities and projects which were described in a ballot measure approved by the electors of the District on November 5, 2024, authorizing the issuance of general obligation bonds in the maximum aggregate principal amount of \$9,700,000 (the "General Obligation Bonds") and (ii) paying the costs of issuance of the Obligations. The Bonds and Notes are being issued pursuant to resolutions adopted by the Board of Education of the District on February 12, 2025. The Bonds will be the first series of General Obligation Bonds to be issued under the 2024 Authorization (as defined herein). The Notes are issued in anticipation of the issuance of a series of General Obligation Bonds under the 2024 Authorization (as defined herein).

Security. The Board of Supervisors of Fresno County ("Fresno County") and the Board of Supervisors of Kings County ("Kings County") (each, a "County" together the "Counties") each have the power and are obligated to annually levy *ad valorem* taxes upon all property subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates) for the payment of principal of and interest on the Bonds. The principal of and interest on the Notes is payable from the proceeds of Note Repayment Obligations (defined herein) issued for that purpose, and from amounts held in the funds and accounts established under the Note Resolution (as defined herein). Interest on the Notes is also payable from any *ad valorem* taxes levied upon all property within the District subject to taxation, to the extent available for that purpose. See "SOURCES OF PAYMENT FOR THE OBLIGATIONS" herein.

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

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

Redemption. The Bonds and the Notes are subject to redemption prior to maturity as described herein. See "THE OBLIGATIONS - Redemption."

Bond Insurance. Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue a Municipal Bond Insurance Policy (the "Policy") for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as APPENDIX H to this Official Statement. See "BOND INSURANCE" and "APPENDIX H."



MATURITY SCHEDULE
(See inside cover)

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

The Obligations will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California. Certain legal matters will also be passed upon for the District by Jones Hall as Disclosure Counsel to the District. Dannis Woliver Kelley, Long Beach, California is serving as counsel to the Underwriter. It is anticipated that the Obligations, in book-entry form, will be available for delivery through the facilities of DTC, on or about April 29, 2025.



The date of this Official Statement is April 14, 2025.

MATURITY SCHEDULES

LATON JOINT UNIFIED SCHOOL DISTRICT (Fresno and Kings Counties, California)

Base CUSIP[†]: 518297

General Obligation Bonds Election of 2024, Series A (Bank Qualified)

\$50,000 Serial Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP[†]</u>
2026	\$35,000	5.000%	3.470%	101.858	BM7
2028	15,000	5.000	3.510	104.540	BP0

**\$230,000 – 5.250% Term Bonds maturing August 1, 2040; Yield: 4.200%; Price: 107.254^C;
CUSIP[†]: BU9**

**\$465,000 – 5.250% Term Bonds maturing August 1, 2045; Yield: 4.650%; Price: 104.067^C;
CUSIP[†]: BV7**

**\$850,000 – 5.500% Term Bonds maturing August 1, 2050; Yield: 4.750%; Price: 105.064^C;
CUSIP[†]: BW5**

**\$1,405,000 – 5.500% Term Bonds maturing August 1, 2055; Yield: 4.820%; Price: 104.578^C;
CUSIP[†]: BX3**

2025 General Obligation Bond Anticipation Notes (Bank Qualified)

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP[†]</u>
2028	\$3,235,000	5.000%	3.610%	102.979 ^P	CB0

C: Priced to par call on the first optional redemption date of August 1, 2035.

P: Priced to par call on the first optional redemption date of August 1, 2027.

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

LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)

BOARD OF EDUCATION

Daniel Vargas, *President*
Nikki Alford, *Clerk*
Guadalupe Andrade, *Member*
Holly Torres, *Member*
Jose Ibarra, *Member*

DISTRICT ADMINISTRATION

Lupe Nieves, *Superintendent*
Amanda Golden, *Chief Business Official*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

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

BOND AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT

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

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

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

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

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

Bond Insurance. Build America Mutual Assurance Company (“BAM” or the “Bond Insurer”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, the Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted here from, other than with respect to the accuracy of the information regarding the Bond Insurer, supplied by the Bond Insurer and presented under the heading “BOND INSURANCE” and in APPENDIX H.

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

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

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

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

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

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

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YEAR 2023-24

APPENDIX C - ECONOMIC AND DEMOGRAPHIC INFORMATION ABOUT FRESNO COUNTY

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APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM

APPENDIX G - FRESNO COUNTY INVESTMENT POLICY AND INVESTMENT REPORT

APPENDIX H - SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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\$3,000,000
LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)
General Obligation Bonds
Election Of 2024, Series A
(Bank Qualified)

\$3,235,000
LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)
2025 General Obligation Bond Anticipation Notes
(Bank Qualified)

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery by Laton Joint Unified School District (the “**District**”) of its General Obligation Bonds Election of 2024, Series A (the “**Bonds**”) and its 2025 General Obligation Bond Anticipation Notes (the “**Notes**” and, together with the Bonds, the “**Obligations**”).

INTRODUCTION

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

The District. The District provides educational services to the residents of Laton, a small rural community west of Highway 99 and north of Highway 198, in Fresno County and Kings County (each a “**County**” and, together, the “**Counties**”), in the State of California (the “**State**”). The District currently operates one preschool, one elementary school, one middle school, and one high school, serving approximately 604 students in fiscal year 2024-25.

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

Authority and Purpose of Issue.

The Bonds. Issuance of the Bonds was approved by more than the requisite 55% of the voters of the District voting at the Bond Election (as defined below) to authorize \$9,700,000 of general obligation bonds, and will be issued pursuant to certain provisions of the California Government Code and a resolution adopted by the Board of Education of the District on February 12, 2025 (the “**Bond Resolution**”). See “THE OBLIGATIONS – Authority for Issuance” herein.

The Notes. The Notes are being issued pursuant to the provisions of Section 15150 of the California Education Code (the “**Note Law**”) and under a resolution adopted by the Board of Education of the District on February 12, 2025 (the “**Note Resolution**” and, together with the Bond Resolution, the “**Resolutions**”).

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

Description of the Obligations.

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

The Notes. The notes will be dated the Dated Date and will be issued as fully registered notes, without coupons, in the denominations of \$5,000 or an integral multiple thereof. The Notes will mature on August 1, 2028.

See “THE OBLIGATIONS – Description of the Obligations” herein.

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

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

Sources of Payment for the Obligations.

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

The Notes. The principal of and interest on the Notes are payable from the proceeds of General Obligation Bonds (as defined herein), an additional series of bond anticipation notes or other obligations, including certificates of participation, or any combination of the foregoing, in an aggregate principal amount which is sufficient to pay the full amount of principal of and interest on the Notes coming due and payable at maturity (the “**Note Repayment Obligations**”). The District has covenanted in the Note Resolution to timely issue Note Repayment Obligations in order to pay the full amount of the principal of and unpaid interest on the Notes coming due and payable at maturity.

Following the issuance of the Obligations, there will be \$3,500,000 of unissued capacity remaining under the 2024 Authorization (as defined herein). See “FINANCIAL INFORMATION - Existing Debt Obligations” in APPENDIX A.

The Obligations are not a debt of the Counties.

The Counties, including their respective Board of Supervisors, officers, officials, agents and other employees, are required, only to the extent required by law, to: (i) levy and collect ad valorem taxes for payment of the Bonds in accordance with the law; and (ii) transmit the proceeds of such taxes to the paying agent for the payment of the principal of and interest on Bonds at the time such payment is due.

The Counties, including their respective Board of Supervisors, officers, officials, agents and other employees, are required, only to the extent required by law, to: (i) levy and collect ad valorem taxes for payment of interest on the Notes in accordance with the law; and (ii) transmit the proceeds of such taxes to the paying agent for the payment of the interest on the Notes at the time such payment is due.

See "SOURCES OF PAYMENT FOR THE OBLIGATIONS."

Redemption. The Bonds and the Notes are subject to redemption prior to maturity as described herein. See "THE OBLIGATIONS – Redemption."

Legal Matters. Issuance of the Obligations is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, will serve as Disclosure Counsel to the District. Dannis Woliver Kelley, Long Beach, California is serving as counsel to the Underwriter. Payment of the fees of Bond Counsel, Disclosure Counsel, and Underwriter's counsel is contingent upon issuance of the Obligations.

Bond Insurance. Concurrently with the issuance of the Obligations, Build America Mutual Assurance Company ("BAM" or the "Bond Insurer") will issue its municipal bond insurance policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal and interest on the Bonds when due, as set forth in the form of the Policy included as APPENDIX H to this Official Statement. See "BOND INSURANCE" and APPENDIX H.

Tax Matters; Bank Qualified. In the opinion of Bond Counsel, interest on the Obligations is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Obligations may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. The District has designated the Obligations as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986. Such section provides an exception to the prohibition against the ability of a "financial institution" (as defined in the Internal Revenue Code of 1986) to deduct its interest expense allocable to tax-exempt interest. See "TAX MATTERS" and Appendix D hereto for the forms of Bond Counsel's opinions to be delivered concurrently with the Obligations.

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

Cyber Risks. The District, like other governmental and business entities, faces significant risks relating to the use and application of computer software and hardware for educational, operational and management purposes. The District collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, vendors and contractors. As the custodian of such information, the District may face cybersecurity

threats, attacks or incidents from time to time. No assurance can be given that future cyber threats or attacks against the District or third-party entities or service providers will not directly or indirectly impact the District or the owners of the Obligations, including the possibility of impacting the timely payments of debt service on the Obligations or timely filings pursuant to the District's continuing disclosure undertakings, described in more detail herein. See APPENDIX A "FINANCIAL INFORMATION – Disclaimer Regarding Cyber Risks."

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

THE OBLIGATIONS

Authority for Issuance

The Bonds. The Bonds will be issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 thereof, and the Bond Resolution. The District received authorization by more than the requisite 55% of District voters at the Bond Election to issue general obligation bonds (the “**2024 Authorization**”) in a principal amount of \$9,700,000 (the “**General Obligation Bonds**”).

The Notes. The Notes will be issued under the provisions of the Note Law and the Note Resolution.

Purpose of Issue; Financing Plan

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

“To improve the quality of local schools; make health, safety and security improvements; modernize/ renovate/ construct classrooms, a kitchen, athletic and other school facilities; shall the Laton Joint Unified School District measure authorizing \$9,700,000 of bonds at legal interest rates be adopted, generating on average \$565,000 annually while bonds are outstanding at rates of approximately \$57 per \$100,000 assessed value, with annual audits, independent citizens’ oversight committee, NO money for salaries and all money staying local?”

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

The Bonds are the first series of bonds issued pursuant to the 2024 Authorization. Following the issuance of the Bonds, there will be \$3,500,000 unissued authorization remaining under the 2024 Authorization. The District intends to issue a second series of General Obligation Bonds prior to the maturity date of the Notes in order to refund the Notes at maturity. See “SOURCES OF PAYMENT FOR THE OBLIGATIONS.”

Description of the Obligations

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

The Obligations shall be issued in the denominations of \$5,000 principal amount each or any integral multiple thereof. Interest on the Obligations is payable semiannually on each February 1 and

August 1, commencing August 1, 2025 (each, an “**Interest Payment Date**”). Each Obligation will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the 15th day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to July 15, 2025, in which event it will bear interest from the date of delivery of the Obligations identified on the cover page hereof. Notwithstanding the foregoing, if interest on any Obligation is in default at the time of authentication thereof, such Obligation will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Obligations will be paid 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 to DTC Participants who will remit such payments to the Beneficial Owners of the Obligations.

Book-Entry Only System

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

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

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

Redemption

Optional Redemption of the Notes. The Notes are subject to redemption prior to maturity, at the option of the District, in whole or in part, from any available source of funds, on August 1, 2027, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Optional Redemption of the Bonds. The Bonds maturing on or before August 1, 2028, are not subject to redemption prior to maturity. The Bonds maturing on and after August 1, 2040, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 2033, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Whenever less than all of the outstanding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Bonds of such maturity to be redeemed by

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

Mandatory Sinking Fund Redemption of the Bonds. The Bonds maturing on August 1, 2040, August 1, 2045, August 1, 2050, and August 1, 2055 (collectively, the “**Term Bonds**”), are subject to mandatory sinking fund redemption on August 1 of each year in accordance with the schedules set forth below, respectively. The Term Bonds so called for mandatory sinking fund redemption will be redeemed in the sinking fund payments amounts and on the dates set forth below, without premium, together with interest accrued thereon to the date fixed for redemption.

Term Bonds Maturing August 1, 2040

Redemption Date (August 1)	Sinking Fund Redemption
2034	\$10,000
2035	15,000
2036	25,000
2037	30,000
2038	40,000
2039	50,000
2040 (maturity)	60,000

Term Bonds Maturing August 1, 2045

Redemption Date (August 1)	Sinking Fund Redemption
2041	\$70,000
2042	80,000
2043	90,000
2044	105,000
2045 (maturity)	120,000

Term Bonds Maturing August 1, 2050

Redemption Date (August 1)	Sinking Fund Redemption
2046	\$135,000
2047	150,000
2048	170,000
2049	185,000
2050 (maturity)	210,000

Term Bonds Maturing August 1, 2055

Redemption Date (August 1)	Sinking Fund Redemption
2051	\$230,000
2052	255,000
2053	280,000
2054	305,000
2055 (maturity)	335,000

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

Notice of Redemption

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

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

Partial Redemption of Bonds

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

Effect of Redemption

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Bond Resolution, other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Right to Rescind Notice of Redemption

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

Registration, Transfer and Exchange of Obligations

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

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

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

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

Defeasance

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

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

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

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

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

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

DEBT SERVICE SCHEDULES

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

Laton Joint Unified School District General Obligation Bonds Election of 2024, Series A Debt Service Schedule

Bond Year Ending (August 1)	Principal	Interest	Total Annual Debt Service
2025	--	\$41,658.75	\$41,658.75
2026	\$35,000.00	163,012.50	198,012.50
2027	--	161,262.50	161,262.50
2028	15,000.00	161,262.50	176,262.50
2029	--	160,512.50	160,512.50
2030	--	160,512.50	160,512.50
2031	--	160,512.50	160,512.50
2032	--	160,512.50	160,512.50
2033	--	160,512.50	160,512.50
2034	10,000.00	160,512.50	170,512.50
2035	15,000.00	159,987.50	174,987.50
2036	25,000.00	159,200.00	184,200.00
2037	30,000.00	157,887.50	187,887.50
2038	40,000.00	156,312.50	196,312.50
2039	50,000.00	154,212.50	204,212.50
2040	60,000.00	151,587.50	211,587.50
2041	70,000.00	148,437.50	218,437.50
2042	80,000.00	144,762.50	224,762.50
2043	90,000.00	140,562.50	230,562.50
2044	105,000.00	135,837.50	240,837.50
2045	120,000.00	130,325.00	250,325.00
2046	135,000.00	124,025.00	259,025.00
2047	150,000.00	116,600.00	266,600.00
2048	170,000.00	108,350.00	278,350.00
2049	185,000.00	99,000.00	284,000.00
2050	210,000.00	88,825.00	298,825.00
2051	230,000.00	77,275.00	307,275.00
2052	255,000.00	64,625.00	319,625.00
2053	280,000.00	50,600.00	330,600.00
2054	305,000.00	35,200.00	340,200.00
2055	335,000.00	18,425.00	353,425.00
TOTAL	\$3,000,000.00	\$3,912,308.75	\$6,912,308.75

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

**Laton Joint Unified School District
2025 General Obligation Bond Anticipation Notes
Debt Service Schedule**

Bond Year Ending (August 1)	Principal	Interest	Total Annual Debt Service
2025	--	\$41,336.11	\$41,336.11
2026	--	161,750.00	161,750.00
2027	--	161,750.00	161,750.00
2028	\$3,235,000.00	161,750.00	3,396,750.00
TOTAL	\$3,235,000.00	\$526,586.11	\$3,761,586.11

Combined General Obligations. The following table shows the combined annual debt service schedule with respect to all outstanding general obligations of the District secured by *ad valorem* property taxes, assuming no optional redemptions. See APPENDIX A – “FINANCIAL INFORMATION – Existing Debt Obligations” for additional information.

**LATON JOINT UNIFIED SCHOOL DISTRICT
Combined General Obligation Bond Debt Service Schedule**

Period Ending Aug. 1	Election of 2018, Series A Bonds	Election of 2018, Series B Bonds	The Bonds	The Notes⁽¹⁾	Aggregate Annual Debt Service
2025	\$159,350.00	\$107,337.50	\$41,658.75	\$41,336.11	\$349,682.36
2026	179,350.00	107,337.50	198,012.50	161,750.00	646,450.00
2027	178,900.00	117,337.50	161,262.50	161,750.00	619,250.00
2028	183,100.00	127,337.50	176,262.50	3,396,750.00	3,883,450.00
2029	192,100.00	132,337.50	160,512.50	--	484,950.00
2030	200,700.00	132,337.50	160,512.50	--	493,550.00
2031	208,900.00	137,337.50	160,512.50	--	506,750.00
2032	216,700.00	147,337.50	160,512.50	--	524,550.00
2033	224,668.76	152,337.50	160,512.50	--	537,518.76
2034	232,231.26	157,337.50	170,512.50	--	560,081.26
2035	244,362.50	162,337.50	174,987.50	--	581,687.50
2036	250,987.50	170,137.50	184,200.00	--	605,325.00
2037	262,275.00	177,537.50	187,887.50	--	627,700.00
2038	272,900.00	185,287.50	196,312.50	--	654,500.00
2039	283,000.00	192,737.50	204,212.50	--	679,950.00
2040	290,250.00	204,887.50	211,587.50	--	706,725.00
2041	306,750.00	207,687.50	218,437.50	--	732,875.00
2042	317,000.00	220,243.76	224,762.50	--	762,006.26
2043	326,250.00	232,481.26	230,562.50	--	789,293.76
2044	339,500.00	239,400.00	240,837.50	--	819,737.50
2045	356,500.00	246,106.26	250,325.00	--	852,931.26
2046	367,000.00	257,600.00	259,025.00	--	883,625.00
2047	381,250.00	270,400.00	266,600.00	--	918,250.00
2048	399,000.00	312,400.00	278,350.00	--	989,750.00
2049	--	682,400.00	284,000.00	--	966,400.00
2050	--	707,200.00	298,825.00	--	1,006,025.00
2051	--	--	307,275.00	--	307,275.00
2052	--	--	319,625.00	--	319,625.00
2053	--	--	330,600.00	--	330,600.00
2054	--	--	340,200.00	--	340,200.00
2055	--	--	353,425.00	--	353,425.00
TOTAL	\$6,373,025.02	\$5,787,218.78	\$6,912,308.75	\$3,761,586.11	\$22,834,138.66

(1) Payment of the Notes is secured by the Note Repayment Obligations rather than property tax levies.

SOURCES AND USES OF FUNDS

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

<u>Sources of Funds</u>	The Bonds	The Notes
Principal Amount	\$3,000,000.00	\$3,235,00.00
Original Issue Premium	144,291.95	96,370.65
Total Sources	\$3,144,291.95	\$3,331,370.65
<u>Uses of Funds</u>		
Building Fund	\$2,840,000.00	\$3,160,000.00
Debt Service Fund	85,467.33	76,960.65
Costs of Issuance ⁽¹⁾	218,824.62	94,410.00
Total Uses	\$3,144,291.95	\$3,331,370.65

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

SOURCES OF PAYMENT FOR THE OBLIGATIONS

Ad Valorem Taxes

The Bonds. The Bonds are payable from *ad valorem* taxes. The respective Boards of Supervisors of the Counties are empowered and are obligated to levy *ad valorem* taxes, without limitation as to rate or amount, for the payment of the principal of and interest on the Bonds, upon all property subject to taxation by the District (except certain personal property which is taxable at limited rates). Such taxes will be levied annually in addition to all other taxes during the period that the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, will be placed by Fresno County in the District's Debt Service Fund, which is segregated and maintained by Fresno County, and which is irrevocably pledged for the payment of the Bonds and interest thereon when due. Although Fresno County is obligated to levy an *ad valorem* tax for the payment of the Bonds, and will maintain the Debt Service Fund pledged to the repayment of the Bonds, the Bonds are not a debt of the Counties.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same becomes due and payable, shall be transferred by Fresno 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 for subsequent disbursement to the Beneficial Owners of the Bonds.

The amount of the annual *ad valorem* tax levied by the Counties to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control, such as economic recession, deflation of land values, a relocation out of the District by one or more major property owners, or the complete or partial destruction of such property caused by, among other eventualities, an earthquake, flood or other natural disaster, could cause a reduction in the assessed value of the District and necessitate an unanticipated increase in annual tax levy.

The Notes. Interest on the Notes is payable from *ad valorem* taxes. The respective Boards of Supervisors of the Counties have the power and are obligated to levy *ad valorem* taxes for the payment of the interest on the Notes upon all property within the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). Such taxes are required to be levied annually, in addition to all other taxes, during the period that the Notes are outstanding in an amount sufficient to pay the interest on the Notes when due. Such taxes, when collected, will be deposited into an interest and sinking fund for the Notes (the "**Note Repayment Fund**"), which is maintained by the Fresno County Treasurer for the payment of interest on the Notes when due. **Although the Counties are obligated to levy an *ad valorem* tax for the payment of interest on the Notes, the Notes are not a debt of the Counties.**

The Note Repayment Fund shall be administered and disbursements made in the manner set forth in the Note Resolution. Amounts on deposit in the Note Repayment Fund, to the extent necessary to pay the interest on the Notes as the same becomes due and payable, shall be paid to DTC to pay the interest on the Notes. DTC will thereupon make payments of the interest on the Notes to the DTC Participants who will thereupon make payments of interest on the Notes to the beneficial owners of the Notes. Any moneys remaining in the Note Repayment Fund after the Notes and the interest thereon have been paid, or provision for such payment has been made, shall be

transferred to the General Fund of the District, as provided in Section 15234 of the Education Code of the State of California.

The rate of the annual *ad valorem* tax levied by the Counties to repay the interest on the Notes will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of interest due on the Notes. A reduction in the assessed valuation of taxable property in the District caused by economic factors beyond the District's control, such as economic recession, slower growth, or deflation of land values, a relocation out of the District by one or more major property owners, or the complete or partial destruction of such property caused by, among other eventualities, an earthquake, flood or other natural disaster, could cause a reduction in the assessed value of the District and necessitate an unanticipated increase in the annual tax levy. For further information regarding the District's tax base, tax rates, overlapping debt and other matters concerning taxation, see "PROPERTY TAXATION." See also "RISK FACTORS RELATING TO THE NOTES."

Debt Service Fund for the Bonds

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

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

Not a County Obligation

Principal and interest on the Bonds and interest on the Notes are payable solely from the proceeds of an *ad valorem* property tax levied and collected by the Counties for such purpose. Although the Counties are obligated to collect the *ad valorem* property tax for the payment of the principal and interest on the Bonds and interest on the Notes, the Obligations are not a debt of the Counties.

Pledge of Note Repayment Obligation Proceeds

The principal of and interest on the Notes are payable from the proceeds of Note Repayment Obligations to be issued for that purpose, and from amounts held in the funds and accounts established under the Note Resolution or any lawfully available funds of the District. In the Note Resolution, "**Note Repayment Obligations**" are defined as: General Obligation Bonds, an additional series of bond anticipation notes or other obligations including certificates of participation, or any combination of the foregoing, in an aggregate principal amount which is sufficient to pay the full amount of principal of and interest on the Notes coming due and payable at maturity. The Notes are payable from and secured by a pledge of the proceeds of the Note Repayment Obligations. The full faith and credit of the District is not pledged for the payment of the principal of or interest on the Notes. The Notes are not secured by a legal or equitable pledge of, or charge, lien or encumbrance

upon, any of the property of the District or any of its income or receipts, except the Note Repayment Obligation proceeds and such other moneys and securities as provided in the Note Resolution. Interest on the Notes is also payable from any *ad valorem* taxes levied upon all property within the District subject to taxation, to the extent available for that purpose. The proceeds of such Note Repayment Obligations, and the proceeds of any such *ad valorem* property taxes, will be paid to the Fresno County Treasurer when collected and deposited in the Note Repayment Fund established pursuant to the Note Resolution.

The Notes are special obligations of the District, payable from the sources and funds identified in the preceding paragraph. The general fund of the District is not liable, and the credit of the District is not pledged, for the payment of the Notes.

Covenant to Issue Note Repayment Obligations

The Notes are secured by a pledge of the proceeds of the Note Repayment Obligations, as set forth above, and which shall be issued under the circumstances as hereinafter described. The District is not limited to payment of the Notes from the proceeds of the Note Repayment Obligations; the Notes may be paid from any source of legally available funds of the District.

In order to provide for the payment of the principal of and interest on the Notes coming due at maturity, the District has covenanted in the Note Resolution that, not later than 30 days prior to the maturity date of the Notes, the District shall issue Note Repayment Obligations, in a principal amount sufficient, together with any amounts then on deposit in the Note Repayment Fund, to pay the full amount of the principal of and unpaid interest on the Notes coming due and payable at maturity. Upon the issuance of such Note Repayment Obligations by the District, the proceeds thereof will be paid to the Fresno County Treasurer and deposited in the Note Repayment Fund.

RISK FACTORS RELATING TO THE NOTES

Issuance of Note Repayment Obligations

As described above, the District has covenanted to commence proceedings for the issuance of Note Repayment Obligations to provide for the payment of the principal of and interest on the Notes at maturity. Although the District expects to issue General Obligation Bonds as required to pay the principal of and interest on the Notes at maturity, such issuance is dependent upon a variety of factors over which the District has no control.

Limitation on Tax Rate to Pay Debt Service. The Strict Accountability in Local School Construction Bonds Act of 2000, as set forth in the California Education Code, which applies to the District's General Obligation Bonds, provides that another issue of General Obligation Bonds cannot be issued unless the tax rate levied to pay debt service on all of the District's General Obligation Bonds issued under the Bond Election would not exceed \$30 per year per \$100,000 of taxable property, when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution, which generally provides for 2% annual inflation. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS".

Concurrently with the issuance of the Notes, the District is issuing the Bonds, which is the only series of General Obligation Bonds outstanding under the Authorization, leaving \$3,500,000 of principal amount of General Obligation Bonds under the 2024 Authorization unissued. For fiscal year

2025-26, the tax rate levied to pay debt service on the outstanding issue will be \$60 per \$100,000 of assessed valuation. In order for the District to issue its remaining authorization of General Obligation Bonds in the maximum principal amount of \$3,500,000 for the purpose of paying the principal of and interest on the Notes and continue to not exceed the \$60 per \$100,000 maximum tax rate, the assessed valuation in the District would need to be \$596,849,422 in fiscal year 2028-29, assuming an interest rate on the General Obligation Bonds of 4.50% and assuming the General Obligation Bonds have an underlying rating of “A” by S&P at the time of issuance. This assessed valuation is higher, in aggregate, than the 2024-25 fiscal year assessed valuation of \$529,119,790 (reflecting 3.50% annual growth).

The average annual compound growth for assessed valuation was 5.0% since 2010, most recently 0.5% from fiscal year 2023-24, and the District cannot guarantee that a growth rate sufficient for the issuance of General Obligation Bonds will be realized. In addition, interest rates higher than the assumed rate will require a greater tax levy and therefore a higher assessed valuation in the District in order to meet the \$60 per \$100,000 targeted maximum, and could extend the anticipated repayment term of the bond, or in the absence of any growth in the district, delay the District’s ability to issue a new series of General Obligation Bonds. See “TAX BASE IN THE DISTRICT – Assessed Valuations” and “Reduction in District Assessed Valuations” below.

Bond Anticipation Notes and Renewals Limited to 5-Year Term. The Notes are being issued pursuant to the California Education Code, particularly Section 15150 thereof (“**Section 15150**”). Section 15150 currently provides that general obligation bond anticipation notes, and any renewals thereof, must mature in a period of not to exceed 5 years. Pursuant to the Note Resolution, the District has covenanted to take all actions required to authorize, sell, and issue, on or before August 1, 2028, Note Repayment Obligations in an aggregate principal amount which is sufficient to pay the full principal of and unpaid interest on the Notes coming due and payable at maturity.

Other Factors Limiting Issuance of General Obligation Bonds. Other factors which could affect the ability of the District to issue such General Obligation Bonds include the financial condition of the District at the time it institutes proceedings to issue such obligations, the presence of conditions prevailing in the bond market which could make it difficult or impossible for the District to issue such obligations, and the difficulty of obtaining municipal bond insurance or other credit enhancement for the General Obligation Bonds. No assurances can be given that the District will be able to issue General Obligation Bonds when and as required to provide for payment of the principal of and unpaid interest on the Notes at maturity.

Reduction in District Assessed Valuation

The reduction of taxable values of property in the District caused by economic factors beyond the District’s control, such as successful appeals by property owners for a reduction in property’s assessed value, blanket reductions in assessed value due to general reductions in property values (see “PROPERTY TAXATION – Appeals of Assessed Value”) or the complete or partial destruction of such property caused by, among other eventualities, an earthquake or other natural disaster, could cause a reduction in assessed valuations. Such factors could also cause the assessed value of District properties to increase at a slower rate than needed to comply with the tax rate limitation described above. Such factors could adversely affect the ability of the District to issue General Obligation Bonds prior to maturity of the Notes.

Loss of Tax Exemption

As discussed under the heading “TAX MATTERS,” certain acts or omissions of the District in violation of its covenants in the Note Resolution could result in the interest on the Notes being includable in gross income for purposes of federal income taxation retroactive to the date of issuance of the Notes. Should such an event of taxability occur, the Notes would not be subject to a special redemption and would remain outstanding.

APPLICATION OF PROCEEDS OF OBLIGATIONS

Building Funds

The Bonds. The proceeds from the sale of the Bonds, to the extent of the principal amount thereof, will be paid to the County Treasurer to the credit of the fund created and established in the Bond Resolution and known as the “Election of 2024, Series A Building Fund” (the “**Bonds Building Fund**”), which Bonds Building Fund will be accounted for as separate and distinct from all other District and Fresno County funds. The appropriate office will maintain separate accounting for the proceeds of the Bonds, including all earnings received from the investment thereof. Amounts credited to the Bonds Building Fund will be expended by the District solely for the financing of projects for which the Bond proceeds are authorized to be expended under the 2024 Authorization (which includes costs of issuance). All interest and other gain arising from the investment of proceeds of the Bonds shall be retained in the Bonds Building Fund and used for the purposes thereof. At the written request of the District filed with the Fresno County Treasurer, any amounts remaining on deposit in the Bonds Building Fund and not needed for the purposes thereof will be withdrawn from the Bonds Building Fund and transferred to the Debt Service Fund for such Bonds, to be applied to pay the principal of and interest on the Bonds. If excess amounts remain on deposit in the Bonds Building Fund after payment in full of the Bonds, any such excess amounts shall be transferred to the general fund of the District, to be applied for the purposes for which the Bonds have been authorized or otherwise in accordance with the Bond Law.

The Notes. The proceeds from the sale of the Notes will be paid to the Fresno County Treasurer to the credit of the fund created in the Note Resolution and known as the “2025 General Obligation Bond Anticipation Notes Building Fund” (the “**Notes Building Fund**”), which Notes Building Fund will be accounted for as separate and distinct from all other District and Fresno County funds. The appropriate office will maintain separate accounting for the proceeds of the Notes, including all earnings received from the investment thereof. Amounts credited to the Notes Building Fund will be expended by the District solely for the financing of projects for which the Note proceeds are authorized to be expended under the 2024 Authorization (which includes costs of issuance). All interest and other gain arising from the investment of proceeds of the Notes shall be retained in the Notes Building Fund and used for the purposes thereof. At the written request of the District filed with the Fresno County Treasurer, any amounts remaining on deposit in the Notes Building Fund and not needed for the purposes thereof will be withdrawn from the Notes Building Fund and transferred to the Note Repayment Fund, to be applied to pay the principal of and interest on the Notes. If excess amounts remain on deposit in the Notes Building Fund after payment in full of the Notes, any such excess amounts shall be transferred to the general fund of the District, to be applied for the purposes for which the Notes have been authorized or otherwise in accordance with the Note Law.

Debt Service Fund for the Bonds

As described herein under the heading “SOURCES OF PAYMENT FOR THE OBLIGATIONS – Debt Service Fund for the Bonds,” the Fresno County Treasurer will establish, hold and maintain the Debt Service Fund for the Bonds, which the Fresno County Treasurer will maintain as a separate account distinct from all other funds of Fresno County and the District. The Fresno County Treasurer will administer the Debt Service Fund and make disbursements therefrom in the manner set forth in the Bond Resolution. Accrued interest and premium, if any, received by the Fresno County Treasurer from the sale of the Bonds will be deposited in the Debt Service Fund which, together with the collections of *ad valorem* taxes, will be used only for payment of principal of and interest on the Bonds. Interest earnings on the investment of monies held in the Debt Service Fund will be retained in the Debt Service Fund and used to pay the principal of and interest on the Bonds when due. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid, or provision for such payment has been made, will be transferred to any other interest and sinking fund for general obligation bond indebtedness of the District, and in the event there is no such debt outstanding, will be transferred to the District’s general fund upon the order of the Fresno County Auditor, as provided in Section 15234 of the Education Code.

Investment of Proceeds of Obligations

Under California law, the District is generally required to pay all monies received from any source into the Fresno County Treasury to be held on behalf of the District. All amounts deposited into the Debt Service Fund and the Note Repayment Fund, as well as proceeds of taxes held therein for payment of the Bonds and the Notes, shall be invested in the Fresno County Investment Pool, the Local Agency Investment Fund of the California State Treasurer, any investments authorized pursuant to Sections 53601 and 53635 of the California Government Code, and investment agreements, including guaranteed investment contracts, float contracts or other investment products (provided that such agreements comply with the requirements of Section 148 of the Tax Code) in accordance with the investment policy of Fresno County. See “APPENDIX G - FRESNO COUNTY INVESTMENT POLICY AND INVESTMENT REPORT.”

PROPERTY TAXATION

Property Tax Collection Procedures

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

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

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

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

Taxation of State-Assessed Utility Property

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

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

Assessed Valuation

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

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

Assessed Valuation History. The tables below show a history of the District’s assessed valuation.

LATON JOINT UNIFIED SCHOOL DISTRICT Assessed Valuation Fiscal Years 2013-14 through 2024-25

Kings County Portion

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2013-14	\$35,241,640	\$0	\$1,016,391	\$36,258,031	--%
2014-15	34,165,221	0	885,788	35,051,009	(3.3)
2015-16	35,633,418	0	814,226	36,447,644	4.0
2016-17	37,709,318	0	863,746	38,573,064	5.8
2017-18	39,973,300	0	872,675	40,845,975	5.9
2018-19	40,217,764	0	594,775	40,812,539	(0.1)
2019-20	40,758,597	0	932,772	41,691,369	2.2
2020-21	44,088,769	0	899,736	44,988,505	7.9
2021-22	46,099,052	0	1,437,484	47,536,536	5.7
2022-23	46,470,258	0	1,500,692	47,970,950	0.9
2023-24	48,554,568	0	1,395,911	49,950,479	4.1
2024-25	51,251,443	0	1,006,839	52,258,282	4.6

Source: California Municipal Statistics, Inc.

Fresno County Portion

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2013-14	\$262,736,549	\$240,450	\$7,883,988	\$270,860,987	--%
2014-15	264,867,733	240,450	11,740,746	276,848,929	2.2
2015-16	278,751,087	345,915	19,886,538	298,983,540	8.0
2016-17	304,902,008	345,915	19,634,687	324,882,610	8.7
2017-18	325,119,610	345,915	18,414,156	343,879,681	5.8
2018-19	341,251,934	345,915	16,773,153	358,371,002	4.2
2019-20	356,750,062	254,792	22,953,030	379,957,884	6.0
2020-21	368,093,310	254,792	28,490,053	396,838,155	4.4
2021-22	393,367,652	254,792	37,406,270	431,028,714	8.6
2022-23	412,584,557	254,792	39,694,499	452,533,848	5.0
2023-24	427,446,180	164,921	39,796,999	467,408,100	3.3
2024-25	425,580,750	164,921	42,115,837	467,861,508	0.1

Source: California Municipal Statistics, Inc.

Total District

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2013-14	\$297,978,189	\$240,450	\$8,900,379	\$307,119,018	--%
2014-15	299,032,954	240,450	12,626,534	311,899,938	1.6
2015-16	314,384,505	345,915	20,700,764	335,431,184	7.5
2016-17	342,611,326	345,915	20,498,433	363,455,674	8.4
2017-18	365,092,910	345,915	19,286,831	384,725,656	5.9
2018-19	381,469,698	345,915	17,367,928	399,183,541	3.8
2019-20	397,508,659	254,792	23,885,802	421,649,253	5.6
2020-21	412,182,079	254,792	29,389,789	441,826,660	4.8
2021-22	439,466,704	254,792	38,843,754	478,565,250	8.3
2022-23	459,054,815	254,792	41,195,191	500,504,798	4.6
2023-24	476,000,748	164,921	41,192,910	517,358,579	3.4
2024-25	476,832,193	164,921	43,122,676	520,119,790	0.5

Source: California Municipal Statistics, Inc.

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

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

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

Drought. The State has experienced drought conditions in recent years, including a period of drought followed by record-level precipitation, which resulted in related severe flooding and mudslides in certain regions. As of February 18, 2025, the U.S. Drought Monitor indicates that the State is classified as experiencing no drought conditions in the northern part of the State, some abnormally dry and moderate drought conditions in the central part of the State, with severe and extreme drought conditions in the southern part of the State, with the Counties experiencing abnormally dry and moderate drought conditions.

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

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

Public Health Emergencies. In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020, the World Health Organization announced the official name for the outbreak of the disease known as COVID-19 ("**COVID-19**"), an upper respiratory tract illness, that spread across the globe. The ultimate impact of COVID-19 on the District's operations and finances and the economy, real estate market, development within the District and tax collections may not be fully known, and it may be some time before the full adverse impact of the COVID-19 outbreak is known. Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the District's operations and finances. In addition, the District cannot predict whether future pandemics will occur and whether any such pandemics may impact its finances or operations. As of this date, several vaccines have been provided approval by federal health authorities and are widely available, and both the national emergency and state of emergency have officially ended, and the World Health Organization declared an end to the COVID-19 global health emergency.

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

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

LATON JOINT UNIFIED SCHOOL DISTRICT
Local Secured Property Assessed Valuation and Parcels by Land Use
Fiscal Year 2024-25

	2024-25	% of	No. of	% of
<u>Non-Residential:</u>	<u>Assessed Valuation ⁽¹⁾</u>	<u>Total</u>	<u>Parcels</u>	<u>Total</u>
Agricultural	\$317,888,236	66.67%	641	44.61%
Commercial/Office	29,640,084	6.22	26	1.81
Vacant Commercial	372,012	0.08	10	0.70
Industrial	5,711,912	1.20	3	0.21
Government/Social/Institutional	<u>225,896</u>	<u>0.05</u>	<u>9</u>	<u>0.63</u>
Subtotal Non-Residential	\$353,838,140	74.21%	689	47.95%
<u>Residential:</u>				
Single Family Residence	\$109,729,266	23.01%	592	41.20%
Mobile Home	3,679,914	0.77	51	3.55
Mobile Home Park	715,249	0.15	1	0.07
2+ Residential Units	6,745,576	1.41	29	2.02
Vacant Residential	<u>2,124,048</u>	<u>0.45</u>	<u>75</u>	<u>5.22</u>
Subtotal Residential	\$122,994,053	25.79%	748	52.05%
Total	\$476,832,193	100.00%	1,437	100.00%

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

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

LATON JOINT UNIFIED SCHOOL DISTRICT
Per Parcel Assessed Valuation of Single Family Homes
Fiscal Year 2024-25

	<u>No. of Parcels</u>	<u>2024-25 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
Single Family Residential	592	\$109,729,266	\$185,353	\$125,487

<u>2024-25 Assessed Valuation</u>	<u>No. of Parcels ⁽¹⁾</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$24,999	14	2.365%	2.365%	\$ 261,527	0.238%	0.238%
\$25,000 - \$49,999	53	8.953	11.318	2,039,124	1.858	2.097
\$50,000 - \$74,999	61	10.304	21.622	3,906,030	3.560	5.656
\$75,000 - \$99,999	99	16.723	38.345	8,524,646	7.769	13.425
\$100,000 - \$124,999	67	11.318	49.662	7,590,539	6.918	20.343
\$125,000 - \$149,999	48	8.108	57.770	6,599,149	6.014	26.357
\$150,000 - \$174,999	47	7.939	65.709	7,652,356	6.974	33.331
\$175,000 - \$199,999	27	4.561	70.270	5,087,882	4.637	37.967
\$200,000 - \$224,999	28	4.730	75.000	6,002,223	5.470	43.437
\$225,000 - \$249,999	22	3.716	78.716	5,250,774	4.785	48.223
\$250,000 - \$274,999	20	3.378	82.095	5,240,508	4.776	52.998
\$275,000 - \$299,999	17	2.872	84.966	4,846,396	4.417	57.415
\$300,000 - \$324,999	11	1.858	86.824	3,393,592	3.093	60.508
\$325,000 - \$349,999	11	1.858	88.682	3,719,238	3.389	63.897
\$350,000 - \$374,999	17	2.872	91.554	6,092,510	5.552	69.450
\$375,000 - \$399,999	5	0.845	92.399	1,959,505	1.786	71.235
\$400,000 - \$424,999	6	1.014	93.412	2,496,585	2.275	73.511
\$425,000 - \$449,999	4	0.676	94.088	1,770,906	1.614	75.124
\$450,000 - \$474,999	3	0.507	94.595	1,399,672	1.276	76.400
\$475,000 - \$499,999	5	0.845	95.439	2,419,366	2.205	78.605
\$500,000 and greater	<u>27</u>	<u>4.561</u>	100.000	<u>23,476,738</u>	<u>21.395</u>	100.000
	592	100.000%		\$109,729,266	100.000%	

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

Reassessments and Appeals of Assessed Value

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

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

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

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

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

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

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

Tax Rates

Below are historical typical tax rates in a typical tax rate area within the District for fiscal years 2020-21 through 2024-25.

LATON JOINT UNIFIED SCHOOL DISTRICT
Typical Total Tax Rates of Assessed Valuation
(Tax Rate Area 125-004)⁽¹⁾
Fiscal Years 2020-21 through 2024-25

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
General Tax Rate	\$1.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000
Laton Joint Unified School District	.030696	.053626	.042134	.046274	.042776
State Center Community College District	.025672	.018088	.028470	.020920	.020406
Total	\$1.056368	\$1.071714	\$1.070604	\$1.067194	\$1.063182

(1) 2024-25 assessed valuation of TRA 125.004 is \$210,553,277, which is 45% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

The Board of Supervisors of Fresno County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in Fresno County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if the amount credited had been collected. As a result, participating entities receive 100% of secured property taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes. Currently, Fresno County includes general obligation bonds debt service levies in its Teeter Plan.

So long as the Teeter Plan remains in effect, the District's receipt of revenues with respect to the levy of *ad valorem* property taxes levied in Fresno County will not be dependent upon actual collections of the *ad valorem* property taxes by each County. However, under the statute creating the Teeter Plan, a Board of Supervisors can under certain circumstances terminate the Teeter Plan in part or in its entirety with respect to the entire county and, in addition, a Board of Supervisors can terminate the Teeter Plan with respect to the District if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%. In the event that the Teeter Plan were terminated, the amount of the levy of *ad valorem* property taxes in the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

Kings County does not currently operate a Teeter plan; consequently, secured property tax collections in Kings County reflect actual delinquencies.

Notwithstanding the Fresno County's participation in the Teeter Plan, the following table shows historical secured tax charges and delinquencies for secured property in the Fresno County portion of the District for fiscal years 2019-20 through 2023-24.

LATON JOINT UNIFIED SCHOOL DISTRICT Secured Tax Charges and Delinquencies ⁽¹⁾ Fiscal Years 2019-20 through 2023-24

Fiscal Year	Secured Tax Charge	Amount Delinquent June 30	% Delinquent June 30
2019-20	\$4,193,435.54	\$90,786.54	2.16%
2020-21	4,221,322.48	67,203.44	1.59
2021-22	4,546,199.66	93,292.90	2.05
2022-23	4,747,134.82	234,400.53	4.94
2023-24	4,622,127.50	162,514.25	3.52

(1) All taxes collected within the district by Fresno County. Kings County information is not available.
Source: California Municipal Statistics, Inc.

Top 20 Property Owners

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

LATON JOINT UNIFIED SCHOOL DISTRICT Top 20 Secured Property Taxpayers Fiscal Year 2024-25

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2024-25 Assessed Valuation</u>	<u>% of Total ⁽¹⁾</u>
1.	Zonneveld Dairies Inc.	Agricultural	\$ 28,053,860	5.88%
2.	Crossings LP	Agricultural	21,114,654	4.43
3.	Irigoyen Farms Inc.	Agricultural	10,796,218	2.26
4.	AST Farms LLC	Agricultural	8,706,037	1.83
5.	Kings Country Club	Country Club	6,846,739	1.44
6.	Timothy & Debra Raven	Agricultural	6,755,107	1.42
7.	Parmjit S. and Gurinder K. Grewal	Agricultural	5,993,076	1.26
8.	Matthew M. & Tawny R. Jackson, Trustees	Agricultural	5,805,043	1.22
9.	HAP Farms LLC	Agricultural	5,553,173	1.16
10.	Rosa Farms LP	Agricultural	5,509,618	1.16
11.	Brad Duinkerken	Agricultural	5,197,101	1.09
12.	Dennis H. Langstraat	Agricultural	5,073,996	1.06
13.	Imperial Western Products Inc.	Industrial	4,773,671	1.00
14.	Melvin & Kelley R. Medeiros	Agricultural	4,759,562	1.00
15.	Dino Partners LP	Agricultural	4,367,851	0.92
16.	Joseph Coelho	Agricultural	4,242,460	0.89
17.	Mary D. Garcia	Agricultural	4,022,073	0.84
18.	Simon and Simarjot Sihota	Agricultural	3,923,253	0.82
19.	Arlie A. and Fanny S. Rogers	Agricultural	3,699,527	0.78
20.	Jose and Ramona Irigoyen	Agricultural	3,676,020	0.77
			<u>\$148,869,039</u>	<u>31.22%</u>

(1) 2024-25 local secured assessed valuation: \$476,832,193.

Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

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

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

LATON JOINT UNIFIED SCHOOL DISTRICT Statement of Direct and Overlapping Bonded Debt (Debt Issued as of March 1, 2025)

2024-25 Assessed Valuation: \$520,119,790

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 3/1/25</u>
State Center Community College District	0.424%	\$1,479,696
Laton Joint Unified School District	100.000	<u>6,758,138</u> ⁽¹⁾
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$8,237,834
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Fresno County General Fund Obligations	0.421%	\$ 78,895
Fresno County Pension Obligation Bonds	0.421	704,070
Kings County General Fund Obligations	0.332	<u>22,111</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		\$805,076
COMBINED TOTAL DEBT		\$9,042,910 ⁽²⁾

Ratios to 2024-25 Assessed Valuation:

Direct Debt (\$6,758,138).....	1.30%
Total Direct and Overlapping Tax and Assessment Debt	1.58%
Combined Total Debt	1.74%

(1) Excludes the Obligations offered for sale hereunder.

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

Source: California Municipal Statistics, Inc.

BOND INSURANCE

The following information has been furnished by the Bond Insurer for use in this Official Statement. No representation is made as to the accuracy or completeness of this information, or the absence of material adverse changes therein at any time subsequent to the date hereof. Reference is made to APPENDIX H for a specimen of the Policy.

Municipal Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company (“**BAM**” or the “**Bond Insurer**”) will issue a Municipal Bond Insurance Policy (the “**Policy**”) for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as APPENDIX H to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated “AA/Stable” by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC (“**S&P**”). An explanation of the significance of the rating and current reports may be obtained from S&P at <https://www.spglobal.com/en/>. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of December 31, 2024 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were \$498.6 million, \$253.4 million and \$245.2 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at <https://bambonds.com/insights/#video> (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at <https://bambonds.com/credit-profiles>. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos

are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

TAX MATTERS

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Obligations is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Obligations may be subject to the corporate alternative minimum tax. The Obligations are "qualified tax-exempt obligations" within the meaning of section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), such that, in the case of certain financial institutions (within the meaning of section 265(b)(5) of the Tax Code), a deduction for federal income tax purposes is allowed for 80% of that portion of such financial institution's interest expense allocable to interest payable on the Obligations.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Obligations. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Obligations, or may cause the Obligations to not be "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Tax Code.

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

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Obligation on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Obligations to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Obligation. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Obligations who purchase the Obligations after the initial offering of a substantial amount of such

maturity. Owners of such Obligations should consult their own tax advisors with respect to the tax consequences of ownership of Obligations with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Obligations under federal individual alternative minimum taxes.

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

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

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

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

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

Forms of Opinions. A copy of the proposed forms of opinions of Bond Counsel are attached hereto as APPENDIX D.

CERTAIN LEGAL MATTERS

Legality for Investment

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

Absence of Material Litigation

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

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

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel to the District, Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District, and Dannis Woliver Kelley, as counsel to the Underwriter, are contingent upon issuance of the Obligations.

CONTINUING DISCLOSURE

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

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

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

RATINGS

S&P is expected to assign its insured rating of “AA” to the Obligations, based on the understanding that the Bond Insurer will issue and deliver its Policy with respect to the Obligations upon delivery. See “BOND INSURANCE.”

In addition, S&P has assigned its underlying rating of “A” to the Obligations. The District has provided certain additional information and materials to S&P (some of which has been determined not to be material to making an investment decision in the Obligations and does not appear in this Official Statement). Such ratings reflect only the views of S&P and explanations of the significance of such ratings may be obtained only from S&P. There is no assurance that any credit rating given to the Obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by S&P if, in S&P’s judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Obligations.

The District has covenanted in the Continuing Disclosure Certificate to file notices of any ratings changes on the Obligations on EMMA. See “APPENDIX E - FORM OF CONTINUING DISCLOSURE CERTIFICATE” attached hereto. Notwithstanding such covenant, information relating to ratings changes on the Obligations 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 Obligations are directed to S&P and its website and official media outlets for the most current ratings changes with respect to the Obligations after the initial issuance of the Obligations.

UNDERWRITING

The Obligations are being purchased by D.A. Davidson & Co. (the “**Underwriter**”).

Bonds. The Underwriter has agreed to purchase the Bonds at a price of \$3,099,291.95, which is equal to the aggregate principal amount of the Bonds of \$3,000,000.00, plus original issue premium of \$144,291.95, and less an Underwriter’s discount of \$45,000.00.

Notes. The Notes will be purchased at a price of \$3,311,960.65, which is equal to the initial principal amount of the Notes of \$3,235,000.00, plus original issue premium of \$96,370.65, and less an Underwriter’s discount of \$19,410.00).

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

ADDITIONAL INFORMATION

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

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

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

EXECUTION

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

LATON JOINT UNIFIED SCHOOL DISTRICT

By: /s/ Lupe Nieves
Superintendent

APPENDIX A

GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

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

GENERAL INFORMATION

The District provides educational services to the residents of Laton, a small rural community west of Highway 99 and north of Highway 198, in Fresno County and Kings County (each a "**County**" and, together, the "**Counties**"), in the State of California (the "**State**"). The District currently operates one preschool, one elementary school, one middle school, and one high school, serving approximately 604 students in fiscal year 2024-25.

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

District Governance and Administration

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

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Daniel Vargas	President	November 2028
Nikki Alford	Clerk	November 2028
Guadalupe Andrade	Member	November 2028
Holly Torres	Member	November 2026
Jose Ibarra	Member	November 2026

Administrative Personnel. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Lupe Nieves currently serves as the Superintendent of the District, and Amanda Golden serves as the Chief Business Official.

Recent Enrollment Trends

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

ANNUAL ENROLLMENT Fiscal Years 2017-18 through 2024-25 Laton Joint Unified School District

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>% Change</u>
2017-18	695	--%
2018-19	677	(2.6)
2019-20	661	(2.4)
2020-21	633	(4.2)
2021-22	625	(1.3)
2022-23	628	0.5
2023-24	597	(4.9)
2024-25 ⁽¹⁾	604	1.2

(1) Second interim projection.

Source: California Department of Education; Laton Joint Unified School District.

Employee Relations

The District has 52.15 full-time equivalent (“**FTE**”) certificated, 42.53 FTE classified employees 11.75 FTE management employees. Four unions represent the District employees as shown in the table below.

<u>Employee Group</u>	<u>Bargaining Group</u>	<u>Contract Expiration Date</u>
Certificated	Laton Teachers Association	June 30, 2027
Classified	California School Employees Association	June 30, 2026

Source: Laton Joint Unified School District.

FINANCIAL INFORMATION

Education Funding Generally

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

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

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

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

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

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

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

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

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

Source: California Department of Education.

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

County superintendents review and provide support to the districts under their jurisdiction, and the Superintendent of Public Instruction performs a corresponding role for county offices of education. In addition, the State Budget for fiscal year 2013-14 created the California Collaborative for Education Excellence to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. Under the LCFF and related legislation, the State will continue to measure student achievement through statewide assessments, produce an Academic Performance Index for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system. When a school district's share of local property taxes exceeds its funding entitlement under LCFF, it is deemed a Basic Aid District and is entitled to keep its local property taxes in lieu of lower funding per ADA available under LCFF. The District is not a Basic Aid District.

District Accounting Practices

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

group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30. For more information on the District's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

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

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

Financial Statements

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

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

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

Revenues	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23	Audited 2023-24
LCFF sources					
State apportionment	\$5,557,490	\$3,950,289	\$3,944,333	\$6,539,228	\$6,493,583
Education Protection Account Funds	575,615	2,004,196	2,467,984	548,092	999,595
Local sources	1,441,243	1,519,304	1,649,103	1,737,712	1,794,904
Total Revenue Limit Sources	7,574,348	7,473,789	8,061,420	8,825,032	9,288,082
Federal Revenues	636,221	1,451,023	1,990,805	1,265,327	2,123,648
Other state revenues	734,075	1,149,799	1,569,020	3,205,074	2,178,435
Other local revenues	598,260	636,974	572,124	791,026	986,436
Total Revenues	9,542,904	10,711,585	12,193,369	14,086,459	14,576,601
Expenditures					
Instruction	5,560,922	6,148,292	5,887,256	7,056,262	8,580,518
Instruction-Related Services	1,441,379	995,295	1,178,365	1,523,627	1,841,880
Pupil Services	1,072,756	911,483	769,229	971,691	1,007,183
Ancillary Services	109,428	49,202	91,039	106,160	189,494
Community Services	56,025	58,422	146,847	244,506	679,455
General Administration	724,774	797,224	925,965	1,002,668	1,012,683
Plant Services	1,303,545	1,236,914	1,566,160	1,802,057	2,025,462
Other Outgo	104,110	109,789	105,549	123,784	142,516
Capital Outlay	154,902	145,179	1,227,155	677,987	1,608,196
Debt Service - Principal	--	--	18,127	42,162	40,588
Debt Service - Interest	--	--	1,418	2,184	7,813
Total Expenditures	10,527,741	10,451,700	11,917,110	13,553,088	17,135,788
Excess of Revenues Over/(Under) Expenditures	(984,837)	259,885	276,259	533,371	(2,559,187)
Other Financing Sources (Uses)					
Operating transfers in	--	--	--	--	--
Operating transfers out	--	(81 0,000)	--	--	--
Other sources	--	--	31,218	149,741	45,499
Total Other Financing Sources (Uses)	--	(81 0,000)	31,218	149,741	45,499
Net change in fund balance	(984,837)	(550,115)	307,477	683,112	(2,513,688)
Fund Balance, July 1⁽¹⁾	8,536,660	7,551,824	7,001,709	7,309,187	7,992,299
Fund Balance, June 30	<u>\$7,551,823</u>	<u>\$7,001,709</u>	<u>\$7,309,186</u>	<u>\$7,992,299</u>	<u>\$5,478,611</u>

(1) Totals may not foot due to rounding.
Source: Audited financial statements of the District.

District Budget and Interim Financial Reporting

Budgeting and Interim Reporting Procedures. State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts. Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the Fresno County Superintendent of Schools (the "**County Superintendent**"). The County Superintendent is separate from, and not an officer of, the County.

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

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

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

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

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

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

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

	Adopted Budget 2024-25	Second Interim 2024-25
Revenues		
Total LCFF Sources	\$9,157,401	\$9,145,764
Federal Revenues	2,453,684	2,411,228
Other state revenues	4,367,260	4,588,906
Other local revenues	787,923	787,923
Total Revenues	16,766,268	16,933,821
Expenditures		
Certificated Salaries	4,499,632	5,044,492
Classified Salaries	2,319,462	2,507,164
Employee Benefits	3,442,800	3,556,737
Books and Supplies	1,970,613	1,502,302
Services and Other Operating Expenditures	3,155,539	3,828,778
Capital Outlay	1,198,569	1,469,297
Other Outgo (excluding transfers of indirect costs)	168,181	161,314
Other Outgo	--	--
Total Expenditures	16,754,795	18,070,084
Excess of Revenues Over/(Under) Expenditures	11,473	(1,136,263)
Other Financing Sources (Uses)		
Operating transfers in	--	900,000
Operating transfers out	--	--
Other sources	--	--
Contributions	--	--
Total Other Financing Sources (Uses)	--	900,000
Net change in fund balance	11,473	(236,263)
Fund Balance, July 1	4,235,325	3,287,076
Fund Balance, June 30 ⁽¹⁾	\$4,246,797	\$3,050,813

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

Source: Laton Joint Unified School District.

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 4% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future. The District has a board approved policy to maintain a minimum general fund reserve of 14%, not including its special reserve fund, which is above the State's minimum 4% general fund balance.

Under State law, there are certain restrictions on the amounts that can be held in reserve by school districts under certain circumstances. This reserve cap requirement does not apply to small school districts (ADA of fewer than 2,501 students) or school districts funded as Basic Aid school districts. When applicable, the reserve cap requires that a school district's adopted or

revised budget not contain a combined assigned or unassigned ending general fund balance of more than 10% of those funds. The applicability of the reserve cap is based on the balance in the State's Public School System Stabilization Account and is triggered in any fiscal year in which when the balance is equal to or exceeds 3% of the combined total of general fund revenues appropriated for school districts. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the requirements for up to two consecutive fiscal years within a three-year period, if the school district provides documentation indicating that extraordinary fiscal circumstances, including, but not limited to, multi-year infrastructure or technology projects, substantiate the need for a combined assigned or unassigned ending general fund balance that is in excess of the reserve cap. The reserve cap has not been triggered for fiscal year 2024-25.

Attendance - LCFF Funding

Funding Trends under LCFF. As described herein, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent LCFF funding per ADA for the District for fiscal years 2019-20 through 2024-25.

LATON JOINT UNIFIED SCHOOL DISTRICT ADA and LCFF Funding Fiscal Years 2019-20 through 2024-25

Fiscal Year	ADA	LCFF Funding Per ADA
2019-20	625	12,114
2020-21	625	11,953
2021-22	573	14,068
2022-23	578	15,281
2023-24	566	16,410
2024-25 ⁽¹⁾	570	16,045

(1) Budgeted.

Source: California Department of Education for fiscal years 2019-20 through 2022-23; Laton Joint Unified School District for fiscal years 2023-24 through 2024-25.

District's Unduplicated Student Count. Under LCFF, school districts are entitled to supplemental funding based on the unduplicated count of targeted students. The District's percentage of unduplicated students is approximately 81% for purposes of calculating supplemental and concentration grant funding under LCFF.

Revenue Sources

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

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

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

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

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

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

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

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

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

material. For additional discussion of State aid to school districts, see “- Education Funding Generally.”

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

District Retirement Systems

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

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

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

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

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

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

Source: STRS.

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

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

STRS CONTRIBUTIONS
Laton Joint Unified School District
Fiscal Years 2019-20 through 2024-25

Fiscal Year	Amount
2019-20	\$617,212
2020-21	538,822
2021-22	590,965
2022-23	746,815
2023-24	878,546
2024-25 ⁽¹⁾	1,340,761

(1) Second interim projection.

Source: Laton Joint Unified School District.

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

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

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

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

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

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

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

PERS EMPLOYER CONTRIBUTIONS
Laton Joint Unified School District
Fiscal Years 2019-20 through 2024-25

Fiscal Year	Amount
2019-20	\$315,806
2020-21	285,453
2021-22	353,420
2022-23	486,783
2023-24	626,663
2024-25 ⁽¹⁾	591,112

(1) Second interim projection.
Source: Laton Joint Unified School District.

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

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

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

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

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

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

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

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

Other Post-Employment Retirement Benefits

The Plan Generally. In addition to the pension benefits described above, the District provides post-employment health care plan benefits ("OPEB") to age 65, for classified employees who retire from the District on or after attaining age 60 with at least 15 years of service. The District provides postemployment health care benefits for five years but not beyond age 65, for certificated employees who retire from the District on or after attaining age 55 with at least 15 years of service.

The plan is a single-employer defined benefit OPEB plan administered by District's board of directors. Authority to establish and amend the benefit terms and financing requirements lies with the District's Board. No assets are accumulated in a trust that meets the criteria in paragraph

4 of the GASB 75 statement. As of June 30, 2024, membership of the consisted of 1 retiree receiving benefits and 78 active members.

Contribution Information. The contribution requirements of program members and the District are established and may be amended through negotiations between the District and the respective bargaining units. For the fiscal year ended June 30, 2024, the District contributed \$3,300 to the OPEB plan, all of which was used for current premiums.

Total Liability. The District's total OPEB liability of \$290,097 was measured as of June 30, 2023 and was determined by an actuarial valuation date as of the same date.

Changes in OPEB Liability of the District. The changes in OPEB liability of the District as of June 30, 2024, is shown in the following table:

**CHANGES IN TOTAL OPEB LIABILITY
Laton Joint Unified School District**

	Total OPEB Liability
Balance at June 30, 2023	\$167,986
Service Cost	14,350
Interest	6,156
Changes in assumptions	97,004
Benefit payments	--
Experience	4,601
Net changes	<u>122,111</u>
Balance at June 30, 2024	<u>\$290,097</u>

Source: Laton Joint Unified School District.

OPEB Expense. For the year ended June 30, 2024, the District recognized OPEB expense of \$9,831.

For more information regarding the District's OPEB and assumptions used in its most recent actuarial study, see Note N of Appendix B to the Official Statement.

Insurance – Joint Powers Authorities

The District participates several joint ventures under joint powers agreements (“JPAs”). Fresno County Self-Insurance Group arranges for and provides workers’ compensation insurance, the Organization of Self-Insured Schools arranges for and provides property and liability insurance, Southwest Transportation Agency operates pupil transportation, and the South County Support Services Agency provides the District with school facility support services on a contracted basis. The relationship between the District and the JPAs is such that none of the JPAs is a component unit of the District for financial reporting purposes.

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

Disclaimer Regarding Cyber Risks

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

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

Existing Debt Obligations

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

GENERAL OBLIGATION BONDS Laton Joint Unified School District

<u>Issue Date</u>	<u>Series</u>	<u>Amount of Original Issue</u>	<u>Outstanding April 1, 2025</u>
10/02/2018	Election of 2018, Series A	\$3,700,000.00	\$3,460,000.00
03/18/2020	Election of 2018, Series B	3,298,138.30	3,298,138.30
Total		\$6,998,138.30	\$6,758,138.30

Source: District's Audit; the Municipal Advisor.

Financed Purchases. The District financed the purchase of a 2022 F250 Pickup Truck for \$75,964 at an interest rate of 7.99% under an agreement that provides for title to pass upon expiration of the agreement period.

The District financed the purchase of a robotic field marker for \$45,499 with no interest under an agreement that provides for title to pass upon expiration of the agreement period.

Future payments minimum payments are shown in the following table:

**Laton Joint Unified School District
Schedule of Payments**

Year Ending June 30	Financed Payments
2025	\$25,196
2026	25,196
2027	25,196
2028	7,583
2029	7,584
Total Minimum Lease Payments	90,755
Amount Representing Interest	7,439
Present Value of Net Minimum Payments	<u>\$83,316</u>

Source: Laton Joint Unified School District.

During the year, the District made payments on financed purchases of \$25,196, including interest of \$4,662.

Leases Payable. The District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of their inception.

A lease agreement was executed in November 2021, to lease copiers and requires 60 monthly payments of \$575 per month. There are no variable payment components of the lease.

A lease agreement was executed in November 2022, to lease copiers and requires 60 monthly payments of \$1,359 per month. There are no variable payment components of the lease.

A lease agreement was executed in November 2021, to lease copiers and requires 60 monthly payments of \$575 per month. There are no variable payment components of the lease.

Future payments on the leases are scheduled as follows:

**Laton Joint Unified School District
Schedule of Lease Payments**

Year Ending June 30	Principal	Interest	Total
2025	\$20,871	\$2,335	\$23,206
2026	21,721	1,484	23,205
2027	18,538	642	19,180
2028	6,722	72	6,794
Total	<u>\$67,852</u>	<u>\$4,533</u>	<u>\$72,385</u>

Source: Laton Joint Unified School District.

Compensated Absences. Total unpaid employee compensated absences as of June 30, 2024, amounted to \$38,671. This amount is included as part of long-term liabilities in the government-wide financial statements.

Investment of District Funds

In accordance with California Government Code Sections 53600 *et seq.*, Fresno County Treasurer manages funds deposited with it by the District. Fresno County is required to invest

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

Effect of State Budget on Revenues

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

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

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

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

State Funding of Education Generally

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

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

The State Budget Process

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

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

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

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

Resources Relating to State Budgets

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

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

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

The 2024-25 State Budget

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

For the full text of the 2024-25 State Budget, see the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. *The references to these Internet websites are shown for reference and convenience only and the information contained on such website is not incorporated by reference into this Official Statement. The information contained on this website may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

The 2025-26 State Budget Proposal

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

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

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

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

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

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

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

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

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

Disclaimer Regarding State Budgets

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

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

Legal Challenges to State Funding of Education

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

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

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

Constitutionally Required Funding of Education

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

Article XIII A of the California Constitution

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

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

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

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

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

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

Article XIII B of the California Constitution

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

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

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

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

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

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

Unitary Property

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

Articles XIII C and XIII D of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIII C and XIII D (respectively, "**Article XIII C**" and "**Article XIII D**"), 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 XIII C establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4.

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

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

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

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

Proposition 98

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

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

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

Proposition 111

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

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

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

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

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

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

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

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

Proposition 39

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

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

Proposition 1A and Proposition 22

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

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

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

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

Proposition 30 and Proposition 55

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

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

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

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

California Senate Bill 222

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

Future Initiatives

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

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APPENDIX B

**LATON JOINT UNIFIED SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2023-24**

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**LATON JOINT UNIFIED SCHOOL DISTRICT
COUNTY OF FRESNO
LATON, CALIFORNIA**

AUDIT REPORT

JUNE 30, 2024

**BORCHARDT, CORONA, FAETH & ZAKARIAN
Certified Public Accountants
7088 N. Maple Ave., Ste. 103
Fresno, California 93720-0391**

LATON JOINT UNIFIED SCHOOL DISTRICT
AUDIT REPORT
YEAR ENDED JUNE 30, 2024

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Independent Auditor's Report

Board of Trustees
Laton Joint Unified School District
Laton, California

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, Schedules of the District's Proportionate Share of the Net Pension Liability, Schedules of District's Pension Contributions, and Schedule of Changes in the Total OPEB Liability and Related Ratios, as listed in the table of contents 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 Laton Joint Unified School District's basic financial statements. The other supplementary information schedules listed in the table of contents are presented for purposes of additional analysis as required by the State's audit guide, *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information schedules listed in the table of contents and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information includes the District's Organization Structure as required by the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024, on our consideration of Laton Joint Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Laton Joint Unified School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Laton Joint Unified School District's internal control over financial reporting and compliance.

*Borchardt, Corona, Faeth
& Hakopian*

Fresno, California
December 16, 2024

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Introductory Section

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LATON JOINT UNIFIED SCHOOL DISTRICT
Management's Discussion and Analysis (MD&A)
June 30, 2024

INTRODUCTION

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

FINANCIAL HIGHLIGHTS

- ❑ Total net position was \$8,761,203 at June 30, 2024. This includes a current year decrease in net position of \$1,242,633 from current year activity.
- ❑ Overall revenues were \$16,212,694, which were less than expenditures of \$17,455,327 by \$1,242,633. The expenditures increased in the current year due to increases to salaries, payroll taxes, instruction-related services, pupil services, ancillary services, community services, general administration and plant services.

OVERVIEW OF FINANCIAL STATEMENTS

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

- ❑ **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- ❑ **Fund financial statements** focus on reporting the individual parts of the District operations in more detail. The fund financial statements comprise the remaining statements.
 - **Governmental funds** statements tell how general government services were financed in the short term as well as what remains for future spending.

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

Government-Wide Statements

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

The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the assets and liabilities, is one way to measure the District's financial health or position.

- ❑ Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- ❑ To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in enrollment, changes in the property tax base, and changes in program funding by the Federal and State governments, and condition of facilities.

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

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular programs. Some funds are required to be established by state law and by bond covenants. The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that the District is meeting legal responsibilities for using certain revenues. The District has the following funds:

- **Governmental funds** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's combined net position was \$8,761,203 at June 30, 2024. See Table 1.

Table 1
Net Position

	Governmental Activities		Total Percentage Change
	2024	2023	2024-2023
Assets:			
Cash	\$ 8,292,054	\$ 11,123,457	(25.45%)
Accounts Receivable	1,726,278	960,348	79.76%
Stores Inventories	4,664	4,664	0.00%
Capital Assets, Net	15,907,267	14,754,185	7.82%
TOTAL ASSETS	25,930,263	26,842,654	(3.40%)
Deferred Outflows of Resources	3,518,635	2,668,667	31.85%
Liabilities:			
Accounts Payable	2,063,256	1,279,800	61.22%
Unearned Revenue	961,403	1,234,388	(22.12%)
Long-Term Liabilities	16,517,271	15,305,732	7.92%
TOTAL LIABILITIES	19,541,930	17,819,920	9.66%
Deferred Inflows of Resources	1,145,765	1,687,565	(32.11%)
Net Position:			
Net Investment in Capital Assets	9,050,886	7,903,651	14.52%
Restricted	3,080,912	4,086,146	(24.60%)
Unrestricted	(3,370,595)	(1,985,961)	69.72%
TOTAL NET POSITION	\$ 8,761,203	\$ 10,003,836	(12.42%)

Changes in Net Position

The District's total revenues were \$16,212,694. A majority of the revenue comes from LCFF Sources (57.29%), Operating Grants and Contributions accounted for another 34.89% of total revenues.

The total cost of all programs and services was \$17,455,327. The District's expenses are predominately related to educating and caring for students (70.51%). Administrative activities accounted for just 5.72% of total costs. The remaining expenses were for plant services (maintenance and operations), ancillary services, community services, other outgo and interest on long-term obligations.

Table 2
Change in Net Position

	Total Activities		Total Percentage Change
	2024	2023	2024-2023
Revenues:			
Program Revenues:			
Charges for Services	\$ 399,351	\$ 103,282	>100.00%
Operating Grants and Contributions	5,655,874	5,609,407	0.83%
Capital Grants and Contributions	-	438,690	(100.00%)
General Revenues:			
LCFF Sources	9,288,082	8,825,032	5.25%
State Revenues	160,941	173,564	(7.27%)
Local Revenues	708,446	648,995	9.16%
TOTAL REVENUES	16,212,694	15,798,970	2.62%
Expenses:			
Instruction	8,808,838	6,995,225	25.93%
Instruction-Related Services	1,871,020	1,476,680	26.70%
Pupil Services	1,627,915	1,453,564	11.99%
Ancillary Services	357,140	261,623	36.51%
Community Services	669,478	233,909	>100.00%
General Administration	997,948	964,031	3.52%
Plant Services	2,719,102	2,367,790	14.84%
Other Outgo	144,916	123,640	17.21%
Interest on Long-Term Obligations	258,970	253,123	2.31%
TOTAL EXPENSES	17,455,327	14,129,585	23.54%
INCREASE (DECREASE) IN NET POSITION	(1,242,633)	1,669,385	(>100.00%)
BEGINNING NET POSITION	10,003,836	8,334,451	20.03%
ENDING NET POSITION	\$ 8,761,203	\$ 10,003,836	(12.42%)

Governmental Activities

The cost of all governmental activities this year was \$17,455,327.

Table 3 presents the cost of each of the District's functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was not funded by charges for services, operating grants and capital grants and contributions.

Table 3
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Instruction	\$ 8,808,838	\$ 6,995,225	\$ 6,023,435	\$ 4,311,381
Instruction-Related Services	1,871,020	1,476,680	1,342,244	908,045
Pupil Services	1,627,915	1,453,564	666,954	415,286
Ancillary Services	357,140	261,623	118,948	85,798
Community Services	669,478	233,909	479,983	149,126
General Administration	997,948	964,031	715,127	616,892
Plant Services	2,719,102	2,367,790	1,649,525	1,114,915
Other Outgo	144,916	123,640	144,916	123,640
Interest on Long-Term Obligations	258,970	253,123	258,970	253,123
TOTAL	\$ 17,455,327	\$ 14,129,585	\$ 11,400,102	\$ 7,978,206

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$7,109,457, which decreased by \$2,575,944 from last year's ending fund balance of \$9,685,401.

Table 4
Governmental Funds Balances and Activity

	Balances and Activity			
	July 1, 2023	Revenues & Other Sources	Expenditures & Other Uses	June 30, 2024
General	\$ 6,126,079	\$ 14,558,319	\$ 16,897,322	\$ 3,787,076
Student Activity	72,598	185,132	167,841	89,889
Cafeteria	275,643	661,413	689,577	247,479
Child Development	111,791	382,184	300,768	193,207
Deferred Maintenance	385,968	9,065	238,466	156,567
Pupil Transportation Equipment	154,190	4,260	-	158,450
Special Reserve Fund for Other than Capital Outlay Projects	1,006,091	41,617	-	1,047,708
Special Reserve Fund for Post-Employment Benefits	474,160	13,100	-	487,260
Building Fund	53,862	1,465	2,400	52,927
Capital Facilities	409,020	140,629	27,401	522,248
County School Facilities	284,266	6,442	273,844	16,864
Special Reserve Fund for Capital Outlay Projects	164,100	4,533	-	168,633
Bond Interest and Redemption Fund	167,633	280,205	266,689	181,149
Total	\$ 9,685,401	\$ 16,288,364	\$ 18,864,308	\$ 7,109,457

The primary reason for this decrease was due to completion of one time funding. The District completed 50 to 75 percent of its COVID funding.

General Fund Budgetary Highlights

Over the course of the year, the District revised its annual budget to reflect unexpected changes in revenues and expenditures. A schedule of the District's original and final budget amounts compared with actual revenues and expenses is provided in the supplemental section of the audited financial report.

The primary factors for the variation between original and final budget amounts are as follows:

Revenues – increased by \$3,662,211 due to state and federal COVID and community schools funding this increased the budget.

Personnel expenditures increased by \$716,439 due to increases in certificated salaries, classified salaries, and benefits.

Other non-personnel expenditures – increased by \$1,939,512 due to increases in purchases of materials, supplies, and other services.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had invested \$15,907,267 in a broad range of net capital assets, including land, buildings, land improvements, equipment, work in progress and lease assets. See Table 5. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Table 5
Capital Assets, Net of Accumulated Depreciation and Amortization

	Governmental Activities		Percentage of Change
	2024	2023	2024-2023
Land	\$ 350,225	\$ 350,225	0.00%
Land Improvements	562,555	433,687	29.71%
Buildings	11,238,124	11,807,192	(4.82%)
Equipment	876,316	687,369	27.49%
Work in Progress	2,813,315	1,387,981	>100.00%
Lease Assets	66,732	87,731	(23.94%)
NET CAPITAL ASSETS	\$ 15,907,267	\$ 14,754,185	7.82%

Long-Term Debt

At year-end, the District had \$16,517,271 in debt, consisting of the District's Total OPEB liability, the District's Net Pension liability, Compensated Absences, General Obligation Bonds, Accreted Interest, Bond Issue Premium, Leases Payable, and Financed Purchase, as shown in Table 6. More detailed information about the District's debt is presented in the notes to the financial statements.

Table 6
Long-Term Debt

	Governmental Activities		Percentage of Change
	2024	2023	2024-2023
Net Pension Liability	\$ 8,706,750	\$ 7,598,423	14.59%
General Obligation Bonds	6,758,138	6,758,138	0.00%
Bond Issue Premium	549,004	570,899	(3.84%)
Accreted Interest	23,443	17,080	37.25%
Total OPEB Liability	290,097	167,986	72.69%
Compensated Absences	38,671	46,949	(17.63%)
Leases Payable	67,852	87,906	(22.81%)
Financed Purchase	83,316	58,351	42.78%
TOTAL LONG-TERM DEBT	\$ 16,517,271	\$ 15,305,732	7.92%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the time these financial statements were prepared and audited, the District was aware of circumstances that could affect its future financial health:

- ☐ The District has subsequently seen a decrease over the past few years. Enrollment has stayed above 600 and is starting to increase.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, participants, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact: Amanda Golden, Chief Business Official at (559) 922-4025.

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Financial Section

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LATON JOINT UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2024

	Governmental Activities
ASSETS:	
Cash in County Treasury	\$ 8,195,965
Cash on Hand and in Banks	89,889
Cash in Revolving Fund	6,200
Accounts Receivable	1,726,278
Stores Inventories	4,664
Capital Assets:	
Land	350,225
Land Improvements, Net	562,555
Buildings, Net	11,238,124
Equipment, Net	876,316
Work in Progress	2,813,315
Lease Assets, Net	66,732
Total Assets	<u>25,930,263</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred Outflows of Resources - Pensions	3,407,970
Deferred Outflows of Resources - OPEB	110,665
Total Deferred Outflows of Resources	<u>3,518,635</u>
LIABILITIES:	
Accounts Payable	2,063,256
Unearned Revenue	961,403
Noncurrent Liabilities:	
Net Pension Liability	8,706,750
Total OPEB Liability	290,097
Due within one year	81,111
Due in more than one year	7,439,313
Total Liabilities	<u>19,541,930</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred Inflows of Resources - Pensions	921,024
Deferred Inflows of Resources - OPEB	224,741
Total Deferred Inflows of Resources	<u>1,145,765</u>
NET POSITION:	
Net Investment in Capital Assets	9,050,886
Restricted For:	
Federal and State Programs	2,180,346
Debt Service	181,149
Capital Projects	719,417
Unrestricted	(3,370,595)
Total Net Position	<u>\$ 8,761,203</u>

The accompanying notes are an integral part of this statement.

LATON JOINT UNIFIED SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
PRIMARY GOVERNMENT:				
Governmental Activities:				
Instruction	\$ 8,808,838	\$ 139,961	\$ 2,645,442	\$ (6,023,435)
Instruction-Related Services	1,871,020	29,284	499,492	(1,342,244)
Pupil Services	1,627,915	17,315	943,646	(666,954)
Ancillary Services	357,140	3,026	235,166	(118,948)
Community Services	669,478	10,806	178,689	(479,983)
General Administration	997,948	16,127	266,694	(715,127)
Plant Services	2,719,102	182,832	886,745	(1,649,525)
Other Outgo	144,916	--	--	(144,916)
Interest on Long-Term Obligations	258,970	--	--	(258,970)
Total Governmental Activities	17,455,327	399,351	5,655,874	(11,400,102)
Total Primary Government	\$ 17,455,327	\$ 399,351	\$ 5,655,874	(11,400,102)
General Revenues:				
LCFF Sources				9,288,082
State Revenues				160,941
Local Revenues				708,446
Total General Revenues				10,157,469
Change in Net Position				(1,242,633)
Net Position - Beginning				10,003,836
Net Position - Ending				\$ 8,761,203

The accompanying notes are an integral part of this statement.

LATON JOINT UNIFIED SCHOOL DISTRICT**BALANCE SHEET - GOVERNMENTAL FUNDS**

JUNE 30, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:			
Cash in County Treasury	\$ 6,676,971	\$ 1,518,994	\$ 8,195,965
Cash on Hand and in Banks	—	89,889	89,889
Cash in Revolving Fund	6,000	200	6,200
Accounts Receivable	1,599,100	127,178	1,726,278
Due from Other Funds	9,651	22,757	32,408
Stores Inventories	—	4,664	4,664
Total Assets	<u>8,291,722</u>	<u>1,763,682</u>	<u>10,055,404</u>
LIABILITIES AND FUND BALANCE:			
Liabilities:			
Accounts Payable	\$ 1,828,951	\$ 123,185	\$ 1,952,136
Due to Other Funds	22,757	9,651	32,408
Unearned Revenue	961,403	—	961,403
Total Liabilities	<u>2,813,111</u>	<u>132,836</u>	<u>2,945,947</u>
Fund Balance:			
Nonspendable Fund Balances:			
Revolving Cash	6,000	200	6,200
Stores Inventories	—	4,664	4,664
Restricted Fund Balances	3,183,280	1,028,053	4,211,333
Assigned Fund Balances	643,827	609,601	1,253,428
Unassigned:			
Reserve for Economic Uncertainty	1,634,747	—	1,634,747
Other Unassigned	10,757	—	10,757
Unassigned, reported in nonmajor:			
Capital Projects Funds	—	(11,672)	(11,672)
Total Fund Balance	<u>5,478,611</u>	<u>1,630,846</u>	<u>7,109,457</u>
Total Liabilities and Fund Balances	<u>\$ 8,291,722</u>	<u>\$ 1,763,682</u>	<u>\$ 10,055,404</u>

The accompanying notes are an integral part of this statement.

LATON JOINT UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total fund balances - governmental funds balance sheet	\$ 7,109,457
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:	
Capital assets used in governmental activities are not reported in the funds.	15,840,535
Payables for bond principal which are not due in the current period are not reported in the funds.	(6,758,138)
Payables for leases which are not due in the current period are not reported in the funds.	(67,852)
Payables for debt interest which are not due in the current period are not reported in the funds.	(111,120)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(38,671)
Payables for contracts which are not due in the current period are not reported in the funds.	(83,316)
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(8,706,750)
Deferred Resource Inflows related to the pension plans are not reported in the funds.	(921,024)
Deferred Resource Outflows related to the pension plans are not reported in the funds.	3,407,970
The accumulated accretion of interest on capital appreciation bonds is not reported in the funds.	(23,443)
Bond premiums are amortized in the SNA but not in the funds.	(549,004)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(290,097)
Deferred Resource Inflows related to the OPEB plans are not reported in the funds.	(224,741)
Deferred Resource Outflows related to the OPEB plans are not reported in the funds.	110,665
Lease assets used in governmental activities are not reported in the funds.	66,732
Net position of governmental activities - Statement of Net Position	\$ <u>8,761,203</u>

The accompanying notes are an integral part of this statement.

LATON JOINT UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
LCFF Sources:			
State Apportionment or State Aid	\$ 6,493,583	\$ --	\$ 6,493,583
Education Protection Account Funds	999,595	--	999,595
Local Sources	1,794,904	--	1,794,904
Federal Revenue	2,123,648	542,699	2,666,347
Other State Revenue	2,178,435	492,101	2,670,536
Other Local Revenue	986,436	631,464	1,617,900
Total Revenues	<u>14,576,601</u>	<u>1,666,264</u>	<u>16,242,865</u>
Expenditures:			
Current:			
Instruction	8,580,518	288,578	8,869,096
Instruction - Related Services	1,841,880	12,190	1,854,070
Pupil Services	1,007,183	625,398	1,632,581
Ancillary Services	189,494	167,841	357,335
Community Services	679,455	--	679,455
General Administration	1,012,683	--	1,012,683
Plant Services	2,025,462	2,340	2,027,802
Other Outgo	142,516	2,400	144,916
Capital Outlay	1,608,196	363,084	1,971,280
Debt Service:			
Principal	40,588	--	40,588
Interest	7,813	266,689	274,502
Total Expenditures	<u>17,135,788</u>	<u>1,728,520</u>	<u>18,864,308</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,559,187)</u>	<u>(62,256)</u>	<u>(2,621,443)</u>
Other Financing Sources (Uses):			
Other Sources	45,499	--	45,499
Total Other Financing Sources (Uses)	<u>45,499</u>	<u>--</u>	<u>45,499</u>
Net Change in Fund Balance	<u>(2,513,688)</u>	<u>(62,256)</u>	<u>(2,575,944)</u>
Fund Balance, July 1	7,992,299	1,693,102	9,685,401
Fund Balance, June 30	<u>\$ 5,478,611</u>	<u>\$ 1,630,846</u>	<u>\$ 7,109,457</u>

The accompanying notes are an integral part of this statement.

LATON JOINT UNIFIED SCHOOL DISTRICT

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

Net change in fund balances - total governmental funds \$ (2,575,944)

Amounts reported for governmental activities in the Statement of Activities
("SOA") are different because:

Capital outlays are not reported as expenses in the SOA.	1,967,757
The depreciation of capital assets used in governmental activities is not reported in the funds.	(793,676)
Repayment of lease principal is an expenditure in the funds but is not an expense in the SOA.	20,054
Repayment of loan principal is an expenditure in the funds but is not an expense in the SOA.	20,534
Bond issuance costs and similar items are amortized in the SOA but not in the funds.	21,895
The accretion of interest on capital appreciation bonds is not reported in the funds.	(6,363)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	8,278
Proceeds of long-term debt is recognized as other financial resources in the funds but not revenue in the SOA.	(45,499)
Implementing GASB 68 required certain expenditures to be de-expended and recorded as DRO.	1,505,209
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	(1,337,348)
Implementing GASB 75 required certain expenditures to be de-expended and recorded as DRO.	3,300
OPEB expense relating to GASB 75 is recorded in the SOA but not in the funds.	(9,831)
The amortization of lease assets used in governmental activities is not reported in the funds.	<u>(20,999)</u>

Change in net position of governmental activities - Statement of Activities \$ (1,242,633)

The accompanying notes are an integral part of this statement.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

A. Summary of Significant Accounting Policies

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

1. Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the District's reporting entity, as set forth in GASB Statement No. 14, (as amended), *The Financial Reporting Entity*, include whether:

- the organization is legally separate organization (can sue and be sued in its name) for
- which the primary government is financially accountable.
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

The District also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the District to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the District, its component units or its constituents; and 2) The District or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the District.

Based on these criteria, the District has no component units. Additionally the District is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-Wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

The District reports the following major governmental funds:

General Fund. This is the District's primary operating fund. It is used to account for and report all financial resources not accounted for and reported for in another fund.

The District reports the following non-major governmental funds:

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

- The Student Activity Fund is used to account separately for the operating activities of the associated student body accounts that are not fiduciary in nature, including student clubs, general operations, athletics, and other student body activities.
- The Child Development Fund is used to account separately for federal, state, and local revenues to operate child development programs.
- The Cafeteria Fund is used to account separately for federal, state, and local resources to operate the food service program.
- The Pupil Transportation Equipment Fund is used to account separately for state and local revenues for the acquisition, rehabilitation, or replacement of equipment used to transport students.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The following debt service funds are maintained by the District:

- The Bond Interest and Redemption Fund is used to account for the accumulation of resources for, and the repayment of, distribution bonds, interest and related costs.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. The District maintains the following capital projects funds:

- The Building Fund is used primarily to account for capital outlay funded by the proceeds from the sale of bonds.
- The Capital Facilities Fund is used to account for resources received from developer impact fees assessed under provisions of the California Environmental Quality Act (CEQA).
- The County School Facilities Fund was established to receive apportionments from the State School Facilities Fund authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants.
- The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund monies for capital outlay purposes.

b. Measurement Focus, Basis of Accounting

Government-wide Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within one year after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. Encumbrances

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

4. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all government funds. By state law, the District's Board of Trustees 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 Board of Trustees satisfied these requirements.

These budgets are revised by the District's Board of Trustees and District Superintendent during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object code.

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

a. Deposits and Investments

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

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Fresno County Treasury. The County pools these funds with those of other entities in the County and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Information regarding the amount of dollars invested in derivatives with Fresno County Treasury was not available.

b. Stores Inventories and Prepaid Expenditures

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. Inventories are valued at average cost and consist of expendable supplies held for consumption. Reported inventories are equally offset by a fund balance reserve, which indicates that these amounts are not "available for appropriation and expenditures even though they are a component of net current assets.

The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefitting period. The District has chosen to report the expenditure when incurred.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	25-50
Improvements	20
Equipment	5-15

d. Right to Use Lease Assets and Liabilities

Right to use lease assets are assets which the District leases for a term of more than one year. The value of the leases is determined by the net present value of the leases at the District's estimated incremental borrowing rate at the time of the lease agreement, amortized on a straight-line basis over the term of the agreement.

Leases payable are reported as liabilities in the government-wide financial statements in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources with an equal amount reported as a capital outlay in the year of lease inception.

e. Subscriptions-Based Information Technology Arrangement

Subscriptions-Based Information Technology Arrangement (SBITA) assets are assets which the District has entered into an arrangement to use the information technology software for a term of more than one year. The value of the SBITA is determined by the net present value of the SBITA at the District's estimated incremental borrowing rate at the time of the arrangement, amortized on a straight-line basis over the term of the arrangement.

SBITA subscription payables are reported as liabilities in the government-wide financial statements in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources with an equal amount reported as a capital outlay in the year of SBITA inception.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

f. Receivable and Payable Balances

The District has provided detail of the receivable balances in Note F. The District believes that sufficient detail of payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates the payable balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

g. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The liabilities are recognized in long-term obligation activity - due within one year.

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

h. Unearned Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent cash received on specific projects and programs exceed qualified expenditures.

i. Long-Term Obligation

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium discount.

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

j. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. 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 or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

k. Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The Counties of Fresno and Kings bill and collect the taxes for the District.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

l. Deferred Outflows/Inflows of Resources

Deferred outflows of resources is a consumption of net assets or position that is applicable to a future reporting period. Deferred inflows of resources is an acquisition of net assets or net position that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are recorded in accordance with GASB Statement numbers 63 and 65.

m. Fund Balances

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as non-spendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the District:

Non-spendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact, such as a principal balance in a permanent fund.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Board, the District's highest level of decision-making authority. This formal action is the board resolution or majority vote.

Assigned fund balance includes amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the Superintendent of the District pursuant to authorization established by Board Policy 3100.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

When expenditures/expenses are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the District's general policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amount in any of these unrestricted classifications could be used, it is the District's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy intends to maintain a minimum fund balance of 4 percent of the District's General Fund annual operating expenditures.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

n. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the CalPERS Schools Pool Cost-Sharing Multiple-Employer Plan (CalPERS Plan) and CalSTRS Schools Pool Cost-Sharing Multiple Employer Plan (CalSTRS Plan) and additions to/deductions from the CalPERS Plan and CalSTRS Plan's fiduciary net positions have been determined on the same basis as they are reported by the CalPERS Financial Office and CalSTRS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined time frames. For this report, the following time frames are used:

Valuation Date (VD)	June 30, 2022
Measurement Date (MD)	June 30, 2023
Measurement Period (MP)	July 1, 2022 to June 30, 2023

o. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the District's single-employer defined benefit OPEB Plan ("the Plan") have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

p. Use of Estimates

The preparation of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. Deficit Fund Balance or Fund Net Position of Individual Funds

Following are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None Reported	Not Applicable	Not Applicable

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

C. Excess of Expenditures over Appropriations

As of June 30, 2024, expenditures exceeded appropriations in individual funds as follows:

<u>Appropriations Category</u>	<u>Excess Expenditures</u>
General Fund:	
Certificated Salaries	\$221,508
Employee Benefits	391,520
Debt Service – Principal	40,588
Debt Service – Interest	7,813

The District incurred additional expenditures related to Certificated Salaries and Employee Benefits that were not included in the budget. The District incurred additional expenditures for Debt Service Principal and Interest for the reclassification of lease and financed purchase payments.

D. Cash and Investments

Summary of Cash and Investments

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

Statement of Net Position:

Governmental Activities:

Cash in County Treasury	\$ 8,195,965
Cash on Hand and in Banks	89,889
Cash in Revolving Fund	6,200
Grand Total Cash and Investments	<u>\$ 8,292,054</u>

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

Deposits with Financial Institutions	\$ 96,089
Deposits with County Treasury	8,195,965
Total Cash and Investments	<u>\$ 8,292,054</u>

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Fresno County Treasury as part of the common investment pool (the District's portion was \$8,195,965 as of June 30, 2024). The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's portion of this pool as of June 30, 2024, as provided by the pool sponsor, was \$7,947,523. Assumptions made in determining the fair value of the District's pooled investment portfolios are available from the County Treasurer. The County is restricted by Government Code Section 53635 pursuant to Section 53601 to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The amount recorded on these financial statements is the balance available for withdrawal based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Cash in Banks and in Revolving Fund

Cash balances held in financial institutions including cash in banks (\$89,889 as of June 30, 2024) and in the revolving fund (\$6,200) are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). All cash held by the financial institution is fully insured or collateralized.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

Investment Accounting Policy

The District is required by GASB Statement No. 31 to disclose its policy for determining which investments, if any, are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The District's investments in external investment pools are reported at an amount determined by the fair value per share of the pools underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District has no investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provisions for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

None of the District's deposits with financial institutions are in excess of federal depository insurance limits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds of government investment pools.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

E. Fair Value

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

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

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

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

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

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

	<u>Uncategorized</u>	<u>Total</u>
Cash in County Treasury (Investments in county treasury)	\$ 8,195,965	\$ 8,195,965

F. Accounts Receivable

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

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Federal Government:			
Federal Programs	\$ 716,914	\$ 72,790	\$ 789,704
State Government:			
Categorical Aid Programs	531,940	27,768	559,708
Lottery	39,230	-	39,230
Other	-	16,680	16,680
Total State Government	571,170	44,448	615,618
Local Government:			
Other	263,153	-	263,153
Interest	47,863	9,940	57,803
Totals	<u>\$ 1,599,100</u>	<u>\$ 127,178</u>	<u>\$ 1,726,278</u>

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

G. Capital Assets

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 350,225	\$ -	\$ -	\$ 350,225
Work in progress	1,387,981	1,425,334	-	2,813,315
Total capital assets not being depreciated	1,261,203	1,425,334	-	3,163,540
Capital assets being depreciated:				
Buildings	18,839,751	69,689	-	18,909,440
Land Improvements	1,441,317	165,815	-	1,607,132
Equipment	1,519,534	306,919	-	1,826,453
Total capital assets being depreciated	21,336,031	542,423	-	22,343,025
Less accumulated depreciation for:				
Buildings	7,032,559	638,757	-	7,671,316
Land Improvements	1,007,630	36,947	-	1,044,577
Equipment	832,165	117,972	-	950,137
Total accumulated depreciation	8,872,354	793,676	-	9,666,030
Total capital assets being depreciated, net	13,266,010	(251,253)	-	12,676,995
Governmental activities capital assets, net	\$ 14,527,213	\$ 1,174,081	\$ -	\$ 15,840,535

Depreciation was charged to functions as follows:

Instruction	\$ 59,467
Instruction-Related Services	19,190
Pupil Services	9,798
General Administration	2,905
Plant Services	702,316
	<u>\$ 793,676</u>

H. Right to Use Lease Assets

The District has recorded right to use lease assets. The assets are right to use assets for equipment. The related leases are discussed in the Leases Payable subsection of the Long-Term Obligations of Note (J). The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

Right to use lease asset activity for the fiscal year ended June 30, 2024, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Intangible right to use assets	\$ 104,995	\$ -	\$ -	\$ 104,995
Totals at historical cost	104,995	-	-	104,995
Less: accumulated amortization	17,264	20,999	-	38,263
Right to Use Lease Assets - Net	<u>\$ 87,731</u>	<u>\$ (20,999)</u>	<u>\$ -</u>	<u>\$ 66,732</u>

I. Interfund Balances and Activities

1. Due To and From Other Funds

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

<u>Due To Other Fund</u>	<u>Due From Other Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Cafeteria Fund	\$ 22,757	To record Supply Chain Assistance funding in proper fund.
Cafeteria Fund	General Fund	9,651	For Cafeteria catering.
		<u>\$ 32,408</u>	

All amounts due are scheduled to be repaid within one year.

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

J. Long-Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the period ended June 30, 2024, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 6,758,138	\$ -	\$ -	\$ 6,758,138	\$ -
Accreted Interest	17,080	6,363	-	23,443	-
Bond Issue Premium	570,899	-	21,895	549,004	-
Compensated Absences	46,949	-	8,278	38,671	38,671
Leases Payable	87,906	-	20,054	67,852	20,871
Financed Purchase	58,351	45,499	20,534	83,316	21,569
Totals	\$ 7,539,323	\$ 51,862	\$ 70,761	\$ 7,520,424	\$ 81,111

The funds typically used to liquidate Compensated Absences in the past are as follows:

<u>Liability</u>	<u>Activity Type</u>	<u>Fund</u>
Compensated absences	Governmental	General

2. General Obligation Bonds

On October 2, 2018 the District issued General Obligation Bonds totaling \$3,700,000. The bonds are current interest bonds with interest rates from 2.00% to 5.00% that mature on August 1, 2048. The Series A Bonds are the first series of bonds to be issued by the District pursuant to an election held by the District on June 5, 2018 in which more than 55% of the qualified elector of the District authorized the District to issue general obligation bonds in a principal amount of \$7,000,000. The net proceeds from the Series A Bonds will be used to finance the upgrading and repair of school facilities as approved by the District voters at the Bond Election. The bonds were issued at a premium of \$304,169, which is reported as Long-Term Obligation and is being amortized over the bond period against interest expense. The unamortized balance at June 30, 2024 is \$243,335.

On February 26, 2020 the District issued General Obligation Bonds totaling \$3,298,138. The bonds are comprised of current interest term bonds of \$2,650,000 with interest rates from 2.125% to 4.00% that mature on August 1, 2045 and 2050. A current interest serial bond in the amount of \$485,000 due August 1, 2035 through 2040 with interest rates from 2.00% to 4.00%, and Capital Appreciation bond of \$163,138 with maturity dates of August 1, 2027 through 2034 with interest rates from 1.58% to 2.35%. The Series B Bonds are the second series of bonds to be issued by the District pursuant to an election held by the District on June 5, 2018 in which more than 55% of the qualified elector of the District authorized the District to issue general obligation bonds in a principal amount of \$7,000,000. The net proceeds from the Series B Bonds will be used to finance the renovation, construction and improvement of school facilities as approved by the District voters at the Bond Election. The bonds were issued at a premium of \$352,694, which is reported as Long-Term Obligation and is being amortized over the bond period against interest expense. The unamortized balance at June 30, 2024 is \$305,669.

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The outstanding general obligation bonded debt of the District as of June 30, 2024, is:

Date of Issue	Interest Rate%	Maturity Rate	Original Issue	Outstanding July 1, 2023	Issued	Redeemed Current Year	Outstanding June 30, 2024
2018	2.00-5.00	2049	\$ 3,700,000	\$ 3,460,000	\$ -	\$ -	\$ 3,460,000
2020	1.58-2.35	2035	163,138	163,138	-	-	163,138
2020	2.00-4.00	2041	485,000	485,000	-	-	485,000
2020	2.13	2046	710,000	710,000	-	-	710,000
2020	4.00	2051	1,940,000	1,940,000	-	-	1,940,000
			<u>\$ 6,998,138</u>	<u>\$ 6,758,138</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,758,138</u>

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

2018 Series A General Obligation Bonds:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ -	\$ 159,350	\$ 159,350
2026	-	159,350	159,350
2027	20,000	159,125	179,125
2028	20,000	158,500	178,500
2029	25,000	157,600	182,600
2030-2034	275,000	763,135	1,038,135
2035-2039	560,000	693,141	1,253,141
2040-2044	970,000	529,000	1,499,000
2045-2049	1,590,000	213,500	1,803,500
Totals	<u>\$ 3,460,000</u>	<u>\$ 2,992,701</u>	<u>\$ 6,452,701</u>

2018 Series B – Capital Appreciation Bonds

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2028-2032	\$ 78,430	\$ 31,570	\$ 110,000
2033-2035	84,708	50,292	135,000
Totals	<u>\$ 163,138</u>	<u>\$ 81,862</u>	<u>\$ 245,000</u>

2018 Series B Term Bonds

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ -	\$ 107,338	\$ 107,338
2026	-	107,338	107,338
2027	-	107,338	107,338
2028	-	107,338	107,338
2029	-	107,338	107,338
2030-2034	-	536,690	536,690
2035-2039	280,000	517,840	797,840
2040-2041	205,000	143,757	348,757
Totals	<u>\$ 485,000</u>	<u>\$ 1,734,977</u>	<u>\$ 2,219,977</u>

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2018 Series B Term Bonds

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2041-2045	\$ 545,000	\$ 395,367	\$ 940,367
2046	165,000	40,553	205,553
Totals	<u>\$ 710,000</u>	<u>\$ 435,920</u>	<u>\$ 1,145,920</u>

2018 Series B Term Bonds

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2046-2050	\$ 1,260,000	\$ 276,400	\$ 1,536,400
2051	680,000	13,600	693,600
Totals	<u>\$ 1,940,000</u>	<u>\$ 290,000</u>	<u>\$ 2,230,000</u>

During the year, the District made payments on General Obligation Bonds of \$266,689, including interest of \$266,689. Capital Appreciation Bonds are accretive. Bond interest accumulates in the initial years and will be repaid in later years.

3. Financed Purchases

The District financed the purchase of a 2022 F250 Pickup Truck for \$75,964 at an interest rate of 7.99% under an agreement that provides for title to pass upon expiration of the agreement period.

The District financed the purchase of a robotic field marker for \$45,499 with no interest under an agreement that provides for title to pass upon expiration of the agreement period.

Future minimum payments are as follows:

Year Ending June 30,	Financed Payments
2025	\$ 25,196
2026	25,196
2027	25,196
2028	7,583
2029	7,584
Total Minimum Lease Payments	90,755
Amount Representing Interest	7,439
Present Value of Net Minimum Payments	<u>\$ 83,316</u>

During the year, the District made payments on financed purchases of \$25,196, including interest of \$4,662.

4. Leases Payable

The District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of their inception.

A lease agreement was executed in November 2021, to lease copiers and requires 60 monthly payments of \$575 per month. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.00%, which is the District's estimated incremental borrowing rate. As a result, the district has recorded a right to use asset.

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A lease agreement was executed in November 2022, to lease copiers and requires 60 monthly payments of \$1,359 per month. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 4.00%, which is the District's estimated incremental borrowing rate. As a result, the district has recorded a right to use asset.

The future lease payment maturity schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 20,871	\$ 2,335	\$ 23,206
2026	21,721	1,484	23,205
2027	18,538	642	19,180
2028	6,722	72	6,794
	<u>\$ 67,852</u>	<u>\$ 4,533</u>	<u>\$ 72,385</u>

K. Detail of Fund Balance Classifications

Details of assigned Fund Balances are as follows:

	General Fund	Other Governmental Funds
Assigned for		
Deferred Maintenance	\$ 156,567	\$ -
Child Development	-	3,752
Child Nutrition	-	2,071
Post-Employment Benefits	487,260	-
Debt Service	-	181,148
Pupil Transportation	-	158,451
Capital Projects	-	264,179
	<u>\$ 643,827</u>	<u>\$ 609,601</u>

L. Joint Ventures (Joint Powers Agreements)

Laton Joint Unified School District participates in joint ventures under joint powers agreements (JPAs) with the Fresno County Self-Insurance Group, the Organization of Self-Insured Schools, the Southwest Transportation Agency, and the South County Support Services Agency. The relationship between Laton Joint Unified School District and the JPAs is such that none of the JPAs is a component unit of Laton Joint Unified School District for financial reporting purposes.

Condensed audited financial information for the above JPAs (the most current information available) can be obtained through each respective authority.

Fresno County Self-Insurance Group (FCSIG)

The FCSIG arranges for and provides workers' compensation insurance for its member districts. FCSIG is governed by a Board consisting of a representative from each member district. The Board controls the operations of FCSIG, including budgets, independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to their participation in the FCSIG.

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Organization of Self-Insured Schools (OSS)

The OSS arranges for and provides property and liability insurance for its member districts. OSS is governed by a Board consisting of a representative from each member district. The Board controls the operations of OSS, including the selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to their participation in the OSS.

Southwest Transportation Agency (STA)

STA operates the pupil transportation services for its member districts. STA is governed by a Board consisting of a representative from each member district. The Board controls the operations of STA, including the selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the Board. Each member district pays fees commensurate with the level of services requested and shares surpluses and deficits proportionately to their participation in STA.

South County Support Services Agency (SCSSA)

SCSSA provides Laton Joint Unified School District with school facility support services on a contracted basis. SCSSA is governed by a Board consisting of a representative from each member district. The Board controls the operations of STA, including the selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the Board. Each non-member district pays fees commensurate with the level of services requested.

M. Pension Plans

1. General Information About the Pension Plans

a. Plan Descriptions

Qualified employees are covered under cost-sharing multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. Support by the State for the CalSTRS plan is such that the plan has a special funding situation as defined by GASB Statement No. 68. CalSTRS and CalPERS issue publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on their respective websites.

b. Benefits Provided

CalSTRS and CalPERS provide service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 62 for normal benefits or at age 55 with statutorily reduced benefits. Employees hired prior to January 1, 2013 are eligible to retire at age 60 for normal benefits or at age 55 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. All members are eligible for death benefits after one year of total service.

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The Plans' provisions and benefits for the measurement period ending June 30, 2023 are summarized as follows:

	CalSTRS		CalPERS	
	Before Jan. 1, 2013	After Jan. 1, 2013	Before Jan. 1, 2013	After Jan. 1, 2013
Hire Date				
Benefit Formula	2% at 60	2% at 62	2% at 55	2% at 62
Benefit Vesting Schedule	5 Years	5 Years	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	55-60	55-62	50-62	52-67
Monthly benefits, as a % of eligible compensation	1.1 - 2.4%	1.0 - 2.4%*	1.1 - 2.5%	1.0 - 2.5%

* Amounts are limited to 120% of Social Security Wage Base.

c. 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. The CalPERS Board retains the authority to amend contribution rates. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2024, employees hired prior to January 1, 2013 contributed 7.00%, employees hired on or after January 1, 2013 contributed 8.00% of annual pay, and the employer's contribution rate is 26.68% of annual payroll. District contributions to the pension plan were \$626,663 for the year ended June 30, 2024, and equal 100% of the required contributions for the year.

d. Contributions – CalSTRS

For the year ended June 30, 2024, Section 22950 of the California Education code requires CalSTRS 2% at 60 and 2% at 62 members to contribute monthly to the system 10.25% and 10.205% of the creditable compensation, respectively, upon which members' contributions under this part are based. In addition, the employer required rates established by the CalSTRS Board have been established at 19.10% of creditable compensation. Rates are defined in Section 22950.5 through measurement period ending June 30, 2024. Beginning in the fiscal year 2021-22 and for each year thereafter, the CalSTRS Board has the authority to increase or decrease percentages paid specific to reflect the contribution required to eliminate by June 30, 2046, the remaining unfunded actuarial obligation with respect to service credited to members before July 1, 2014, as determined by the Board based upon a recommendation from its actuary. District contributions to the pension plan were \$878,546 for the year ended June 30, 2024, and equal 100% of the required contributions for the year.

e. On Behalf Payments

Consistent with Section 22955.1 of the California Education Code, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the year ended June 30, 2024, the State contributed \$345,886 on behalf of the District to CalSTRS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures.

Accordingly, these amounts have been recorded in these financial statements.

LATON JOINT UNIFIED SCHOOL DISTRICT
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2. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the District reported net pension liabilities for its proportionate shares of the net pension liability of each plan. The CalSTRS net pension liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability of each plan, the related CalSTRS State support, and the total portion of the net pension liability that is associated with the District is as follows:

	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
District's proportionate share of the net pension liability	\$ 4,844,513	\$ 3,862,237	\$ 8,706,750
State's proportionate share of the net pension liability associated with the District	<u>2,321,184</u>	<u>-</u>	<u>2,321,184</u>
Total	<u>\$ 7,165,697</u>	<u>\$ 3,862,237</u>	<u>\$ 11,027,934</u>

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, 2023, and the total pension liability for each Plan used to calculate the net pension liability was determined by the actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 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 plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2022 and 2023 was as follows.

	<u>CalSTRS</u>	<u>CalPERS</u>
Proportion - June 30, 2022	0.005951%	0.010065%
Proportion - June 30, 2023	<u>0.006361%</u>	<u>0.010669%</u>
Change - Increase (Decrease)	<u>0.000410%</u>	<u>0.000604%</u>

For the year ended June 30, 2024, the District recognized pension expense of \$1,653,063 and revenue of \$315,715 for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,505,209	\$ -
Differences between actual and expected experience	521,643	318,524
Change in assumptions	205,984	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	741,856	602,500
Net difference between projected and actual earnings on plan investments	<u>433,278</u>	<u>-</u>
Total	<u>\$ 3,407,970</u>	<u>\$ 921,024</u>

LATON JOINT UNIFIED SCHOOL DISTRICT
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\$1,505,209 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 year ended June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2025	\$ (3,439)
2026	43,561
2027	701,540
2028	15,943
2029	116,853
Thereafter	107,279
Total	<u>\$ 981,737</u>

a. Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	CalSTRS	CalPERS
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry Age - Normal Cost Method	Entry Age - Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.10%	6.90%
Inflation	2.75%	2.30%
Payroll Growth	3.50%	(3)
Post Retirement Benefit Increase	(1)	(4)
Investment Rate of Return	7.10%	6.90%
Mortality	(2)	(5)

(1) CalSTRS post retirement benefit increases assumed at 2% simple for DB (annually) maintaining 85% purchasing power level for DB. Increases are not applicable for DBS/CBB.

(2) CalSTRS base mortality tables are custom tables delivered to best fit the patterns of mortality among CalSTRS members. The projection scale was set to equal 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

(3) Varies by entry age and service.

(4) CalPERS post retirement benefit increases assumes 2.00% until PPPA floor on purchasing power applies, 2.30% thereafter.

(5) CalPERS mortality table was developed based on CalPERS specific data. The rates incorporate generational mortality to capture ongoing mortality improvement using 80% of the scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

b. Discount Rate

The discount rate used to measure the total pension liability was 7.10% for CalSTRS and 6.90% for CalPERS. The projection of cash flows used to determine the discount rate assumed that contributions from plan members, employers, and state contributing agencies will be made at statutory contribution rates. To determine whether the District bond rate should be used in the calculation of a discount rate for each plan, CalSTRS and CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets.

LATON JOINT UNIFIED SCHOOL DISTRICT
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Therefore, the current discount rates are adequate and the use of the District bond rate calculation is not necessary for either plan. The stress test results are presented in a detailed report that can be obtained from CalSTRS and CalPERS websites.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expenses. The investment return assumption used in the accounting valuations is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalSTRS and CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalSTRS and CalPERS are scheduled to review all actuarial assumptions as part of their regular Asset Liability Management (ALM) review cycle. CalSTRS completed their ALM in November 2019. CalPERS completed their ALM in 2021 with new policies in effect on July 1, 2022. Both CalSTRS and CalPERS conduct new ALM's every four years.

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

In determining the long-term expected rate of return, CalSTRS and CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return and arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest quarter of one percent.

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

CalPERS

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return (Years 1-10) (1)(2)</u>
Global Equity - cap-weighted	30.00%	4.45%
Global Equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	<u>100.00%</u>	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study.

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CalSTRS

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term* Expected Real Rate of Return</u>
Public Equity	38.00%	5.25%
Real Estate	15.00%	4.05%
Private Equity	14.00%	6.75%
Fixed Income	14.00%	2.45%
Risk Mitigating Strategies	10.00%	2.25%
Inflation Sensitive	7.00%	3.65%
Cash/Liquidity	2.00%	0.05%
	<u>100.00%</u>	

* 20-year average. Real rates of return are net of assumed 2.75% inflation.

c. Sensitivity to Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents 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:

	<u>CalSTRS</u>	<u>CalPERS</u>
1% Decrease	6.10%	5.90%
Net Pension Liability	\$ 8,126,284	\$ 5,583,797
Current Discount Rate	7.10%	6.90%
Net Pension Liability	\$ 4,844,513	\$ 3,862,237
1% Increase	8.10%	7.90%
Net Pension Liability	\$ 2,118,620	\$ 2,439,408

d. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalSTRS and CalPERS financial reports.

N. Post-Employment Benefits Other than Pension Benefits

1. General Information about the OPEB Plan

Plan Description

In addition to the pension benefits described in Note M, the District provides post-employment health care plan benefits to age 65, for classified employees who retire from the District on or after attaining age 60 with at least 15 years of service. The District provides postemployment health care plan benefits for five years but not beyond age 65, for certificated employees who retire from the District on or after attaining age 55 with at least 15 years of service. The plan is a single-employer defined benefit OPEB plan administered by District's board of directors. Authority to establish and amend the benefit terms and financing requirements lies with the District's board of directors. No assets are accumulated in a trust that meets the criteria in paragraph 4 of the GASB 75 statement.

LATON JOINT UNIFIED SCHOOL DISTRICT
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Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	1
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Participating Active Employees	78
Total Number of participants	<u>79</u>

Contributions

The contribution requirements of OPEB Plan members and the District are established and may be amended through negotiations between the District and the respective bargaining units. The voluntary contribution is based on projected pay-as-you-go financing requirements. Therefore, a schedule of OPEB Contributions is not presented in the Required Supplementary Information. For the fiscal year ended June 30, 2024, the District contributed \$3,300 to the plan, of which \$3,300 was used for current premiums.

An actuarially determined contribution was not calculated for OPEB for the fiscal year, therefore a 10-year schedule is not presented in the required supplementary information.

2. Total OPEB Liability

The District's total OPEB liability of \$290,097 was measured as of June 30, 2023 and was determined by an actuarial valuation date of June 30, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability on the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50 percent
Salary Increases	2.75 percent, average, including inflation
Discount Rate	3.65 percent
Healthcare Cost Trend Rates	4.00 percent

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

The actuarial assumptions used on the June 30, 2023 valuation were based on a review of plan experience which included a validation of experience studies prepared by CalSTRS and CalPERS for retirement and turnover assumptions. For other assumptions, actual plan provisions and data were used.

Discount Rate

The discount rate was based on the Bond Buyer 20-bond General Obligation Index. It was assumed that contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years.

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3. Changes in Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2023	\$ 167,986
Changes for the year:	
Service cost	14,350
Interest on Total OPEB Liability	6,156
Expected Investment Income	-
Administrative Expenses	-
Employee Contributions	-
Employee Contributions to Trust	-
Employer Contributions as Benefit Payments	-
Actual Benefit Payments from Trust	-
Actual Benefit Payments from Employer	-
Experience (Gains)/Losses from	-
Expected Minus Actual Benefit Payments	-
Expected Balance at June 30, 2024	<u>188,492</u>
Experience (Gains)/Losses	4,601
Changes in Assumptions	97,004
Changes in Benefit Terms	-
Investment Gains/(Losses)	-
Other	-
Net changes	<u>122,111</u>
Balance at June 30, 2024	<u>\$ 290,097</u>

The discount rate of 3.65% for fiscal year ended June 30, 2023 increased by 0.11% from the prior year discount rate of 3.54%. There were no other changes in benefit terms or assumptions and other inputs for the fiscal year ended June 30, 2023.

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

The following presents the total OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	<u>District's OPEB Plan</u>
1% decrease	2.65%
Total OPEB Liability	\$ 317,137
Current discount rate	3.65%
Total OPEB Liability	\$ 290,097
1% increase	4.65%
Total OPEB Liability	\$ 264,731

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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

The following presents the total OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	<u>District's OPEB Plan</u>
1% decrease	3.00%
Total OPEB Liability	\$ 251,445
Current healthcare cost trend rate	4.00%
Total OPEB Liability	\$ 290,097
1% increase	5.00%
Total OPEB Liability	\$ 335,897

4. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related OPEB

For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$9,831. As of fiscal year ended June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions made subsequent to measurement date	\$ 3,300	\$ -
Differences between expected and actual experience	5,715	201,243
Change in assumptions	101,650	23,498
Net difference between projected and actual earnings on OPEB plan investments	-	-
	<u>\$ 110,665</u>	<u>\$ 224,741</u>

\$3,300 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of Total OPEB Liability in the year ended June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ended June 30:</u>	
2025	\$ (10,675)
2026	(10,675)
2027	(10,675)
2028	(10,675)
2029	(10,675)
Thereafter	(64,001)
Total	<u>\$ (117,376)</u>

LATON JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

O. Commitments and Contingencies

State and Federal Allowances, Awards and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

Work-In-Progress

The District has the following commitments related to construction contracts which will be funded from state and federal funds.

	Contracts Authorized	Expended to June 30, 2024	Committed
Kindergarten Building	\$ 2,986,831	\$ 518,428	\$ 2,468,403
RELO Classroom	476,998	5,000	471,998
Various Other Projects		2,289,887	
Total Work in Progress		<u>\$ 2,813,315</u>	

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Required Supplementary Information

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LATON JOINT UNIFIED SCHOOL DISTRICT

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
LCFF Sources:				
State Apportionment or State Aid	\$ 5,701,810	\$ 6,510,909	\$ 6,493,583	\$ (17,326)
Education Protection Account Funds	2,070,002	999,595	999,595	-
Local Sources	1,649,106	1,841,781	1,794,904	(46,877)
Federal Revenue	2,775,718	3,907,894	2,123,648	(1,784,246)
Other State Revenue	2,767,198	5,218,620	2,178,435	(3,040,185)
Other Local Revenue	624,288	771,534	986,436	214,902
Total Revenues	15,588,122	19,250,333	14,576,601	(4,673,732)
Expenditures:				
Current:				
Certificated Salaries	4,585,904	4,710,198	4,931,706	(221,508)
Classified Salaries	1,834,025	2,346,068	2,344,748	1,320
Employee Benefits	2,982,456	3,062,558	3,454,078	(391,520)
Books And Supplies	2,582,705	2,439,531	1,158,335	1,281,196
Services And Other Operating Expenditures	3,244,889	4,443,501	3,447,808	995,693
Other Outgo	104,100	143,682	142,516	1,166
Capital Outlay	1,049,445	1,893,937	1,608,196	285,741
Debt Service:				
Principal	--	--	40,588	(40,588)
Interest	--	--	7,813	(7,813)
Total Expenditures	16,383,524	19,039,475	17,135,788	1,903,687
Excess (Deficiency) of Revenues Over (Under) Expenditures	(795,402)	210,858	(2,559,187)	(2,770,045)
Other Financing Sources (Uses):				
Transfers In	250,000	--	--	--
Transfers Out	(250,000)	--	--	--
Other Sources	--	336,498	45,499	(290,999)
Total Other Financing Sources (Uses)	--	336,498	45,499	(290,999)
Net Change in Fund Balance	(795,402)	547,356	(2,513,688)	(3,061,044)
Fund Balance, July 1	7,992,299	7,992,299	7,992,299	--
Fund Balance, June 30	\$ 7,196,897	\$ 8,539,655	\$ 5,478,611	\$ (3,061,044)

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Years*									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability (asset)	0.006010%	0.005984%	0.583700%	0.005763%	0.006371%	0.006787%	0.006551%	0.005732%	0.005951%	0.006361%
District's proportionate share of the net pension liability (asset)	\$ 3,512,262	\$ 4,028,889	\$ 4,720,895	\$ 5,329,551	\$ 5,855,014	\$ 6,129,888	\$ 6,348,683	\$ 2,608,670	\$ 4,135,121	\$ 4,844,513
State's proportionate share of the net pension liability (asset)	2,120,877	2,130,833	2,687,917	3,152,943	3,352,286	3,344,290	3,272,720	1,312,609	2,070,881	2,321,184
Total	\$ 5,633,139	\$ 6,159,722	\$ 7,408,812	\$ 8,482,494	\$ 9,207,300	\$ 9,474,178	\$ 9,621,403	\$ 3,921,279	\$ 6,206,002	\$ 7,165,697
District's covered-employee payroll	\$ 2,728,700	\$ 2,797,765	\$ 2,944,135	\$ 3,041,963	\$ 3,381,287	\$ 3,628,143	\$ 3,610,199	\$ 3,336,072	\$ 3,493,396	\$ 3,910,024
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	128.72%	144.00%	160.35%	175.20%	173.16%	168.95%	175.85%	78.20%	118.37%	123.90%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%

* Information presented is for the fiscal year ended on the measurement date of the net pension liability.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 248,442	\$ 315,619	\$ 382,679	\$ 488,035	\$ 590,528	\$ 617,212	\$ 538,822	\$ 590,965	\$ 746,815	\$ 878,546
Contributions in relation to the contractually required contributions	(248,442)	(315,619)	(382,679)	(488,035)	(590,528)	(617,212)	(538,822)	(590,965)	(746,815)	(878,546)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,797,765	\$ 2,944,135	\$ 3,041,963	\$ 3,381,287	\$ 3,628,143	\$ 3,610,199	\$ 3,336,072	\$ 3,493,396	\$ 3,910,024	\$ 4,598,523
Contributions as a percentage of covered-employee payroll	8.88%	10.72%	12.58%	14.43%	16.28%	17.10%	16.15%	16.92%	19.10%	19.10%

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Years*									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability (asset)	0.007136%	0.007895%	0.008659%	0.009462%	0.010170%	0.010762%	0.011121%	0.009622%	0.010065%	0.010669%
District's proportionate share of the net pension liability (asset)	\$ 810,165	\$ 1,163,690	\$ 1,710,236	\$ 2,258,810	\$ 2,711,725	\$ 3,136,592	\$ 3,412,122	\$ 1,956,667	\$ 3,463,302	\$ 3,862,237
District's covered-employee payroll	\$ 750,532	\$ 874,024	\$ 1,037,416	\$ 1,207,819	\$ 1,341,975	\$ 1,497,910	\$ 1,601,338	\$ 1,378,999	\$ 1,542,638	\$ 1,847,776
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	107.95%	133.14%	164.86%	187.02%	202.07%	209.40%	213.08%	141.89%	224.51%	209.02%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	79.43%	73.90%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%

* Information presented is for the fiscal year ended on the measurement date of the net pension liability.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 102,881	\$ 122,908	\$ 167,742	\$ 208,420	\$ 270,552	\$ 315,806	\$ 285,453	\$ 353,420	\$ 468,783	\$ 626,663
Contributions in relation to the contractually required contributions	(102,881)	(122,908)	(167,742)	(208,420)	(270,552)	(315,806)	(285,453)	(353,420)	(468,783)	(626,663)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 874,024	\$ 1,037,416	\$ 1,207,819	\$ 1,341,975	\$ 1,497,910	\$ 1,601,338	\$ 1,378,999	\$ 1,542,638	\$ 1,847,776	\$ 2,348,774
Contributions as a percentage of covered-employee payroll	11.771%	11.848%	13.888%	15.531%	18.062%	19.721%	20.700%	22.910%	25.370%	26.680%

LATON JOINT UNIFIED SCHOOL DISTRICT
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS***

	Fiscal Year**						
	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability							
Service Cost	\$ 17,314	\$ 17,790	\$ 17,352	\$ 23,039	\$ 23,673	\$ 17,434	\$ 14,350
Interest	7,714	8,885	9,126	12,246	13,215	3,823	6,156
Changes of benefit terms	-	-	86,468	-	-	-	-
Difference between expected and actual experience	-	-	(7,496)	1,667	(238,441)	-	7,151
Changes of assumptions	-	(6,417)	8,354	-	3,664	(21,547)	97,004
Benefit payments	(11,864)	(12,339)	(10,226)	(10,130)	(3,245)	-	(2,550)
Net change in total OPEB liability	13,164	7,919	103,578	26,822	(201,134)	(290)	122,111
Total OPEB liability - beginning	217,927	231,091	239,010	342,588	369,410	168,276	167,986
Total OPEB liability - ending	<u>\$ 231,091</u>	<u>\$ 239,010</u>	<u>\$ 342,588</u>	<u>\$ 369,410</u>	<u>\$ 168,276</u>	<u>\$ 167,986</u>	<u>\$ 290,097</u>
Covered-employee payroll	\$ 4,291,088	\$ 4,758,362	\$ 5,151,253	\$ 5,248,738	\$ 4,778,071	\$ 5,096,034	\$ 5,757,351
Total OPEB liability as a percentage of covered-employee payroll	5.39%	5.02%	6.65%	7.04%	3.52%	3.30%	5.04%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**Information presented is for the fiscal year ended on the measurement date of the total OPEB liability.

Supplementary Information Section

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LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2024

	<u>Second Period Report</u>		<u>Annual Report</u>	
	<u>Original</u>	<u>*Revised</u>	<u>Original</u>	<u>*Revised</u>
TK/K-3:				
Regular ADA	<u>175</u>	<u>175</u>	<u>174</u>	<u>176</u>
TK/K-3 Totals	<u>175</u>	<u>175</u>	<u>174</u>	<u>176</u>
Grades 4-6:				
Regular ADA	<u>130</u>	<u>130</u>	<u>136</u>	<u>130</u>
Grades 4-6 Totals	<u>130</u>	<u>130</u>	<u>136</u>	<u>130</u>
Grades 7 and 8:				
Regular ADA	<u>110</u>	<u>110</u>	<u>109</u>	<u>111</u>
Grades 7 and 8 Totals	<u>110</u>	<u>110</u>	<u>109</u>	<u>111</u>
Grades 9-12:				
Regular ADA	<u>144</u>	<u>150</u>	<u>147</u>	<u>149</u>
Grades 9-12 Totals	<u>144</u>	<u>150</u>	<u>147</u>	<u>149</u>
ADA Totals	<u>559</u>	<u>565</u>	<u>566</u>	<u>566</u>

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.

*Revised amounts include a change in ADA. See Findings 2024-001 and 2024-002.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2024

<u>Grade Level</u>	<u>Annual Minutes Requirement</u>	<u>2023-24 Actual Minutes</u>	<u>Number of Days Traditional Calendar</u>	<u>Number of Days Multitrack Calendar</u>	<u>Status</u>
TK/Kindergarten	36,000	59,290	180	N/A	In Compliance
Grade 1	50,400	59,290	180	N/A	In Compliance
Grade 2	50,400	59,290	180	N/A	In Compliance
Grade 3	50,400	59,290	180	N/A	In Compliance
Grade 4	54,000	59,290	180	N/A	In Compliance
Grade 5	54,000	59,290	180	N/A	In Compliance
Grade 6	54,000	59,187	180	N/A	In Compliance
Grade 7	54,000	59,447	180	N/A	In Compliance
Grade 8	54,000	59,447	180	N/A	In Compliance
Grade 9	64,800	65,354	180	N/A	In Compliance
Grade 10	64,800	65,354	180	N/A	In Compliance
Grade 11	64,800	65,354	180	N/A	In Compliance
Grade 12	64,800	65,354	180	N/A	In Compliance

School districts and charter schools must maintain their instructional minutes as defined in Education Code Section 46207. This schedule is required of all districts, including basic aid districts.

This schedule presents information on the amount of instruction time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
YEAR ENDED JUNE 30, 2024

<u>General Fund⁽²⁾</u>	(Budget) ⁽¹⁾ <u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues and Other Financial Sources	\$ 16,506,051	\$ 14,622,100	\$ 14,236,200	\$ 12,224,587
Expenditures	15,835,083	17,135,788	13,553,088	11,917,110
Other Uses and Transfers Out	-	-	-	-
Total Outgo	15,835,083	17,135,788	13,553,088	11,917,110
Change in Fund Balance (Deficit)	670,968	(2,513,688)	683,112	307,477
Ending Fund Balance	\$ 6,149,579	\$ 5,478,611	\$ 7,992,299	\$ 7,309,187
Available Reserves ⁽³⁾	\$ 1,931,077	\$ 1,645,504	\$ 1,152,593	\$ 2,439,567
Available Reserves as a Percentage of Total Outgo	12.19%	9.60%	8.50%	20.47%
Total Long-Term Debt	\$ 16,436,160	\$ 16,517,271	\$ 15,305,732	\$ 12,178,587
Average daily attendance	559	565	577	525

- (1) Budget 2025 is included for analytical purposes only and has not been subjected to audit.
(2) The Deferred Maintenance Fund, The Special Reserve Fund for Other Than Capital Outlay Projects and the Special Reserve Fund for Post-Employment Benefits have been included due to their consolidation into the General Fund.
(3) Available reserves consist of all unassigned fund balance and all funds reserved for economic uncertainties contained within the General Fund.

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

The General Fund balance has decreased by \$1,830,576 over the past two years. The fiscal year 2024-25 budget projects an increase of \$670,968 (12.25%). For a district of this size, the state recommends available reserves of at least 4.00% of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred an operating deficit in one of the past three years, and does not anticipate incurring an operating deficit during the 2024-25 fiscal year. Total long-term debt has increased by \$4,338,684 over the past two years. This increase is a result of a decrease in the net pension liability related to STRS and PERS.

Average daily attendance has increased by 40 over the past two years. A decrease of six ADA is anticipated during fiscal year 2024-25.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed through California Department of Education (CDE):			
ESSA: Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	\$ 387,798
ESSA: School Improvement (CSI) Funding for LEAs	84.010	15438	212,234
Subtotal			<u>600,032</u>
Special Education (DEA) Cluster:			
Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	177,603
Special Ed: ARP IDEA Part B, Sec. 619, Preschool Grants	84.027	15639	479
Special Ed: IDEA Preschool Grants, Part B, Sec 619	84.173	13430	1,964
Subtotal - Special Education (IDEA) Cluster			<u>180,046</u>
Carl D. Perkins Career And Technical Education:			
Secondary, Education 131 (Vocational Education)	84.048	14894	10,433
ESSA: Title III, English Learner Student Program	84.365	14346	23,694
ESSA: Title II, Part A, Supporting Effective Instruction	84.367	14341	50,743
COVID-19 - Elementary & Secondary School Emergency Relief (ESSER II) Fund	84.425D	15547	991,603
COVID-19 - Elementary & Secondary School Emergency Relief (ESSER III) Fund	84.425	15559	132,129
COVID-19 - Elementary & Secondary School Emergency Relief (ESSER III) Fund Learning Loss	84.425U	10155	53,250
COVID-19 - Expanded Learning Opportunities (ELO) Grant: ESSER II State Reserve	84.425	15618	46,437
COVID-19 - Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Emergency Needs	84.425	15620	588
COVID-19 - Expanded Learning Opportunities (ELO) Grant: ESSER III State Reserve Learning Loss	84.425	15621	24,201
COVID-19 - American Rescue Plan - Homeless Children and Youth II (ARP HCY II)	84.425	15566	4,605
Subtotal			<u>1,252,813</u>
Total passed through CDE			<u>2,117,761</u>
Total U.S. Department of Education			<u>2,117,761</u>
U.S. Department of Agriculture:			
Passed through California Department of Education (CDE):			
Child Nutrition Cluster:			
School Breakfast Program	10.553	13390	96,142
National School Lunch Program	10.555	13391	423,246
National School Lunch Program (Snack)	10.555	13755	30,858
Food Distribution - Commodities	10.555	13391	29,242
Child Nutrition: Supply Chain Assistance (SCA) Funds	10.555	15655	26,900
Subtotal - Child Nutrition Cluster			<u>606,388</u>
Total U.S. Department of Agriculture			<u>606,388</u>
Total Expenditures of Federal Awards			<u><u>\$ 2,724,149</u></u>

The accompanying notes are an integral part of this schedule

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Laton Joint Unified School District under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in financial position of the District.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

The District has elected not to use the 10-percent de minimis indirect cost rate as allowable under the Uniform Guidance.

Non-Cash Assistance

Non-cash assistance in the form of donated foods was received from California Department of Education as a pass-through grant from the U.S. Department of Agriculture. The District reports the donated foods received on the Schedule at the fair value at time of receipt. The amount received during 2023-24 was \$29,242.

Reconciliation of Expenditures

Reconciliation of expenditures per schedule of federal grant activity with the federal revenue reported on the District's Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds follows:

Schedule of Expenditures of Federal Awards	\$ 2,724,149
National School Lunch Program received in 2023-24	363,700
National School Lunch Program spent in 2023-24	(423,246)
Child Nutrition: Supply Chain Assistance (SCA) Funds received in 2023-24	22,757
Child Nutrition: Supply Chain Assistance (SCA) Funds spent in 2023-24	(26,900)
Other reconciling items	5,887
Federal Revenue Reported on the Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Funds	<u>\$ 2,666,347</u>

LATON JOINT UNIFIED SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET
REPORT WITH AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

	General Fund	Other Governmental Funds
June 30, 2024 Annual Financial and Budget Report (SACS) Fund Balances	\$ 5,609,602	\$ 1,627,345
Adjustments and Reclassifications:		
Increasing (Decreasing) the Fund Balance:		
Cash in County Treasury (Overstatement)	-	(9,633)
Accounts Payable (Understatement) Overstatement	(130,991)	13,133
Rounding	-	1
Net Adjustments and Reclassifications	(130,991)	3,501
June 30, 2024 Audited Financial Statement Fund Balances	<u>\$ 5,478,611</u>	<u>\$ 1,630,846</u>
		Noncurrent Liabilities
June 30, 2024 Annual Financial and Budget Report - Form Debt		<u>\$ 12,177,451</u>
Adjustments and Reclassifications:		
Increase (Decrease) in Total Liabilities:		
Compensated Absences		(8,278)
Bond Issue Premium		(21,895)
Net Pension Liability		4,141,413
Total OPEB Liability		121,821
Accreted Interest		23,443
Leases Payable		83,316
Net Adjustments and Reclassifications		<u>4,339,820</u>
June 30, 2024 Noncurrent Liabilities		<u>\$ 16,517,271</u>

This schedule provides the information necessary to reconcile the fund balances of all funds and the total liabilities balance of the general long-term debt account group as reported on the annual financial and budget report to the audited financial statements. Funds that required no adjustment are not presented.

Other Information Section

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LATON JOINT UNIFIED SCHOOL DISTRICT
ORGANIZATION
YEAR ENDED JUNE 30, 2024

The District was established 1906, and is comprised of an area of approximately 58 square miles located in Fresno and Kings Counties. There were no changes in the boundaries of the District during the year ended June 30, 2024. The District is currently operating one elementary school, one middle school, one high school, and one preschool.

Board of Trustees

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Daniel Vargas	President	November 2024
Nikki Alford	Clerk	November 2024
Jose Ibarra	Member	November 2026
Holly Torres	Member	November 2026
Guadalupe Andrade	Member	November 2024

Administration

Lupe G. Nieves
Superintendent Since May 1, 2019

Lucio Cortez
Principal Since July 5, 2023

Jeanna White
Principal Since July 5, 2023

Tammy Alves
Director of Human Resources Since December 14, 2005

Susan Giles
Director of Food Service Since July 1, 2021

Amanda Golden
Chief Business Official Since September 25, 2023

Gustavo Lopez
Director of Facilities since February 1, 2021

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Other Independent Auditor's Reports

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Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance With *Government Auditing Standards*

Board of Trustees
Laton Joint Unified School District
Laton, 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 Laton Joint Unified School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Laton Joint Unified School District's basic financial statements, and have issued our report thereon dated December 16, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Laton Joint Unified School District's internal control over financial reporting (internal control) as a basis for designing the 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 Laton Joint Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Laton Joint Unified School District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

*Borchardt, Corona, Faith
& Yakavian*

Fresno, California
December 16, 2024

Independent Auditor's Report on State Compliance and on Internal Control
over Compliance for State Programs

Board of Trustees
Laton Joint Unified School District
Laton, California

Report on State Compliance

Qualified and Unmodified Opinions

We have audited Laton Joint Unified School District's, (the District's) compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* published by the California Education Audit Appeals Panel applicable to the District's state program requirements identified below for the fiscal year ended June 30, 2024.

Qualified Opinion on Expanded Learning Opportunities Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions paragraph, Laton Joint Unified School District complied, in all material respects, with the laws and regulations of the Expanded Learning Opportunities Program for the year ended June 30, 2024.

Unmodified Opinion on Each of the Other State Programs

In our opinion, Laton Joint Unified School District complied, in all material respects, with the laws and regulation of the state programs noted in the table below for the year ended June 30, 2024.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State's audit guide, *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* published by the California Education Audit Appeals Panel. 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.

Matter Giving Rise to Qualified Opinion on Expanded Learning Opportunities Program

As described in the accompanying schedule of findings and questioned costs, Laton Joint Unified School District did not comply with the requirement regarding providing expanded learning opportunities on all 180 instructional days and on 30 nonschool days as described in finding number 2024-004, and pupil-to-staff member ratio as described in finding 2024-003.

Compliance with such requirements is necessary, in our opinion, for Laton Joint Unified School District to comply with the requirements applicable to that program.

Responsibilities of Management for State 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 State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than 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 state compliance about the District's compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the District's internal control over state compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District's internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

<u>Compliance Requirements</u>	<u>Procedures in Audit Guide Performed?</u>
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS:	
Attendance Accounting:	
Attendance Reporting	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	N/A
Continuation Education	N/A
Instructional Time:	
School Districts	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	N/A
GANN Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	N/A
Middle or Early College High Schools	N/A
K-3 Grade Span Adjustment	Yes
Apprenticeship: Related and Supplemental Instruction	N/A
Comprehensive School Safety Plan	Yes
District of Choice	N/A
Home to School Transportation Reimbursement	Yes

**SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND
CHARTER SCHOOLS:**

Proposition 28 Arts and Music in Schools	Yes
After/Before school Education and Safety Program:	
After School	N/A
Before School	N/A
General Requirements	N/A
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	N/A
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	N/A
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes

CHARTER SCHOOLS:

Attendance	N/A
Mode of Instruction	N/A
Nonclassroom-Based Instruction/Independent Study	N/A
Determination of Funding for Nonclassroom-Based Instruction	N/A
Annual Instructional Minutes - Classroom Based	N/A
Charter School Facility Grant Program	N/A

The term "N/A" is used above to mean either the District did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

We did not perform testing for Independent Study-Course Based because the ADA was under the level which requires testing.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance with the above requirements, which are required to be reported in accordance with the State's audit guide, *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the California Education Audit Appeals Panel and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001, 2024-002, and 2024-005. Our opinion on state compliance is not modified with respect to these matters.

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

Report on Internal Control over State Compliance

A deficiency in internal control over state 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 state 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 state compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of State Compliance section above and was not designed to identify all deficiencies in internal control over state compliance that might be a material weaknesses or significant deficiencies in internal control over state compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over state compliance that we consider to be material weaknesses, as define above. However, material weaknesses or significant deficiencies in internal control over state 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 state compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over state compliance is solely to describe the scope of our testing of internal control over state compliance and the results of that testing based on the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

*Benhardt, Corona, Faith
& Gyakavian*

Fresno, California
December 16, 2024

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

Board of Trustees
Laton Joint Unified School District
Laton, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 considered 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.

*Borchardt Corona, Faeth
& Gyskavan*

Fresno, California
December 16, 2024

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Findings and Recommendations Section

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LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Summary of Auditor's Results

a. Financial Statements

Type of auditor's opinion 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

b. Federal Awards

Internal control over major programs:

Material weakness (es) identified? _____ Yes X No

Significant deficiency (ies) identified not considered to be material weakness (es) _____ Yes X None reported

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

Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

<u>Federal Assistance Listing/CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	ESSA: Title I, Part A, Basic Grants Low Income and Neglected
84.010	ESSA: School Improvement (CSI) Funding for LEAs

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

Auditee qualified as low-risk Auditee? X Yes _____ No

c. State Awards

Internal control over state programs:

Material weakness (es) identified? _____ Yes X No

Significant deficiency (ies) identified not considered to be material weakness (es) _____ Yes X None reported

Type of auditor's opinion issued on compliance for state programs: Qualified

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 001 Attendance - Records #10000

Criteria or Specific Requirement

Education Code Section 46000 – Attendance in all schools and classes shall be recorded and kept according to regulations prescribed by the State Board of Education.

Condition

During our audit of attendance records, we noted the P-2 and Annual Reports of Attendance were not properly prepared:

- For Laton High School the P-2 & Annual Attendance for Grades 9-12 was overstated. The attendance summaries and reports for school months three, seven, and eight used to prepare the P-2 and Annual Reports of Attendance did not capture the final days' attendance for these school months due to the monthly attendance summaries and reports being printed before all the attendance was recorded. This error overstated Line A-1 Grades 9-12 ADA by 0.22 on the P-2 Report of Attendance and overstated Line A-1 Grades 9-12 ADA by 0.16 on the Annual Report of Attendance.
- The district did not include their Course Based Independent Study ADA for Grades 9-12 on Line A-1 and Line B-3 of their P-2 and Annual Reports of Attendance. This error understated Grades 9-12 Line A-1 & B-3 by 6.41 ADA on the P-2 Report of Attendance and 6.47 ADA on the Annual Report of Attendance.
- The district incorrectly reported Transitional Kindergarten ADA on informational Line B-5 using a percentage of enrollment rather than actual Transitional Kindergarten attendance. This error understated TK ADA reported on Line B-5 by 1.18 ADA on the P-2 Report of Attendance and by 1.21 ADA on the annual Report of Attendance.

Effect

The tables below summarize the cumulative effect of the exceptions to the P-2 and Annual Reports of Attendance noted under the condition:

P-2 Report of Attendance

Line A-1 Grades 9-12 ADA understated by 6.19 ADA

Line B-3 Grades 9-12 ADA understated by 6.41 ADA

Line B-5 TK ADA understated by 1.18 ADA

Annual Report of Attendance

Line A-1 Grades 9-12 ADA understated by 6.31 ADA

Line B-3 Grades 9-12 ADA understated by 6.47 ADA

Line B-5 TK ADA understated by 1.21 ADA

Cause

The Laton High School site printed their monthly attendance summaries and reports for school months three, seven, and eight before all attendance was properly recorded. The errors related to the TK informational ADA and the Course Based Independent Study ADA reporting were due a change in the district personnel who prepared the P-2 and Annual Reports of Attendance.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 001 Attendance - *Records* #10000 (Continued)

Questioned Costs

When using the 2023-24 LCFF Derived Value of ADA by Grade Span the estimated dollar value for the increase in P-2 ADA amounts to \$103,215 for Grades 9-12.

There are no questioned costs as the District was funded from the prior 3-Year Average ADA for the 2023-24 fiscal year.

Identification of Repeat Finding

This audit finding is not a repeat of a finding in the immediately prior audit.

Recommendation

The district should ensure the monthly summaries and reports used in preparation of the P-2 and Annual Reports of Attendance are complete before calculating the ADA. We also recommend the district submit a revised P-2 and Annual Report of Attendance to their County Office and CDE which reflect our audit findings.

Views of responsible officials and planned corrective actions

The District agrees with this finding. Please refer to the corrective action within the Findings and Recommendations Section.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 002 Attendance - Records #10000

Criteria or Specific Requirement

Education Code Section 46000 – Attendance in all schools and classes shall be recorded and kept according to regulations prescribed by the State Board of Education.

Condition

During our audit of attendance records, we noted that the ADA reported on the Annual Report of Attendance was incorrect for all grade spans due to a clerical error in the district's annual attendance summary.

Effect

The effect of the error noted above resulted in an understatement of 2.48 ADA for Grades TK/K-3, an overstatement of 6.21 ADA for Grades 4-6, an understatement of 1.55 ADA for Grades 7-8, and an overstatement of 4.34 ADA for Grades 9-12 on Line A-1 of the Annual Report of Attendance.

Cause

There was a clerical error in the summarization of school months six through eight on the attendance summary used in preparation of the Annual Report of Attendance.

Questioned Costs

There are no questioned costs since the District is not funded from Annual ADA.

Identification of Repeat Finding

This audit finding is not a repeat of a finding in the immediately prior audit.

Recommendation

The district should submit a revised Annual Report of Attendance and staff should review the summarization of attendance to ensure ADA from all programs is properly reported prior to report submission to its County Office and CDE.

Views of responsible officials and planned corrective actions

The District agrees with this finding. Please refer to the corrective action within the Findings and Recommendations Section.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 003 *Expanded Learning Opportunities Program* #40000

Criteria or Specific Requirement

California Education Code Section 46120(b)(2)(D). LEAs must maintain a pupil-to-staff member ratio of no more than 10 to 1 for TK or Kindergarten pupils served.

Condition

While auditing the District's Expanded Learning Opportunity Programs, we noted the District served TK and Kindergarten pupils and although they met the ratio of no more than 10 to 1 for TK pupils serviced, they did not meet the pupil-to-staff member ratio of no more than 10 to 1 for Kindergarten pupils served. The pupil-to-staff member ratio for the sampled program was 14 to 1 for the Kindergarten pupils served.

Effect

The District was not in compliance with program requirements.

Cause

With the new implementation of the program and its requirements, the district thought the required pupil-to-staff member ratio for Kindergarten pupils served was 20 to 1.

Questioned Costs

There are no questioned costs for this finding.

Identification of Repeat Finding

The audit finding is not a repeat of a finding in the immediately prior audit.

Recommendation

The District should monitor program requirements to ensure the proper pupil-to-staff member ratio is met.

Views of responsible officials and planned corrective actions

The District agrees with this finding. Please refer to the corrective action within the Findings and Recommendations Section.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 004 *Expanded Learning Opportunities Program* #40000

Criteria or Specific Requirement

California Education Code Section 46120(b)(1)(A) and (B). Expanded learning opportunity programs (ELOP) shall include in-person before or after school expanded learning opportunities on schooldays on which school is taught for the purpose of meeting the instructional day offering. Expanded learning opportunity programs shall include at least 30 nonschooldays, no fewer than nine hours of in-person expanded learning opportunities per day. California Education Code Section 46120(b)(8), an LEA may provide up to three days of staff development that may be excluded from these requirements.

Condition

While auditing the District's ELOP, we noted the District did not offer ELOP on all individual school days. When including the three days of staff development, the District offered ELOP on 179 school days, falling short one school day.

While auditing the District's offering of nonschooldays, we noted TK-2nd grade pupils were short being offered 3 nonschooldays, and in addition, TK-2nd grade pupils were offered 11 nonschooldays that fell below the nine hours of in-person expanded learning opportunities for those days. This results in TK-2nd grade pupils falling short 14 nonschooldays. We also noted that although 3rd-6th grade pupils were offered 30 nonschooldays, 12 of those nonschooldays fell below the nine hours of in-person expanded learning opportunities for those days.

Effect

The District was not in compliance with program requirements and therefore a penalty is calculated as noted in the questions costs below.

Cause

With the new implementation of the program and its requirements, the district did not comply with all program requirements.

Questioned Costs

The estimated audit penalty is \$55,897 as calculated below:

	<u>School District Data Input and Calculated Fields</u>
LEA Funding Rate	Rate 1
ELO-P Entitlement Calculation based on Rate 2	\$776,350
Section B - Days Instructional Days	180
ELO-P offered on instructional days totaling 9 hours (including staff development days)	179
Required Intersession ELO-P days	30
Actual ELO-P intersession days totaling 9 hours	16
ELO-P days short	15
Penalty Factor	0.0048
Penalty Calculation	\$55,897
Total Penalty	\$55,897

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 004 *Expanded Learning Opportunities Program* #40000 (Continued)

Identification of Repeat Finding

The audit finding is not a repeat of a finding in the immediately prior audit.

Recommendation

The District should monitor program requirements to provide the ELOP on schooldays and nonschooldays as required for the program.

Views of responsible officials and planned corrective actions

The District agrees with this finding. Please refer to the corrective action within the Findings and Recommendations Section.

LATON JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

State Award Findings and Questioned Costs

Finding Identification

2024 – 005 State Compliance - *Classroom Teacher Salaries* #61000

Criteria or Specific Requirement

Education Code Section 41372. A unified school district shall expend 55 percent of the District's total educational expenses for the current year on payment of salaries for classroom teachers. The District can be granted an exemption from the County Superintendent of Schools if the percentage is not met, in accordance with Education Code Section 41372.

Condition

While reviewing the Current Expense Formula/Minimum Classroom Compensation report (Form CEA), we noted that the District did not meet the required minimum classroom compensation percentage for a unified school district. The District's current expense of education for the year, after applicable reduction and audit adjustments, was \$12,583,294 or 51.92%. The District has filed a waiver to receive an exemption from the Fresno County Superintendent of Schools.

Effect

The District may have apportionments equal to the deficiency in expenditures withheld from it by the County Superintendent of Schools.

Cause

The District did not expend the minimum required amount of compensation for classroom teachers.

Questioned Cost

The deficiency in percentage expended when calculated is approximately \$387,565.

Identification of Repeat Finding

We have identified this audit finding as a repeat of finding 2023-004 which was identified in the immediate prior audit.

Recommendation

The District must ensure that the total compensation expended on classroom teacher salaries during the fiscal year is at least 55 percent of the District's total cost of education, and if not met, the District should file for an exemption from the County Superintendent of Schools.

Views of responsible officials and planned corrective actions

The District agrees with this finding. Please refer to the corrective action within the Findings and Recommendations Section.

LATON JOINT UNIFIED SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2024

State Award Finding and Questioned Costs

Finding Identification: 2024 – 001 Attendance - Records #10000

Name of contact person: Amanda Golden, CBO

Corrective Action: The District will be filing a revision to 23-24 P2 attendance. The CBO and attendance clerks will also attend SSC & CASBO attendance training to ensure the District is properly reporting.

Proposed Completion Date: 12/16/2024

Finding Identification: 2024 – 002 Attendance - Records #10000

Name of contact person: Amanda Golden, CBO

Corrective Action: The District will be filing a revision to 23-24 P2 attendance. The CBO and attendance clerks will also attend SSC & CASBO attendance training to ensure the District is properly reporting.

Proposed Completion Date: 12/16/2024

Finding Identification: 2024 – 003 Expanded Learning Opportunities Program #40000

Name of contact person: Amanda Golden, CBO

Corrective Action: The district will be verifying that the Directors are properly staff for kinder students.

Proposed Completion Date: 12/16/2024

Finding Identification: 2024 – 004 Expanded Learning Opportunities Program #40000

Name of contact person: Amanda Golden, CBO

Corrective Action: Superintendent, Human Resources and CBO will work closely with the program to ensure enough hours are set before the program is offered.

Proposed Completion Date: 12/16/2024

Finding Identification: 2024 – 005 State Compliance - Classroom Teacher Salaries #61000

Name of contact person: Amanda Golden, CBO

Corrective Action: Superintendent, Human Resource and Chief Business Official will work together on the allocation of 55% towards teacher salaries. Due to our size Laton Unified qualifies for small school exemption waiver with the county office.

Proposed Completion Date: 12/16/2024

LATON JOINT UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2024

1. Finding/Recommendation: 2023 – 001 Attendance - Records #10000

During our analysis of attendance records, we noted the Average Daily Attendance (ADA) reported on P-2 Report of Attendance was not accurately stated. Clerical errors were found in the summarization of attendance, where the attendance summaries used to summarize attendance were pulled for calendar months instead of the District's attendance school months for school months six, seven and eight for the Elementary and Middle School.

It was recommended that the District should review the attendance documentation used to prepare the P-2 Report of Attendance to ensure attendance data on these documents properly supports ADA information on the P-2 Report of Attendance. We also recommend the District revise their P-2 Report of Attendance to reflect the decrease in ADA noted above.

Current Status

Implemented

District Explanation if Not Implemented

Not Applicable

2. Finding/Recommendation: 2023 – 002 Attendance – Independent Study – Course Based #10000

During our sample testing of one CBIS learning agreement, we found that all required signatures (pupil, the pupil's parent, legal guardian, or caregiver, if the pupil is less than 18 years of age, and the certificated employee who has been designated as having responsibility for the general supervision of the independent study course) were not affixed before the commencement of the independent study course. We reviewed all CBIS learning agreements for students in the program and found an additional nine agreements without proper signatures prior to the commencement of the independent study course. All proper signatures were obtained ranging from four school days to twenty school days after the commencement of the independent study course.

It was recommended that the District staff should ensure they have procedures in place and implemented to ensure all CBIS learning agreements are properly completed and maintained per state requirements. We also recommend the District revise their P-2 Report of Attendance to reflect the decrease in ADA noted above.

Current Status

Implemented

District Explanation if Not Implemented

Not Applicable

LATON JOINT UNIFIED SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2024

3. **Finding/Recommendation: 2023 – 003 Transitional Kindergarten #40000**

While verifying the number of adults assigned to the one TK class at the elementary school, we found that only one adult could be counted for the school site's adult to pupil ratio calculation. The school site's TK Average Number of Pupils Enrolled Per Class when rounded to the nearest half or whole integer was 16 pupils, resulting in a TK Adult-to-Student Ratio of one adult to 16 pupils.

It was recommended that the District should ensure that TK classes at the elementary school maintain the proper adult to pupil ratio average based on state requirements.

Current Status

Implemented

District Explanation if Not Implemented

Not Applicable

4. **Finding/Recommendation: 2023 - 004 State Compliance - Classroom Teacher Salaries #61000**

While reviewing the Current Expense Formula/Minimum Classroom Compensation report (Form CEA), we noted that the District did not meet the required minimum classroom compensation percentage for a unified school district. The District's current expense of education for the year, after applicable reduction and audit adjustments, was \$11,593,652. The District has filed a waiver to receive an exemption from the Fresno County Office of Education.

It was recommended that the District must ensure that the total compensation expended on classroom teacher salaries during the fiscal year is at least 55 percent of the District's total cost of education, and if not met, the District should file for an exemption from the County Office of Education.

Current Status

Not Implemented

District Explanation if Not Implemented

Superintendent, Human Resource and Chief Business Official will work together on the allocation of 55% towards teacher salaries. Due to our size Laton Unified qualifies for small school exemption waiver with the county office.

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APPENDIX C

ECONOMIC AND DEMOGRAPHIC INFORMATION ABOUT FRESNO COUNTY

*The following information concerning Fresno County (the “**County**”) is included only for the purpose of supplying general information regarding the area of the District. The District is primarily located in the County, although a small portion of the District is in Kings County. The Obligations are not a debt of the County, the State of California (the “**State**”) or any of its political subdivisions (other than the District), and neither the County, the State nor any of its political subdivisions (other than the District) is liable therefor.*

General Information

The County. The County is California’s fifth largest county, covering approximately 6,000 square miles. It is located in the geographic center of the State and is the nation’s leading crop-producing county.

Within the County, there are roughly four different agricultural areas. East and south of the City of Fresno, grapes and other fruit and nut crops are grown, harvested and processed for shipment; west of the City of Fresno is the largest melon-producing area, which lies within the Mendota Unified School District. Also to the west, large crops of cotton, alfalfa, barley, rice, wheat and vegetables are produced. In the southwest are oil wells, and extensive cattle and sheep ranches.

The County is the trade, financial and commercial center for many surrounding counties in Central California and is a hub of transportation facilities connecting Central California to all parts of the country. Two major north-south highways, State Highway 99 and Interstate Highway 5, pass through the County. State Highways 180 and 145 run east and west. Railroads, major airlines, bus lines and numerous trucking companies also serve the area.

Population

The table below shows population estimates for the cities in the County for the last five years, as of January 1.

FRESNO COUNTY
Population Estimates
Calendar Years 2020 through 2024
(As of January 1st)

	2020	2021	2022	2023	2024
Clovis	119,950	121,509	123,486	124,361	126,133
Coalinga	18,038	17,537	17,292	17,191	17,107
Firebaugh	8,092	8,140	8,413	8,480	8,415
Fowler	6,702	6,839	6,938	7,163	7,367
Fresno	542,206	542,067	542,992	543,087	546,971
Huron	6,130	6,178	6,169	6,119	6,348
Kerman	16,004	16,049	16,616	16,950	17,256
Kingsburg	12,384	12,494	12,488	12,908	13,042
Mendota	12,585	12,547	12,486	12,462	12,531
Orange Cove	9,617	9,594	9,529	9,453	9,516
Parlier	14,567	14,524	14,465	14,382	14,368
Reedley	24,920	24,974	24,997	25,376	25,653
Sanger	26,573	26,631	26,372	26,286	26,357
San Joaquin	3,698	3,682	3,650	3,620	3,616
Selma	24,713	24,634	24,475	24,395	24,371
Balance of County	162,475	160,803	159,809	158,681	158,380
Total	1,008,654	1,008,202	1,010,177	1,010,914	1,017,431

Source: State Department of Finance estimates (as of January 1).

Employment and Industry

The District is included in the Fresno Metropolitan Statistical Area (“**MSA**”). The unemployment rate in the Fresno MSA was 8.9% in February 2025, up from a revised 8.6% in January 2025, and below the year-ago estimate of 9.1%. This compares with an unadjusted unemployment rate of 5.5% for California and 4.5% for the nation during the same period. The unemployment rate was 9.0% in the County, and 8.5% in Madera County.

The table below provides information about employment by industry type for the County for calendar years 2020 through 2024.

FRESNO COUNTY Civilian Labor Force, Employment and Unemployment, Unemployment by Industry (Annual Averages)

	2020	2021	2022	2023	2024
Civilian Labor Force ⁽¹⁾	504,100	503,000	511,300	527,400	538,700
Employment	445,500	456,700	477,800	488,200	496,200
Unemployment	58,700	46,300	33,400	39,100	42,500
Unemployment Rate	11.6%	9.2%	6.5%	7.4%	7.9%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	51,800	52,500	53,000	54,200	53,600
Mining and Logging	300	400	400	400	400
Construction	20,700	22,300	24,400	24,800	25,200
Manufacturing	29,100	29,400	30,300	30,200	30,300
Wholesale Trade	15,500	15,900	17,100	17,300	17,700
Retail Trade	40,800	43,300	44,100	44,400	43,600
Trans., Warehousing, Utilities	19,200	20,500	21,700	21,200	21,600
Information	3,200	3,200	3,500	3,200	2,800
Financial and Insurance	9,200	8,600	8,200	7,500	7,100
Professional and Business Services	34,900	35,000	36,900	36,200	36,500
Educational and Health Services	80,500	83,900	88,100	92,800	98,900
Leisure and Hospitality	32,100	36,600	41,100	41,900	42,300
Other Services	12,100	13,100	14,100	15,700	16,000
Federal Government	11,200	10,400	9,900	9,700	9,700
State Government	15,100	14,600	14,900	15,200	15,700
Local Government	57,000	56,900	60,400	63,100	66,300
Total All Industries ⁽³⁾	437,800	451,600	473,500	483,300	493,100

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Columns may not sum to totals due to rounding.

Source: State of California Employment Development Department.

Largest Employers

The table below lists the major employers in the County as of April 2025, listed alphabetically.

FRESNO COUNTY Major Employers (Listed Alphabetically) As of April 2025

Employer Name	Location	Industry
Air National Guard	Fresno	Veterans' & Military Organizations
Amazon Fulfillment Ctr	Fresno	Mail Order Fulfillment Service
California State Univ Fresno	Fresno	Schools-Universities & Colleges Academic
Cargill	Fresno	Meat Packers (mfrs)
City of Fresno	Fresno	Theatres-Live
Community Regional Medical Ctr	Fresno	Hospitals
Foster Farms	Fresno	Poultry Farms
Fresno County Sheriff	Fresno	Police Departments
Fresno Police Dept	Fresno	Police Departments
Fresno Police Dept-Central	Fresno	Police Departments
Fresno Police-Mgmt Support	Fresno	Police Departments
Fresno VA Hospital Medical Ctr	Fresno	Hospitals
Kaiser Permanente Fresno Med	Fresno	Hospitals
Lion Dehydrators	Selma	Dehydrating Service (mfrs)
Pelco Inc	Fresno	Security Control Equip & Systems-Mfrs
Phebe Conley Art Gallery	Fresno	Art Galleries & Dealers
Pitman Family Farms	Sanger	Farms
Pleasant Valley State Prison	Coalinga	Government Offices-State
St Agnes Medical Ctr	Fresno	Medical Centers
St Agnes Medical Ctr	Fresno	Hospitals
Stamoules Produce Co	Mendota	Fruits & Vegetables & Produce-Retail
State Center Community College	Fresno	Junior-Community College-Tech Institutes
Table Mountain Casino	Friant	Casinos
Taylor Communications	Fresno	Communications
Teaching Fellows	Fresno	Employment Service-Govt Co Fraternal

Source: California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income and median household effective buying income for the County, the State and the United States for the period 2021 through 2025.

**FRESNO COUNTY, STATE OF CALIFORNIA,
AND UNITED STATES
Effective Buying Income
As of January 1, 2021 through 2025**

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2021	Fresno County	\$20,194,328	\$48,681
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	Fresno County	\$23,555,796	\$57,777
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	Fresno County	\$24,597,995	\$58,117
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	Fresno County	\$26,806,122	\$63,348
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	Fresno County	\$27,508,071	\$64,590
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687

Source: Claritas, LLC.

Commercial Activity

A summary of historic taxable sales within the County for calendar years 2020 through 2024 is shown in the following table. During calendar year 2024, total taxable transactions in the County were reported to be \$22,935,579,795, a 3.17% decrease from the total taxable transactions of \$23,686,220,050 that were reported in the County during calendar year 2023.

FRESNO COUNTY Taxable Transactions For Calendar Years 2020 through 2024 (Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2020	14,811	\$11,557,538	24,307	\$16,930,267
2021	14,162	16,649,725	23,521	22,925,232
2022	14,654	17,230,232	24,512	24,307,053
2023	14,316	16,410,906	23,970	23,686,220
2024	14,520	15,871,353	24,413	22,935,580

Source: State Department of Tax and Fee Administration.

Construction Activity

The following tables show a five-year summary of the valuation and number of building permits issued in the County. Annual figures for 2024 are not yet available.

FRESNO COUNTY Building Permit Valuation (Valuation in Thousands of Dollars)

	2019	2020	2021	2022	2023
<u>Permit Valuation</u>					
New Single-family	\$770,423.8	\$769,338.0	\$889,656.9	\$542,870.4	\$743,725.8
New Multi-family	87,818.1	183,382.3	53,428.9	171,092.2	70,892.6
Res. Alterations/Additions	<u>41,033.6</u>	<u>30,839.5</u>	<u>57,187.3</u>	<u>39,525.3</u>	<u>30,773.8</u>
Total Residential	899,275.5	983,560.0	1,000,273.1	753,487.9	845,392.2
 New Commercial	 273,781.9	 256,617.3	 179,674.3	 173,813.0	 263,373.2
New Industrial	7,105.1	9,965.7	1,952.7	6,742.0	0.0
New Other	54,746.2	100,674.4	89,285.2	120,021.4	116,804.0
Com. Alterations/Additions	<u>163,703.6</u>	<u>210,055.6</u>	<u>127,121.0</u>	<u>173,258.1</u>	<u>80,380.2</u>
Total Nonresidential	499,336.8	577,313.0	398,033.2	473,834.5	460,557.4
 New Dwelling Units	 	 	 	 	
Single Family	2,732	2,747	3,337	1,865	2,141
Multiple Family	<u>689</u>	<u>653</u>	<u>398</u>	<u>1,245</u>	<u>860</u>
TOTAL	3,421	3,400	3,735	3,100	3,001

Source: Construction Industry Research Board, Building Permit Summary.

Transportation

Two major railroads, a modern system of highways and a growing airport complex have contributed to the industrial, commercial and residential growth of the County. Burlington Northern Santa Fe and Union Pacific provide main line rail freight service to the area. Amtrak has passenger service daily. Fresno Yosemite International Airport in the City of Fresno provides regularly scheduled passenger and freight service to major metropolitan centers in the nation. Fresno-Chandler Executive Airport, also in the City of Fresno, can accommodate approximately 297 general aircraft with approximately 231 currently based at the facility.

State Highway 99 is a north-south artery that passes through the heart of the County and the San Joaquin Valley, connecting many of the Valley's major cities. Interstate Highway 5 runs in a north-south direction through the western part of the County and the San Joaquin Valley. Both State Highway 99 and Interstate Highway 5 are major north-south routes between Los Angeles, San Francisco and Sacramento. State Routes 41,168 and 180 serve the Fresno metropolitan area and connect it to the eastern and western parts of the County. The deepwater Port of Stockton is located 122 miles north of Fresno on Interstate Highway 5.

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APPENDIX D
PROPOSED FORMS OF OPINIONS OF BOND COUNSEL
(THE BONDS)

[LETTERHEAD OF JONES HALL]

April 29, 2025

Board of Education
Laton Joint Unified School District
6259 East DeWoody Street
Laton, California 93242

OPINION: \$3,000,000 Laton Joint Unified School District
 (Fresno and Kings Counties, California) (Bank Qualified)
 General Obligation Bonds, Election of 2024, Series A

Members of the Board of Education:

We have acted as bond counsel to the Laton Joint Unified School District (the "District") in connection with the issuance by the District of \$3,000,000 principal amount of Laton Joint Unified School District (Fresno and Kings Counties, California) General Obligation Bonds, Election of 2024, Series A, dated the date hereof (the "Bonds"), under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Education of the District (the "Board") on February 12, 2025 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Bond Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly established and validly existing as a unified school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution.
2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the District, enforceable against the District in accordance with its terms.

3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the Board of Supervisors of the County of Fresno and the Board of Supervisors of the County of Kings are obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Tax Code”), and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Tax Code), a deduction is allowed for 80 percent of that portion of such financial institutions’ interest expense allocable to the portion of the Bonds designated as and comprising interest.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds, and in order for the Bonds to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds, or may cause the Bonds not to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

Jones Hall,
A Professional Law Corporation

(THE NOTES)

[LETTERHEAD OF JONES HALL]

April 29, 2025

Board of Education
Laton Joint Unified School District
6259 East DeWoody Street
Laton, California 93242

OPINION: \$3,235,000 Laton Joint Unified School District
 2025 General Obligation Bond Anticipation Notes (Bank Qualified)

Members of the Board of Education:

We have acted as Bond Counsel to the Laton Joint Unified School District (the "District") in connection with the issuance by the District of its 2025 General Obligation Bond Anticipation Notes in the aggregate principal amount of \$3,235,000 (the "Notes"), under the provisions of Section 15150 of the Education Code of the State of California and under a resolution of the Board of Education of the District adopted on February 12, 2025 (the "Note Resolution"). We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Note Resolution and in the certified proceedings and certifications and opinions of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is a school district duly organized and existing under the laws of the State of California, with power to adopt the Note Resolution, to perform the agreements on its part contained therein and to issue the Notes. The Notes constitute legal, valid and binding special obligations of the District enforceable in accordance with their terms and payable solely from the sources provided therefor in the Resolution.

2. The Note Resolution has been duly adopted by the Board of Education of the District and constitutes a legal, valid and binding obligation of the District enforceable against the District in accordance with its terms. The Note Resolution establishes a valid first and exclusive lien on and pledge of the proceeds of the General Obligation Bonds (as such term is defined in the Note Resolution) and other funds pledged thereby for the security of the Notes, in accordance with the terms of the Note Resolution.

3. Interest on the Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax.

Interest on the Notes may be subject to the corporate alternative minimum tax. The Notes are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Tax Code”), and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Tax Code), a deduction is allowed for 80 percent of that portion of such financial institutions’ interest expense allocable to the portion of the Notes designated as and comprising interest.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes, and in order for the Notes to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Notes, or may cause the Notes not to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code.

4. The interest on the Notes is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Notes.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

Jones Hall,
A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$3,000,000
LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)
General Obligation Bonds
Election Of 2024, Series A
(Bank Qualified)

\$3,235,000
LATON JOINT UNIFIED SCHOOL DISTRICT
(Fresno and Kings Counties, California)
2025 General Obligation Bond Anticipation Notes
(Bank Qualified)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “**Disclosure Certificate**”) is executed and delivered by the Laton Joint Unified School District (the “**District**”) in connection with the issuance of \$3,000,000 aggregate principal amount of Laton Joint Unified School District (Fresno and Kings Counties, California) General Obligation Bonds, Election of 2024, Series A and \$3,235,000 aggregate principal amount of Laton Joint Unified School District (Fresno and Kings Counties, California) 2025 General Obligation Bond Anticipation Notes (together, the “**Obligations**”). The Obligations are being issued pursuant to resolutions adopted by the Board of Education of the District on February 12, 2025 (each, a “**Resolution**” and together, the “**Resolutions**”). The Bank of New York Mellon Trust Company, N.A., is initially acting as paying agent for the Obligations (the “**Paying Agent**”).

The District hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Obligations and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in each Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

“*Annual Report Date*” means the date not later than nine months after the end of each fiscal year of the District.

“*Dissemination Agent*” means, initially, Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a).

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Obligations.

“*Paying Agent*” means The Bank of New York Mellon Trust Company, N.A., or any successor thereto.

“*Participating Underwriter*” means D.A. Davidson & Co., the original underwriter of the Obligations required to comply with the Rule in connection with offering of the Obligations.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2026, with the report for the 2024-25 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 business days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 business days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) notice to the MSRB in a timely manner, in an electronic format, as prescribed by the MSRB.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, the following information shall be provided in the Annual Report:

- (i) assessed valuation of taxable properties in the District for the most recently completed fiscal year;
- (ii) assessed valuation of properties of the top twenty taxpayers for the most recently completed fiscal year;
- (iii) if the District's levy for general obligation bonds is not included on Fresno County's Teeter Plan, property tax collection delinquencies for the District for the most recently completed Fiscal Year but only if available at the time of the filing of the Annual Report, for the prior fiscal year,
- (iv) if available at the time of filing the Annual Report, the adopted budget or, alternatively, the most recently Board-approved interim report which contains budgeted and projected figures, for the fiscal year in which the Annual Report is filed, and
- (v) such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(c) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission.

Section 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Obligations:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.

- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Obligations. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Obligations. If such termination occurs prior to the final maturity of the Obligations, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.. Any Dissemination Agent may resign by providing 30 days’ written notice to the District and the Paying Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Obligations, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Obligations, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Obligations in the manner provided in the Resolution for amendments to the Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Obligations.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Obligations may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any

information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Obligations.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Obligations, and shall create no rights in any other person or entity.

Date: April 29, 2025

LATON JOINT UNIFIED SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

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APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (in this Appendix, the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

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

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APPENDIX G

**FRESNO COUNTY INVESTMENT POLICY
AND INVESTMENT REPORT**

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**Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector**

County of Fresno Treasury Investment Pool

INVESTMENT POLICY

Established: 1984

Current Revision: December 3, 2024

**(559) 600-3496
Room 105
Hall of Records
2281 Tulare Street
Fresno, California 93721**

COUNTY OF FRESNO
AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR
TREASURY INVESTMENT POOL

INVESTMENT POLICY

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COUNTY OF FRESNO
AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR
TREASURY INVESTMENT POOL

INVESTMENT POLICY

1.0 Purpose

The Auditor-Controller/Treasurer-Tax Collector's policy is to invest public funds in a manner that will provide a market average rate of return consistent with the objectives included in this Investment Policy while meeting the daily cash flow demands of the County Treasury and conform to all applicable state laws governing the investment of public funds.

Investments differing from this policy shall be made only in circumstances where market timing or economic trends indicate such investments are beneficial. Such investments must comply with all applicable laws and may only be made with written approval by the Auditor-Controller/Treasurer-Tax Collector.

This Investment Policy is established under Government Code sections 27133 and 53646.

2.0 Scope

This Investment Policy applies to all financial assets deposited and retained in the County of Fresno Treasury Investment Pool.

3.0 Objective

The primary objectives, in priority order, of the County of Fresno's investment activities shall be the following:

3.1 Safety. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. Investments should be made in securities of high quality to avoid credit risk and loss of principal.

3.2 Liquidity. The investment portfolio should remain sufficiently liquid to enable the Treasury Investment Pool to meet all its operating requirements which might be reasonably anticipated.

3.3 Return on Investment. The investment portfolio shall be designed with the objective of attaining the highest interest revenue, taking into consideration the

objectives of this Investment Policy and the cash flow characteristics of the portfolio.

3.4 Local Community Reinvestment. When it is in the best interest of the investment portfolio, and within the confines of other objectives enumerated in this Investment Policy, the Auditor-Controller/Treasurer-Tax Collector may give preference to local investment opportunities.

4.0 Delegation of Authority

The authority of the Board of Supervisors to delegate management responsibility for the County of Fresno Treasury Investment Pool is derived from GC 53607. Investment authority, in accordance with this provision, has been delegated to the Auditor-Controller/Treasurer-Tax Collector. The original delegation is in the Ordinance Code of the County of Fresno Section 2.20.080 and is subject to annual renewal by the Board of Supervisors. The Auditor-Controller/Treasurer-Tax Collector shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions (GC 53607).

No person may engage in an investment transaction for the Treasury Investment Pool except as provided under the terms of this policy and the procedures established by the Auditor-Controller/Treasurer-Tax Collector. The Auditor-Controller/Treasurer-Tax Collector shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate staff.

The County of Fresno Treasury Oversight Committee shall annually review and monitor the Investment Policy. The County of Fresno Treasury Oversight Committee shall also cause an annual audit to determine the Auditor-Controller/Treasurer-Tax Collector's compliance with this Investment Policy. The cost of the audit shall be considered an administrative cost of investing. Audit Reports are available to participants of the Treasury Investment Pool upon request (GC 27133, 27134 and 27135).

5.0 Ethics and Conflict of Interest

The Auditor-Controller/Treasurer-Tax Collector, the County of Fresno Treasury Oversight Committee and staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Receipt of honoraria, gifts and gratuities from advisors, brokers, dealers, bankers or other persons with whom the County Treasury conducts business by any member of the County of Fresno Treasury Oversight Committee shall require the completion of an annual Statement of Economic Interests by each member to be filed with the member's respective agency. This policy sets a \$590 per current filing limit on the amount of honoraria, gifts and gratuities that a committee member may receive from a single source in a calendar year.

6.0 Prudence

Investments shall be made with judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, and not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

6.1 The standard of prudence to be used by investment officials shall be the “prudent investor” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk of market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

7.0 Borrowing for Purposes of Making Investments

The Fresno County Auditor-Controller/Treasurer-Tax Collector is prohibited from the practice of borrowing for the sole purpose of making investments.

8.0 Authorized Investments and Limits

All investments shall be governed by the Government Code and comply with the specific limitations set forth within this Investment Policy. Securities shall be valued at amortized cost when determining their percentage to the money in the County of Fresno Treasury Investment Pool. Additions or deviations from this list must be expressly authorized by the Government Code and approved by the Auditor-Controller/Treasurer-Tax Collector. Investments not expressly authorized by law are prohibited.

The Auditor-Controller/Treasurer-Tax Collector interprets the authorized investment limits to be based upon the portfolio allocation at the time a security is purchased. The portfolio allocation may temporarily fall outside of these limits due to maturities and fluctuations in the size of the pool after the purchase of a security. Additionally, the applicable credit ratings are interpreted to be based upon the rating at the time the security is purchased.

8.1 United States Treasury Bills, Notes, Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

8.2 Obligations issued by Federal Farm Credit Banks, Federal Home Loan Banks, the Federal Home Loan Mortgage Company, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States Government-sponsored enterprise.

8.3 Bills of Exchange or Time Drafts drawn on and accepted by a commercial bank, otherwise known as Bankers Acceptances, both domestic and foreign, which are eligible for purchase by the Federal Reserve System. Any investment in Bankers Acceptances shall be restricted to the top 150 banks in the world as determined by their total assets and limited to those institutions in this group whose short term debt rating is of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by a nationally recognized statistical-rating service.

Purchases of Bankers Acceptances may not exceed 180 days maturity or 40 percent of the money in the Treasury Investment Pool.

8.4 Commercial Paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by a nationally recognized statistical rating organization, having a maximum maturity of 270 days or less. The entity that issues the commercial paper shall meet all of the following conditions of either (1) or (2): (1) The entity must be organized and operating within the United States as a general corporation; have total assets in excess of five hundred million dollars; and have a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization for its debt other than commercial paper, if any. (2) The entity must be organized within the United States as a special purpose corporation, trust, or limited liability company; have program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond; and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.

Additionally, GC 53635 limits the assets held by the Treasury Investment Pool in any single issuer to 10 percent and the total Commercial Paper investments may not exceed 40 percent of the total assets in the Treasury Investment Pool.

8.5 Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, savings association, federal association, or state-licensed branch of a foreign bank. Any investment is to be restricted to the top 150 banks in the

world as determined by their total assets and limited to those institutions in this group whose short term debt rating is of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc. or Standard and Poor's (P-1; A-1). As an alternative to the credit guidelines above, banks, savings associations or federal associations having a four star rating or higher rating as provided for by Bauer Financial, Inc. or a comparable rating service, shall be considered eligible institutions for these investments.

Investments in Negotiable Certificates of Deposit (including those allowed under section 8.6.1) may not exceed 30 percent of the money in the Treasury Investment Pool. No more than 5 percent of the money shall be invested in any one institution.

8.6 Non-negotiable Time Certificates of Deposit issued by a nationally or state-chartered bank, savings association or federal association (GC 53601 (n)). Unless fully covered by FDIC insurance, including the interest earned, these investments require full collateralization with government securities totaling 110 percent or mortgages totaling 150 percent of the principal amount (GC 53652). Any investment is to be restricted to those institutions whose short term rating is of prime quality of the highest ranking as provided for by Moody's Investors Service, Inc. or Standard and Poor's (P-1; A-1). As an alternative to the credit guidelines above, banks, savings associations or federal associations having a four star rating or higher as provided for by Bauer Financial, Inc. or a comparable rating service, shall be considered eligible institutions for these investments. Any investment will require the approval and execution of a Contract for Deposit by the Auditor-Controller/Treasurer-Tax Collector, as authorized by GC 53682.

Investments in Non-negotiable Time Certificates of Deposit may not exceed 50 percent of the money in the Treasury Investment Pool. No more than 15 percent of the money shall be invested in any one institution.

8.6.1 Investments in certificates of deposit at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit. Investments will be made in compliance with GC 53635.8. Investments shall be initially placed with a nationally or state-chartered commercial bank, savings bank, savings and loan association or a credit union in this state, which shall be known as the selected depository institution. Any investment will require the approval and execution of a Deposit Placement Agreement by the Auditor-Controller/Treasurer-Tax Collector. Investments in certificates of deposit under sections 8.5 and 8.6.1 may not exceed 30 percent of the money in the Treasury Investment Pool. Additionally, investments under 8.6.1 shall not exceed 15 percent of the money in the Treasury Investment Pool.

8.7 Investments in Repurchase Agreements representing United States Treasury Securities, United States Agency discount and coupon securities, domestic and foreign Banker's Acceptances, commercial paper, and domestic bank/savings associations or federal associations Negotiable Certificates of Deposit.

Investments shall be made only after the execution of a Repurchase and Custody Agreement (Tri-Party Agreement) between the County or the investment manager (if under contract), the dealer and the Custodian. Investments will consist of overnight Repurchase Agreements, which include weekend placements and maturities; however, securities with longer maturities may be used as collateral for these Agreements. (GC 53635.2)

Excluding circumstances of market-timing and known cash demands, investments in Repurchase Agreements shall be limited to not more than 15 percent of the money in the Treasury Investment Pool. The market value of securities that underlie a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against these securities. Any exceptions to the maturity or investment amount provisions will require written approval by the Auditor-Controller/Treasurer-Tax Collector.

8.8 Medium-term Notes with a maximum remaining maturity of five years or less issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or higher, by Standard and Poor's Corporation, or its equivalent or better by a nationally recognized rating service.

Investments in Medium-term Notes may not exceed 30 percent of the money in the Treasury Investment Pool.

8.9 Investment of funds in the Local Agency Investment Fund (LAIF) created by law, which the State Treasurer invests through the Pooled Money Investment Account. Money invested in LAIF is available for overnight liquidity; however, it is also subject to a limited number of transactions per month. Money shall be placed in LAIF as alternative liquid investments under the guidelines of this policy pertaining to yield. The County may invest up to the maximum amount permitted by LAIF, not to exceed 10 percent of the portfolio. The Auditor-Controller/Treasurer-Tax Collector may invest any portion of debt proceeds in the LAIF.

8.10 Shares of beneficial interest issued by diversified management companies, otherwise known as Mutual Funds, investing in the securities and obligations as authorized by the GC 53601 et. seq.

To be eligible for investment, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by two of the largest nationally recognized rating services, or (2) have an investment adviser registered with the Securities and Exchange Commission with at least five years of experience investing in the securities authorized by the GC sections noted above and with assets under management in excess of \$500,000,000.

Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations, or (2) retain an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500,000,000 (GC 53601).

Investment in Mutual Funds shall not include the payment of any commission that diversified management companies may charge and may not exceed 20 percent of the surplus funds in the Treasury Investment Pool. Only 10 percent of the surplus funds may be invested in any one mutual fund (GC 53601, 53635.2).

8.11 Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond of a maximum of five years maturity. Securities eligible for investment shall be rated "AA" or its equivalent or better by a nationally recognized rating service.

Investments in these securities may not exceed 10 percent of the funds in the Treasury Investment Pool.

8.12 Bond proceeds may be invested in accordance with the Government Code provisions, or they may be invested in alternative vehicles if authorized by bond documents (GC 53635.2 and California Debt and Investment Advisory Commission (CDIAC) Local Agency Investment Guidelines).

8.13 External Investment Managers. The Auditor-Controller/Treasurer-Tax Collector may contract with external investment managers to provide investment management services. These managers may be hired to invest funds not needed for liquidity and to increase the rate of return of the pool by employing an active investment strategy. The external investment manager is allowed to make specific investment decisions within the framework of this investment policy.

External investment managers are required to provide timely transaction documentation and investment reports to ensure that the manager's actions comply with the requirements of the law and this investment policy. External investment managers shall remit, at least quarterly, the interest earnings to the Pool to allow these earnings to be apportioned to the pool participants.

Selection of External Investment Managers is subject to section 13.0 of this Investment Policy. Additionally, after selection, the manager's performance shall be reviewed against the agreed upon benchmark.

8.14 Registered state warrants or treasury notes or bonds of the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

Investments in these securities may not exceed 10 percent of the surplus funds in the Treasury Investment Pool.

8.15 United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States.

Investments under this section 8.15 shall be rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service.

Additionally, investment under this section 8.15 shall not exceed 5 percent of the money in the Treasury Investment Pool.

9.0 Selection of Investments

Except as provided below, investments shall only be made following a minimum of three competitive comparisons with offerings documented and retained for each type of investment.

Exceptions to this requirement are: 1) California registered state warrants under section 8.14, and 2) U.S. Treasury Bills and Notes under section 8.1.

10.0 Diversification

The Treasury Investment Pool shall be diversified by security type and institution. In addition to the requirements in section 8.0, "Authorized Investments and Limits," no more than 5% of the money in the Treasury Pool

may be invested with any one corporate issuer, regardless of the type of the investment.

11.0 Maximum Maturities

To the extent possible, investments shall be made to match anticipated cash requirements. Unless matched to a specific cash flow, normal investments will be in securities such that the average weighted maturity of the Treasury Investment Pool shall not exceed 3.5 years. Proceeds of sales or funds set aside for the repayment of any notes issued for temporary borrowing purposes shall not be invested for a term that exceeds the term of the notes.

12.0 Selling Securities Prior to Maturity

Securities purchased shall normally be held until maturity. Occasionally, opportunities will exist to sell securities prior to maturity and purchase other securities (swap/trade). Securities that are no longer in compliance with this Investment Policy may be sold prior to maturity. Securities may also be sold in order to maintain the liquidity of the Treasury Investment Pool.

13.0 Authorized Financial Dealers and Institutions

The Auditor-Controller/Treasurer-Tax Collector shall maintain a list of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved security broker-dealers selected by credit worthiness, who maintain an office in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15c3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

All financial institutions and broker-dealers who desire to become qualified bidders for investment transactions must supply the following: audited financial statements, proof of Financial Industry Regulatory Authority membership, trading resolution, proof of state registration, completed broker-dealer questionnaire, certification of having read this Investment Policy, and if applicable, depository contracts. Broker-dealers are evaluated and selected based upon criteria that include: organization experience and credibility, individual broker-dealer qualifications, compliance, product inventory, and economic research.

An annual review of the financial conditions and registrations of selected brokers shall be conducted by the Auditor-Controller/Treasurer-Tax Collector. A current audited financial statement is required to be on file for each authorized financial institution and broker-dealer.

Investment managers are evaluated and selected based upon criteria that include: organization experience and credibility, staff experience, compliance, and performance.

The selection of any broker, brokerage firm, dealer or securities firm that has, within any consecutive 48 month period following January 1, 1996, made a political contribution in an amount exceeding the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board, to the Auditor-Controller/Treasurer-Tax Collector or member of the Board of Supervisors or any candidate for those offices is prohibited. The County will, to the best of its ability, monitor and comply with this requirement.

14.0 Confirmation

Receipts for confirmation of purchase of authorized securities should include the following information: trade date, par value, maturity, rate, price, yield, settlement date, description of securities purchased, agency's name, net amount due, and third party custodian information. Confirmation of all investment transactions should be received by the Auditor-Controller/Treasurer-Tax Collector within five business days of the transaction.

15.0 Safekeeping and Custody

Investments, excluding Non-negotiable Time Certificates of Deposit, Repurchase Agreements and investments that are under the management of contracted parties, shall be held in custody with the Service Bank or its correspondent or other institutions approved by the Auditor-Controller/Treasurer-Tax Collector. Investments in Repurchase Agreements shall be held in custody by the Custodian to the Tri-Party Agreement.

16.0 Performance Standards

The investment portfolio shall be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account investment risk constraints and cash flow needs.

16.1 Market yield benchmark. The investment strategy is passive. Given this strategy, the basis used by the Auditor-Controller/Treasurer-Tax Collector to determine whether market yields are being achieved shall be the 0-5 year U.S. Treasury index rate.

17.0 Administrative Cost of Investing

The Auditor-Controller/Treasurer-Tax Collector may deduct actual administrative costs associated with investing, depositing, banking, auditing,

reporting, or otherwise handling or managing of funds. The administrative costs shall be segregated and deducted from the interest earnings of the Treasury Pool each quarter prior to the distribution of interest earnings.

18.0 Credit of Interest Earnings

Interest shall be credited based on the average daily cash balance of money on deposit in the County Treasury for the calendar quarter and shall be paid quarterly.

19.0 Local Agency Deposit of Excess Funds

The County Auditor-Controller/Treasurer-Tax Collector is authorized to accept deposits of excess funds from local agencies within Fresno County pursuant to Resolution 98-354 and in accordance with Government Code section 53684. Such deposits will be accepted, if at all, subject to the terms and conditions of a written agreement between the depositing agency and the Auditor-Controller/Treasurer-Tax Collector. In deciding whether to accept such deposits, the Auditor-Controller/Treasurer-Tax Collector considers factors that may include, but are not limited to, the objectives of this policy, the potential effect of such deposits on the volatility of the investment portfolio, the human resources available to conduct investment activities, and the best interests of current depositors.

20.0 Withdrawal of Funds from the Treasury Pool

The withdrawal of funds by any depositor/participant in the County of Fresno Treasury Investment Pool shall not adversely affect the interests of the other depositors/participants in the County of Fresno Treasury Investment Pool. All withdrawals that are not considered as funds being utilized for operations shall be presented to the Auditor-Controller/Treasurer-Tax Collector for review and approval. The Auditor-Controller/Treasurer-Tax Collector shall perform an assessment of the effect of a proposed withdrawal on the stability and predictability of the investments in the Treasury Investment Pool as is required by GC 27136 and 27133. Prior to approving a withdrawal, the Auditor-Controller/Treasurer-Tax Collector shall find that the proposed withdrawal will not adversely affect the interests of the other depositors in the Treasury Investment Pool. All requests for withdrawals shall be considered in order of receipt and shall in no way affect the ability of the Auditor-Controller/Treasurer-Tax Collector to meet the pool's expenditure requirements.

If the Auditor-Controller/Treasurer-Tax Collector's assessment of the effect of the proposed withdrawal does not negatively impact the stability and predictability of the investments and the interests of other depositors, the Auditor-Controller/Treasurer-Tax Collector may authorize a total or partial

withdrawal of funds from the Treasury Pool. A total withdrawal of funds from the County of Fresno Treasury Investment Pool by a participant requires a 30-day written notice to the Auditor-Controller/Treasurer-Tax Collector. Withdrawals involving less than the participant's total funds (other than for operational needs) are subject to all of the following constraints:

- each withdrawal shall be limited to a maximum of \$5,000,000
- no more than two withdrawals of a non-operational purpose are allowed per 30 day period
- at least ten days must lapse before the second withdrawal in any 30 day period will be considered by the Auditor-Controller/Treasurer-Tax Collector
- each withdrawal shall be submitted to the Auditor-Controller/Treasurer-Tax Collector at least 2 business days prior to the date of withdrawal

The depositor/participant shall notify the Auditor-Controller/Treasurer-Tax Collector of normal operating expenditures or disbursements in excess of \$1,000,000 as early as possible, preferably three business days in advance of disbursement, in order to adjust the cash position to meet disbursement requirements.

21.0 Reporting

The Auditor-Controller/Treasurer-Tax Collector shall provide the Board of Supervisors with a monthly inventory report and a monthly transaction report of the Treasury Investment Pool. The Auditor-Controller/Treasurer-Tax Collector shall provide a quarterly investment report to the Board of Supervisors, the County Administrative Officer and the County of Fresno Treasury Oversight Committee. The quarterly report shall be submitted within 30 days following the end of the quarter covered by the report. Monthly inventory reports and quarterly investment reports are available to participants of the pool upon request (GC 53646).

22.0 Internal Control

As part of the County of Fresno's annual independent audit, the investment program shall be reviewed for appropriate internal controls that provide assurance of compliance with policies and procedures.

23.0

Investment Policy Review

This Investment Policy shall be reviewed on an annual basis by the Auditor-Controller/Treasurer-Tax Collector and rendered annually to the Board of Supervisors and the County of Fresno Treasury Oversight Committee, which consists of the following members:

- The County Auditor-Controller/Treasurer-Tax Collector
- A representative appointed by the County Board of Supervisors
- The County Superintendent of Schools or the Superintendent's designee
- A representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college districts in the County
- A representative selected by a majority of the presiding officers of the legislative bodies of the special districts in the County that are required or authorized to deposit funds in the County Treasury

The Board of Supervisors shall accept and approve the investment policy and any changes thereto at a public meeting (GC 27133, 53646).

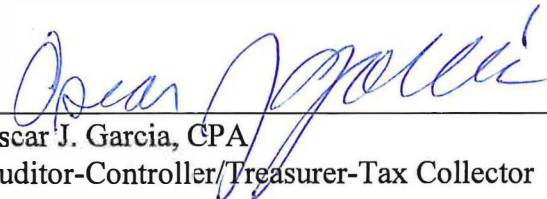
24.0

Disaster/Business Continuity Plan

The County of Fresno Treasurer's banking and investment functions are critical to the function of Treasury Investment Pool and therefore must have a continuity plan to guide operations in the event of a disaster or business interruption.

The objective of the Disaster/Business Continuity Plan is to protect and account for all funds on deposit with the county treasurer and to be able to continue banking and investment functions for all participants in the event of an occurrence; i.e., earthquake, fire, flood, or some other event, which disrupts normal operations. The Plan provides for the ability to perform banking and investment functions at an off-site location under less than optimal conditions.

Approved



Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector



Date

APPENDIX A

<u>Permitted Investments/Deposits</u>	<u>Government Code Limits %</u>	<u>Investment Policy Limits %</u>	<u>Investment Policy Term Limit</u>	<u>Minimum Rating</u>
Securities of the U.S. Government	No Limit	No Limit	5 years	N/A
Securities issued by United States Government Sponsored Enterprises	No Limit	No Limit	5 years	N/A
Bankers Acceptances (1)	40%	40%	180 days	N/A
Commercial Paper	40%	40%	270 days	P-1, A-1
Negotiable Certificates of Deposit (2)	30%	30%	2 years	P-1, or A-1 or 4 Star
Non-negotiable Certificates of Deposit (2)	No Limit	50%	2 years	P-1 or A-1 or 4 Star
Account Registry Service Deposits (2)	30%	15%	13 months	N/A
Repurchase Agreements	No Limit	15%	Overnight/Weekend	N/A
Medium Term Notes	30%	30%	5 years	A
LAIF (3)	No Limit	10%	5 years	N/A
Mutual Funds (4)	20%	20%	5 years	AAA, Aaa
Mortgage-Backed Securities	20%	10%	5 years	AA
State of California Debt	No Limit	10%	5 years	N/A
IBRD, IFC, and IADB	30%	5%	5 years	AA

APPENDIX A
(Continued)

- (1) Investment policy limits any investment in bankers acceptances to the top 150 banks in the world as determined by their total assets and limited to those institutions in this group whose short term debt is of prime quality and of the highest ranking as provided for by Moody's or Standard and Poor's (P-1, A-1).
- (2) Banks, savings associations or federal associations having a "4 Star" or higher rating as provided by Bauer Financial, Inc. or a comparable rating service. For negotiable certificates of deposit, no more than 5 percent of the money shall be invested in any one institution. Negotiable certificates of deposit and account registry service deposits combined shall not exceed 30% of the portfolio. For non-negotiable certificates of deposit, no more than 15 percent of the money shall be invested in any one institution.
- (3) LAIF Board of Directors currently limits the investment to \$75,000,000, excluding bond and note proceeds. Government Code does not place a percentage limit on the amount of money that may be invested in LAIF.
- (4) Diversified management companies investing in the securities and obligations as authorized by California Government Code, Sections 53601, et seq., shall either (1) attain the highest ranking or the highest letter and numerical rating provided by two of the largest nationally recognized rating services, or (2) have an investment adviser registered with the SEC with at least five years of experience investing in the securities authorized by code sections noted in the policy and with assets under management in excess of \$500,000,000.

Diversified management companies issuing shares of beneficial interest that are money market funds registered with the Securities and Exchange Commission (SEC) under the Investment Act of 1940 shall either (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations, or (2) retain an investment adviser registered or exempt from registration with the SEC with not less than five years of experience managing money market mutual funds with assets under management in excess of \$500,000,000. Only 10 percent of the money may be invested in any one mutual fund.

APPENDIX B

RATING SUMMARY

<u>RATING SERVICE</u>	<u>RATING CATEGORY</u>	<u>RATING DEFINITION</u>
Moody's	Aaa	Best Quality
	Aa	High Quality
	A	Upper-medium grade
	Baa	Medium grade obligations
	Ba	Judged to have speculative elements
	B	Lack characteristics of desirable investment
	Caa	Investment in poor standing
	Ca	Speculative in a high degree
	C	Poor prospect of attaining investment standing
Moody's Modifiers	1,2,and 3	Rankings within rating category
Moody's Commercial Paper	P-1	Superior ability for repayment
	P-2	Strong ability for repayment
	P-3	Acceptable ability for repayment
	Not Prime	Do not fall in top 3 rating categories
Standard & Poor's	AAA	Highest Rating
	AA	Strong capacity for repayment
	A	Strong capacity for repayment but less than AA category
	BBB	Adequate capacity for repayment
	BB	Speculative
	B	Greater vulnerability to default than BB category
	CCC	Identifiable vulnerability to default
	CC	Subordinated debt of issues ranked in CCC category
	C	Subordinated debt of issues ranked in CCC category
	Cl	Income bonds where no interest is paid
	D	Default
Standard & Poor's – Modifiers	(+) or (-)	Rankings within rating category
Standard & Poor's – Commercial	A-1	Highest degree of safety
	A-2	Timely repayment characteristics is satisfactory
	A-3	Adequate capacity for repayment
	B	Speculative
	C	Doubtful repayment
	D	Default

APPENDIX B
(Continued)

RATING SUMMARY

<u>RATING SERVICE</u>		<u>RATING CATEGORY</u>	<u>RATING DEFINITION</u>
Fitch		AAA	Highest credit quality
		AA	Very high credit quality
		A	High credit quality
		BBB	Good credit quality
		BB	Speculative
		B	High speculative
		CCC, CC, C	High default risk
		DDD, DD, D	Default
Fitch	Modifiers	“+” or “-”	Relative status within rating categories
Fitch	Commercial Paper	F1	Highest credit quality
		F2	Good credit quality
		F3	Fair credit quality
		B	Speculative
		C	High default risk
		D	Default
Bauer		5 Star	Superior
		4 Star	Excellent
		3 ½ Star	Good
		3 Star	Adequate
		2 Star	Problematic
		1 Star	Troubled
		Zero	Our lowest star rating

APPENDIX C

Glossary of Cash Management Terms

The following is a glossary of key investing terms, many of which appear in County of Fresno Treasury Investment Policy. This glossary has been adapted from the Government Finance Officers Association (GFOA) sample investment policy.

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life - The average length of time that an issue of serial bonds term bonds, or both, with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance - A draft or bill or exchange accepted by a bank or trust company. The accepting institution, as well as the issuer, guarantees payment of the bill.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., 1/4 of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

APPENDIX C

(Continued)

Certificate of Deposit (CD) - A short-term, secured deposit in a financial institution that usually returns principal and interest to the lender at the end of the loan period.

Certificate of Deposit Account Registry System (CDARS) - A private CD placement service that allows local agencies to purchase more than \$100,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$100,000 each, so that FDIC coverage is maintained.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan security, or both.

Commercial Paper - An unsecured short-term promissory note issued, with maturities ranging from 1 to 270 days.

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating services.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest principal on a security, or both.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

APPENDIX C (Continued)

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Financial Industry Regulatory Authority (FINRA) - The largest independent regulator for all securities firms in the United States.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate."

Interest Rate Risk - The risk associated with declines or rises in interest rates which cause in investment in a fixed-income security to increase or decrease in value.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940 - Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Liquidity - An asset that can be converted easily and quickly into cash without significant loss of value.

Local Agency Investment Fund - A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

APPENDIX C (Continued)

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Medium-Term Note - Corporate or depository institution debt securities meeting certain minimum quality standards (as specified in California Government Code) with a remaining maturity of five years or less.

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mortgage Backed Securities - Mortgage-backed securities (MBS) are created when a purchaser of residential real estate mortgages creates a pool of mortgages and markets undivided interest or participations in the pool. MBS owners receive a prorate share of the interest and principal passed through from the pool of mortgages. Most MBS are issued guaranteed, or both, by federal agencies and instrumentalities.

Mortgage Pass-Through Obligations - Securities that are created when residential mortgages are pooled together and undivided interests or participations in the stream of revenues associated with the mortgages are sold.

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

APPENDIX C

(Continued)

Negotiable Certificates of Deposit - Short-term debt instrument that usually pays interest and is issued by a bank, savings or federal association, or state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)
$$\frac{[(\text{Total assets}) - (\text{Liabilities})]}{(\text{Number of shares outstanding})}$$

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Non-negotiable Certificates of Deposit - CDs that carry a penalty if redeemed prior to maturity. Non-negotiable CDs issued by banks and savings and loans are insured by the Federal Deposit Insurance Corporation up to \$100,000, including principal and interest. Amounts deposited above this amount may be secured with other forms of collateral.

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically \$1,000 per bond.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Principal - The face value or par value of a debt instrument. Also, may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

APPENDIX C (Continued)

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (Repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - The Securities and Exchange Commission regulates money market funds in the United States and this rule restricts quality, maturity and diversity of investments by money market funds in an attempt to provide a safe, liquid alternative to bank deposits, while providing a higher yield.

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Swap - Trading one asset for another.

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. $(\text{Price Appreciation}) + (\text{Dividends paid}) + (\text{Capital gains}) = \text{Total Return}$

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

APPENDIX C

(Continued)

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from \$1,000 to \$1 million or more.

Treasury Bonds - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule - SEC Rule 15c3-1 outlining capital requirements for broker-dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

Weighted Average Maturity (WAM) - The dollar-weighted average maturity of all the securities that comprise a portfolio.

When Issued (WI) - A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield Curve - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.



Quarterly Investment Report

As of June 30, 2024

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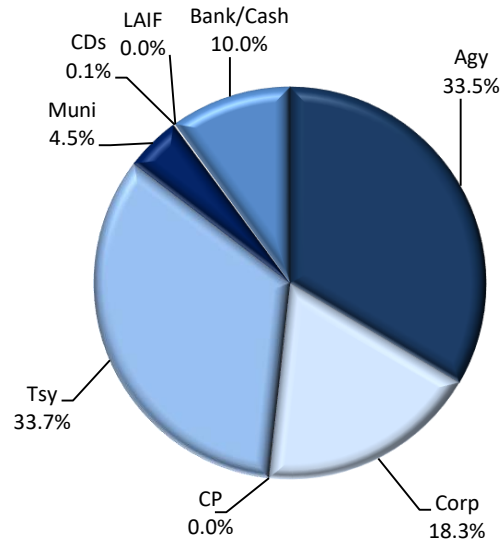
Board of Supervisors: Sal Quintero, Nathan Magsig, Steve Brandau, Buddy Mendes, Brian Pacheco
County Administrative Officer: Paul Nerland

Portfolio Summary

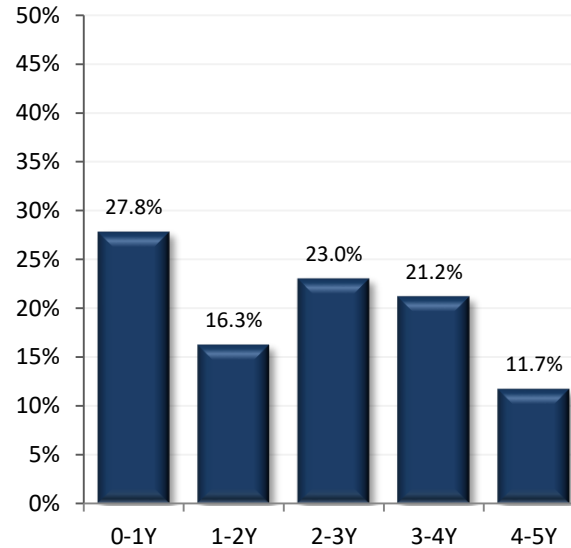
County of Fresno

6/30/2024

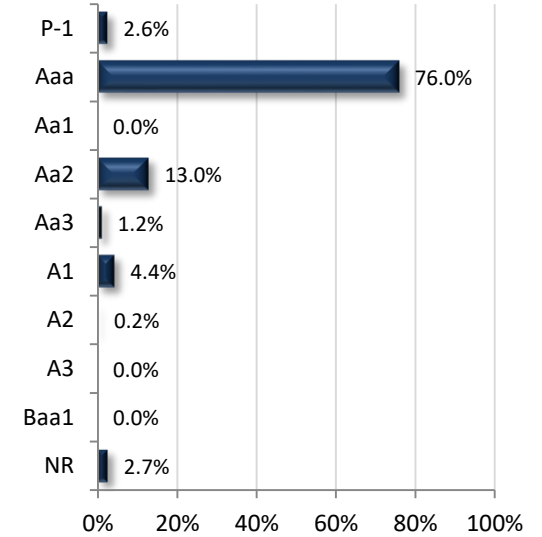
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (MOODY'S)



Per Book Value

Per Book Value

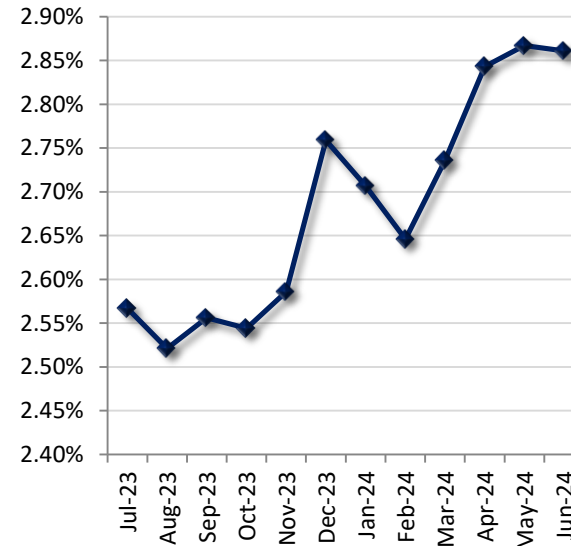
NR: Not Rated

ACCOUNT SUMMARY

	6/30/24	3/31/24
Market Value	\$7,468,164,102	\$7,196,690,250
Book Value*	\$7,701,619,810	\$7,441,270,786
Unrealized G/L	-\$233,455,708	-\$244,580,535
Par Value	\$7,774,656,262	\$7,487,442,667
Net Asset Value	\$96.969	\$96.713
Book Yield	2.86%	2.74%
Years to Maturity	2.14	2.21
Effective Duration	2.00	2.06

*Book Value is Amortized

PORTFOLIO BOOK YIELD HISTORY



TOP ISSUERS

Issuer	% Portfolio
US TREASURY NOTE	31.1%
FEDERAL FARM CREDIT BANK	12.8%
FEDERAL HOME LOAN BANK	9.1%
FEDERAL NATIONAL MORTGAGE	8.9%
FIDELITY 2642	7.3%
STATE OF CALIFORNIA	4.5%
TOYOTA MOTOR CREDIT	3.1%
APPLE INC	3.0%
US TREASURY BILL	2.6%
JP MORGAN	2.4%
CHEVRON CORP	2.1%
WALMART	2.0%
FEDERAL HOME MORTGAGE CO	1.9%
JOHN DEERE	1.3%
BMO Bank MM	1.3%

Per Book Value

Investment Policy Compliance

County of Fresno

6/30/2024

Item / Sector	Parameters	In Compliance	
11.0 Weighted Average Maturity	Weighted Average Maturity (WAM) must be less than 3.5 years.	Yes	2.14 Yrs
8.1 U.S. Treasuries	No sector limit, no issuer limit, max maturity 5 years.	Yes	33.7%
8.2 U.S. Agencies	No sector limit, no issuer limit, max maturity 5 years.	Yes	33.5%
8.3 Banker Acceptances	40% limit, Issue is eligible for purchase by Federal Reserve. Issuer is among 150 largest banks based on total asset size; max maturity 180 days; rated A-1 or P-1.	Yes	0.0%
8.4 Commercial Paper	40% limit, corporation organized and operating in the US with total assets of \$500mm. 10% in any one issuer; max maturity 270 days; minimum short-term rating of A-1 by S&P or P-1 by Moody's, minimum long-term rating of A by S&P or its equivalent or better ranking by a nationally recognized rating service.	Yes	0.0%
8.5 Negotiable CDs	30% limit (combined with 8.6.1), Issued by national or state chartered bank or savings assoc., or a state licensed branch of a foreign bank that is among 150 largest banks in total asset size; minimum short-term rating of P-1 or A-1 or issuer meets rating requirements; 5% in any one issuer, max maturity 13 months.	Yes	0.1%
8.6 Non-Negotiable CDs	50% limit, Issued by national or state chartered bank or savings association. FDIC insurance OR full collateralization of 110% government or 150% mortgages. Contract for Deposit in place. 15% in any one issuer; short-term rating is a minimum of A-1 by S&P or P-1 by Moody's, max maturity 13 months.	Yes	0.0%
8.6.1 Placement CDs	15% limit (30% combined with 8.5), Issued by national or state chartered bank or savings association or credit union that uses a placement entity. Deposit Placement Agreement in place.	Yes	0.0%
8.7 Repurchase Agreements	15% limit, Tri-party agreement in place. 102% collateralization of US treasuries or agencies, BAs, CP, Negotiable CD's; Overnight or weekend maturities.	Yes	0.0%
8.8 Medium-Term Notes	30% limit, organized and operating in the US or state licensed depository institution; max maturity 5 years; rated A or better by S&P, or its equivalent or better by a nationally recognized rating service.	Yes	18.3%
8.9 L.A.I.F	California State's deposit limit is \$75 million; Current investment policy limit is not to exceed 10% of the portfolio.	Yes	\$0 Mil

Item / Sector	Parameters	In Compliance	
8.10 Mutual Funds/ Money Markets Funds	20% limit, 20% per issuer; Registered with SEC, 5 years experience, \$500mm AUM or rated by AAA-m, Aaa-mf, AAA-m by not less than two nationally recognized rating agencies.	Yes	7.4%
8.11 ABS and MBS	10% limit combined. Security must be AA rated by one rating agency, with an A or better rating for the underlying, max maturity 5 years.	Yes	0.0%
8.12 Money Held from Pledged Assets	Invest according to statutory provision or according to entity providing issuance.	Yes	0.0%
8.13 External Managers	Invest per policy.	Yes	0.0%
8.14 State of California Debt	10% limit, Registered State warrants or CA treasury notes, including revenue producing entities controlled or operated by the State or by a department, board, agency, or authority of the State; 5 years max maturity.	Yes	4.5%
Cash & Bank Account	NA	NA	2.6%

Compliance

The Treasury Investment Pool is in compliance with the County of Fresno Treasury Investment Pool Investment Policy.

The Treasury Investment Pool contains sufficient cash flow to meet the expected expenditures for the next six months.

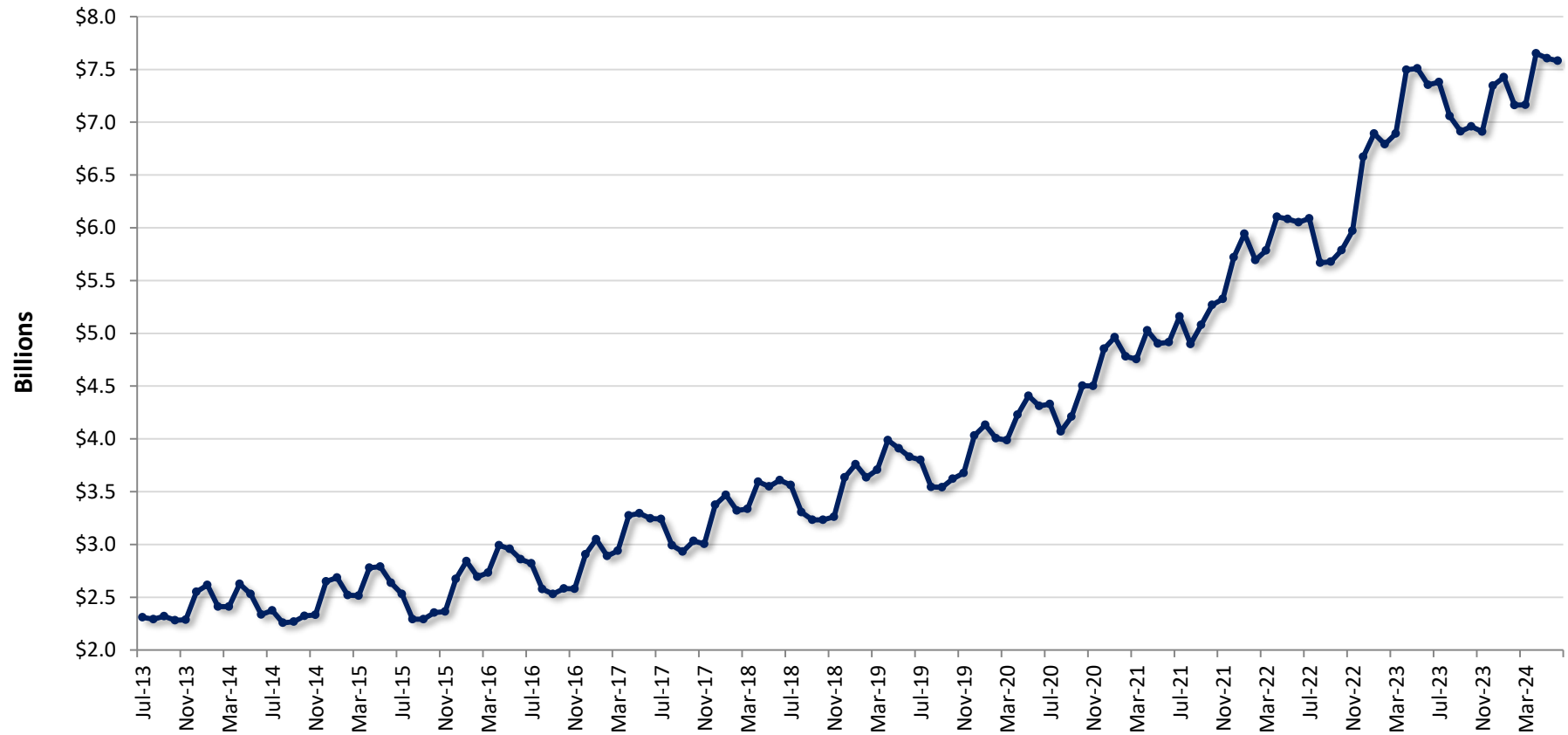
Review and Monitoring

Meeder Public Funds, the County's investment advisor, currently monitors the Treasury Department's investment activities.

Additional Information

Securities are purchased with the expectation that they will be held to maturity, so unrealized gains or losses are not reflected in the yield calculations.

The market values of securities were taken from pricing services provided by Ice Data Services.



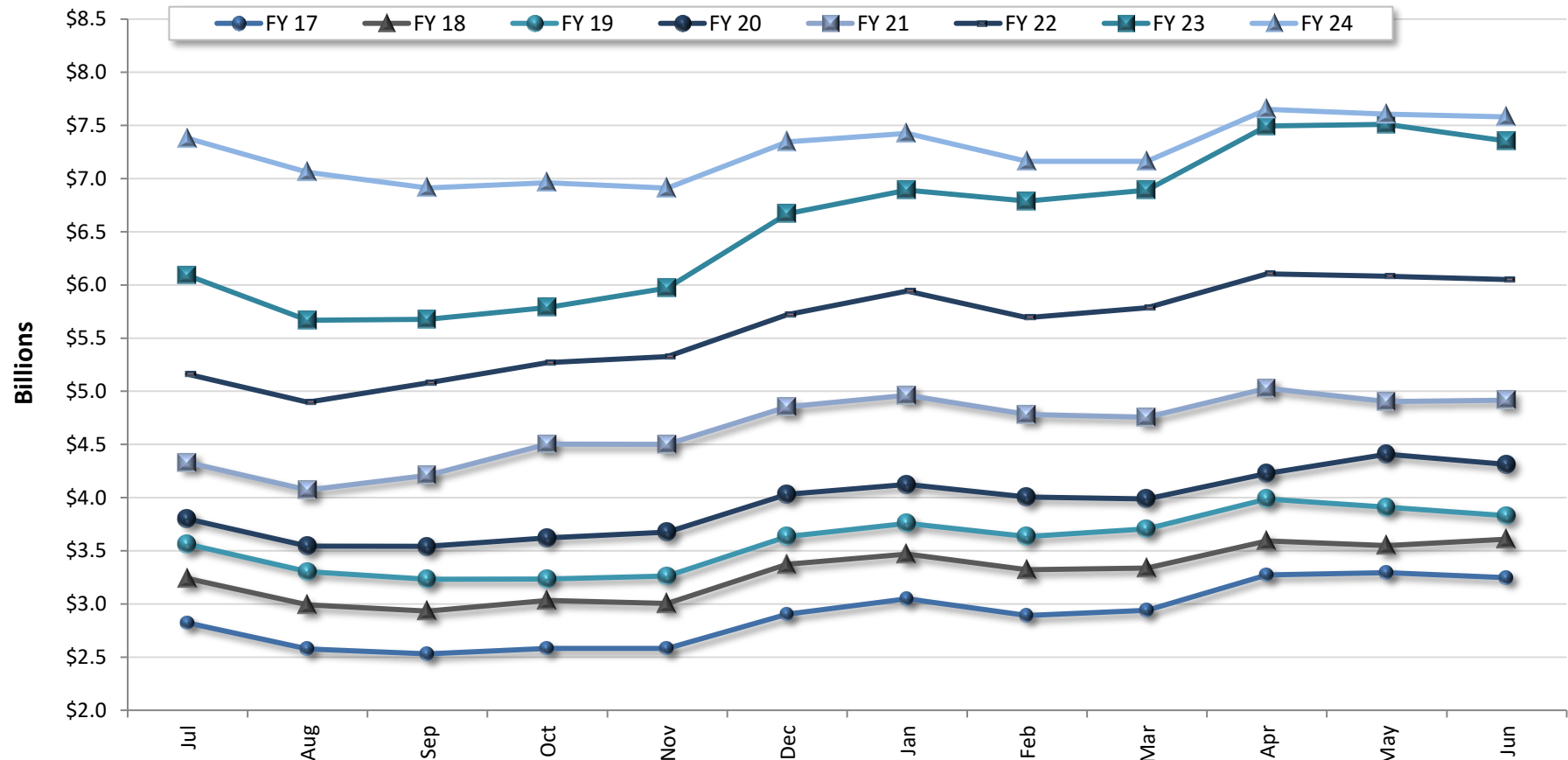
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2017	\$2.822	\$2.576	\$2.530	\$2.581	\$2.580	\$2.905	\$3.048	\$2.891	\$2.940	\$3.274	\$3.294	\$3.247
Fiscal Year 2018	\$3.240	\$2.992	\$2.932	\$3.032	\$3.004	\$3.374	\$3.468	\$3.321	\$3.337	\$3.593	\$3.550	\$3.609
Fiscal Year 2019	\$3.562	\$3.305	\$3.232	\$3.233	\$3.262	\$3.634	\$3.759	\$3.634	\$3.707	\$3.987	\$3.909	\$3.830
Fiscal Year 2020	\$3.800	\$3.544	\$3.542	\$3.622	\$3.676	\$4.031	\$4.123	\$4.006	\$3.986	\$4.229	\$4.408	\$4.312
Fiscal Year 2021	\$4.331	\$4.071	\$4.210	\$4.503	\$4.501	\$4.854	\$4.962	\$4.781	\$4.755	\$5.028	\$4.903	\$4.915
Fiscal Year 2022	\$5.161	\$4.897	\$5.079	\$5.269	\$5.326	\$5.721	\$5.942	\$5.693	\$5.786	\$6.105	\$6.083	\$6.051
Fiscal Year 2023	\$6.088	\$5.668	\$5.677	\$5.788	\$5.972	\$6.671	\$6.892	\$6.790	\$6.892	\$7.496	\$7.510	\$7.354
Fiscal Year 2024	\$7.379	\$7.059	\$6.912	\$6.961	\$6.911	\$7.345	\$7.426	\$7.162	\$7.163	\$7.652	\$7.606	\$7.581

Figures in Billions, Average Daily Balance

Historical Book Values Per Fiscal Year

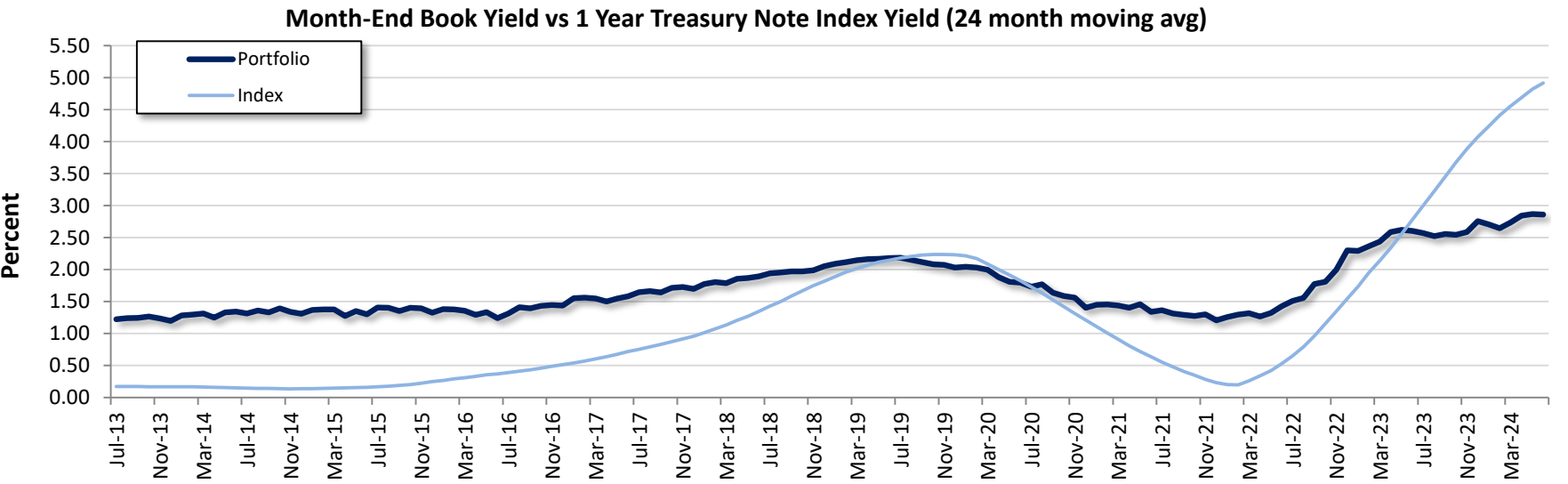
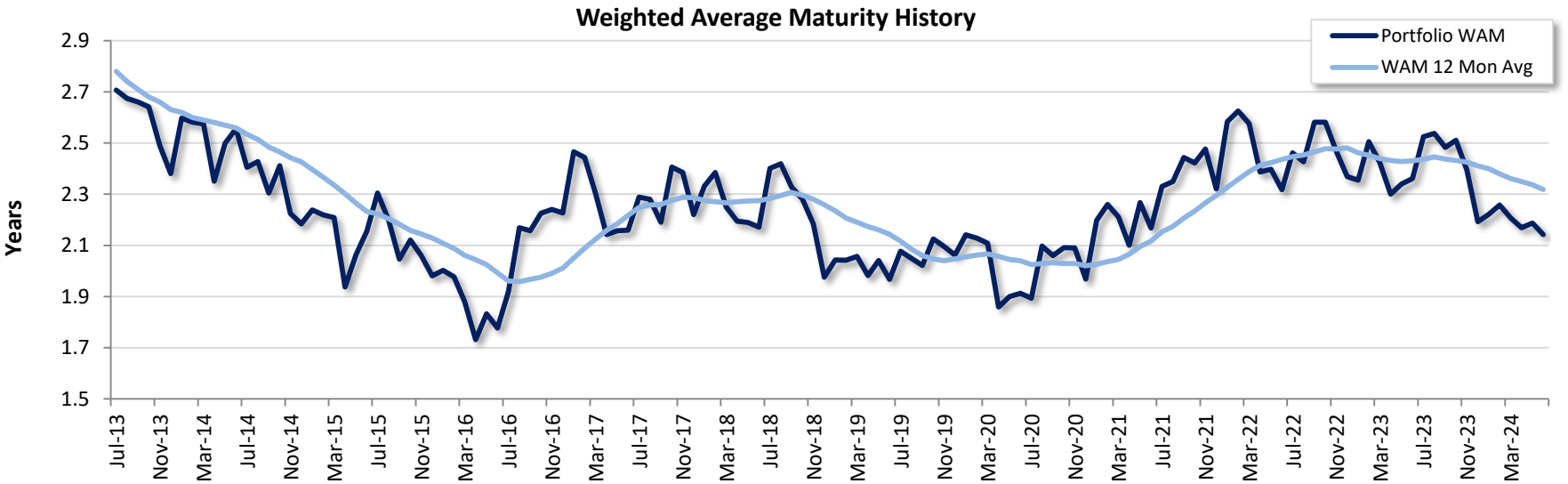
County of Fresno

6/30/2024

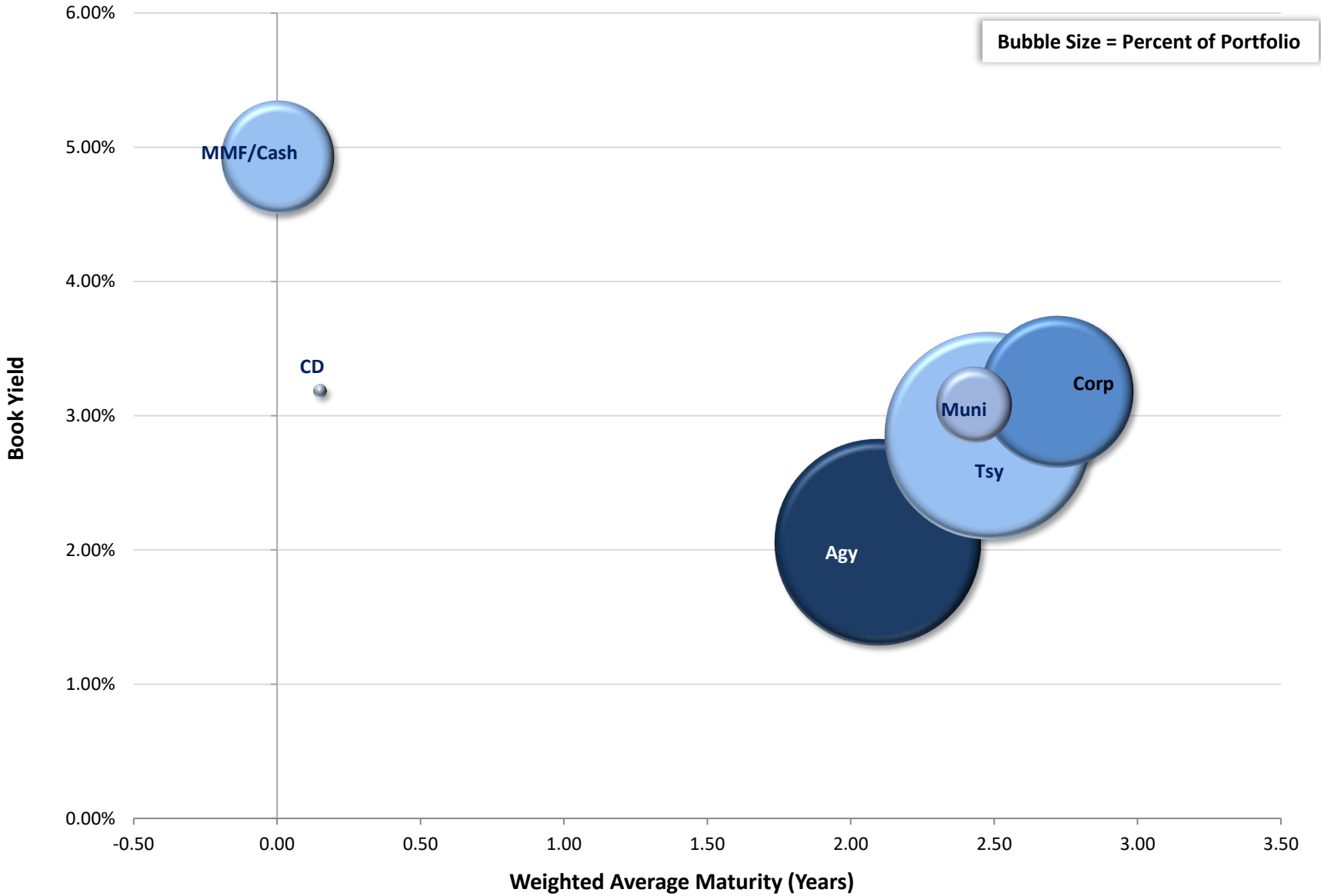


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2017	\$2.822	\$2.576	\$2.530	\$2.581	\$2.580	\$2.905	\$3.048	\$2.891	\$2.940	\$3.274	\$3.294	\$3.247
Fiscal Year 2018	\$3.240	\$2.992	\$2.932	\$3.032	\$3.004	\$3.374	\$3.468	\$3.321	\$3.337	\$3.593	\$3.550	\$3.609
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Fiscal Year 2023	\$6.088	\$5.668	\$5.677	\$5.788	\$5.972	\$6.671	\$6.892	\$6.790	\$6.892	\$7.496	\$7.510	\$7.354
Fiscal Year 2024	\$7.379	\$7.059	\$6.912	\$6.961	\$6.911	\$7.345	\$7.426	\$7.162	\$7.163	\$7.652	\$7.606	\$7.581

Figures in Billions, Average Daily Balance

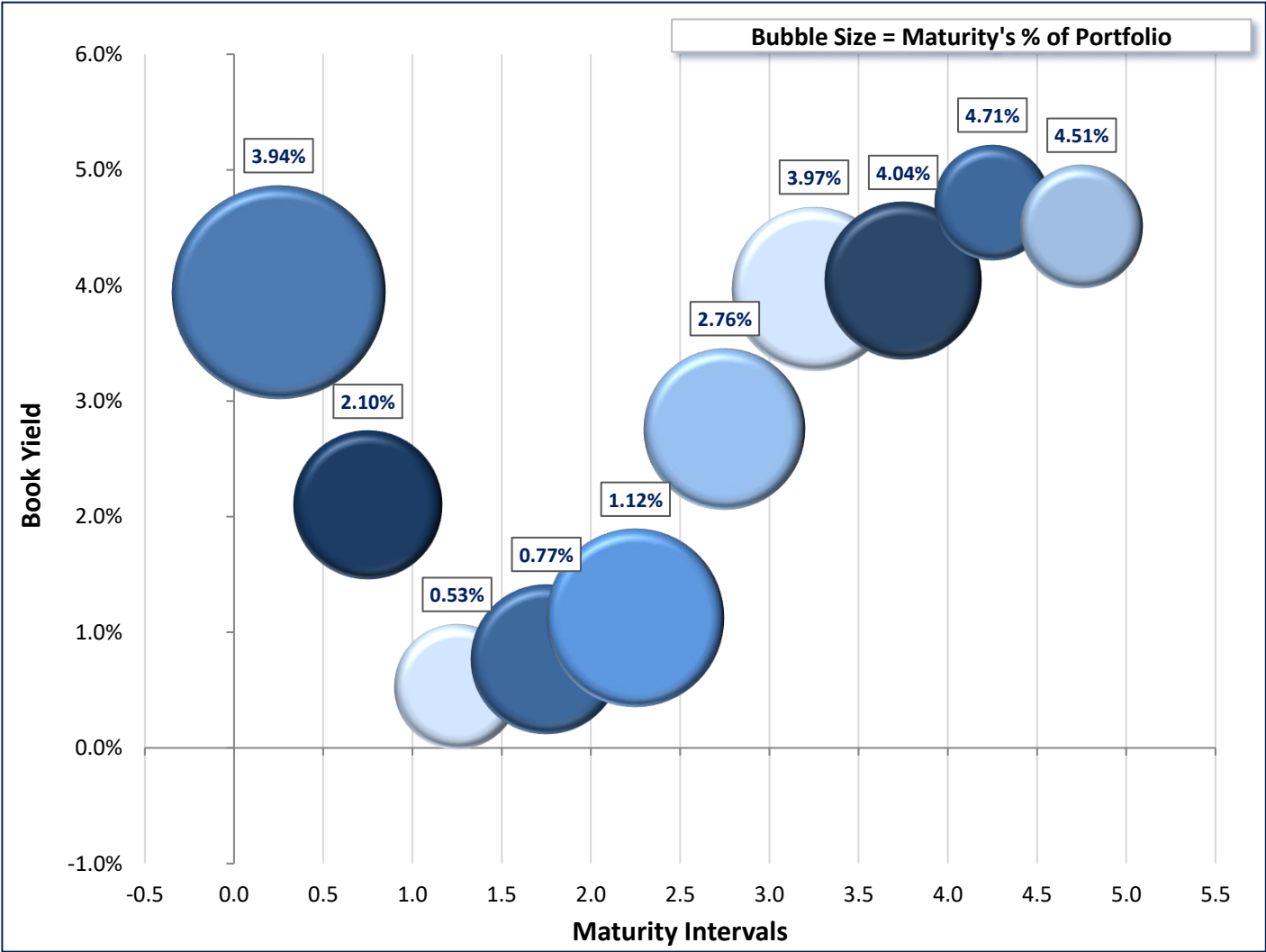


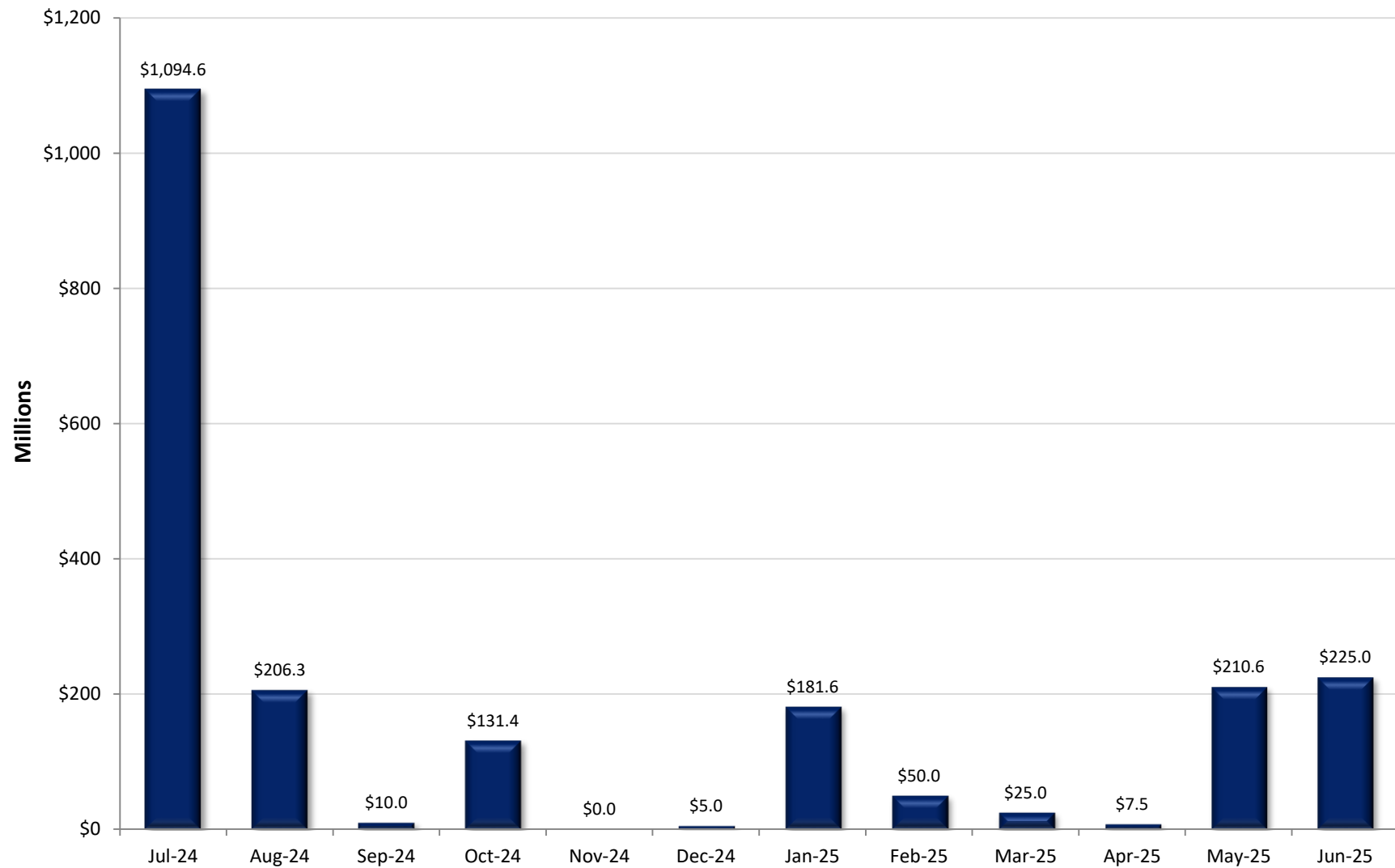
Index: 24 Month Moving Average of the ICE BofAML 1-Year US Treasury Note Index



Years	Book Yield	% of Portfolio*
0 to .5	3.94%	18.77%
.5 to 1.0	2.10%	9.03%
1.0 to 1.5	0.53%	6.40%
1.5 to 2.0	0.77%	9.22%
2.0 to 2.5	1.12%	13.02%
2.5 to 3.0	2.76%	10.66%
3.0 to 3.5	3.97%	11.06%
3.5 to 4.0	4.04%	10.13%
4.0 to 4.5	4.71%	5.51%
4.5 to 5.0+	4.51%	6.20%
Total	2.86%	100.0%

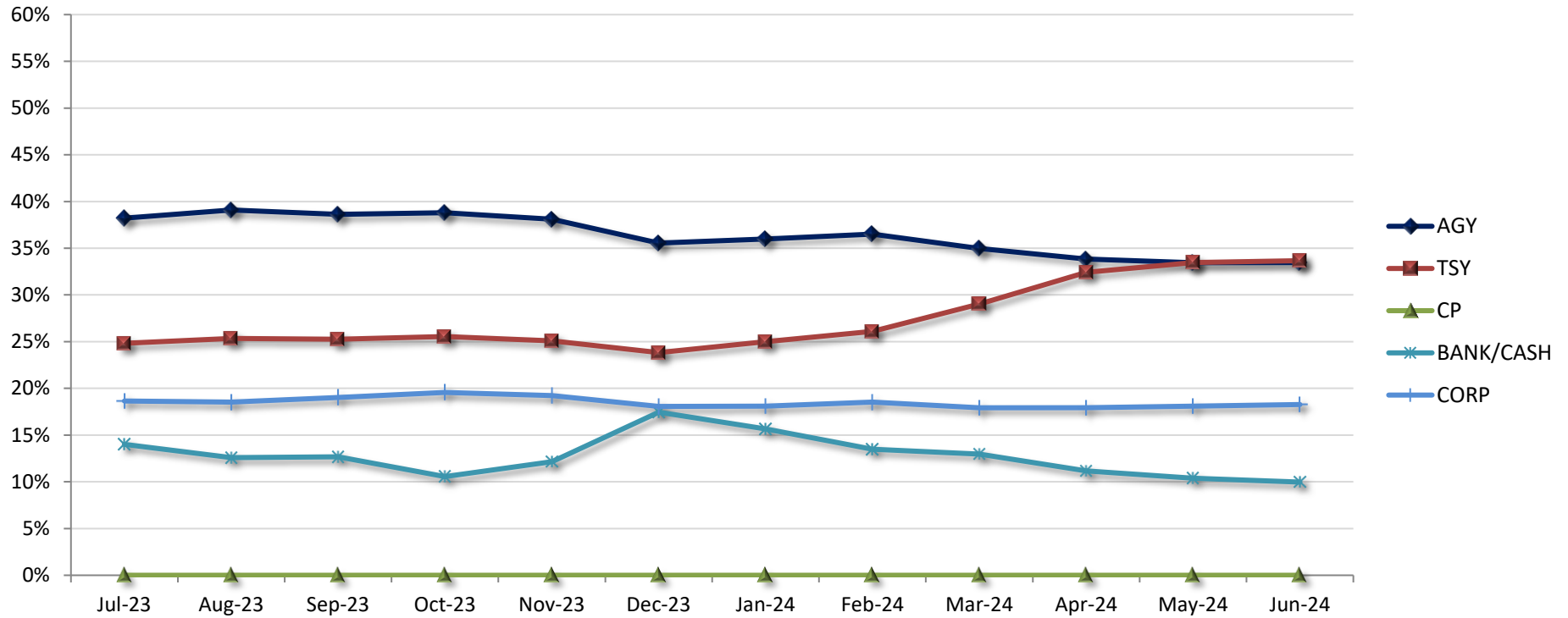
*Based on Book Value



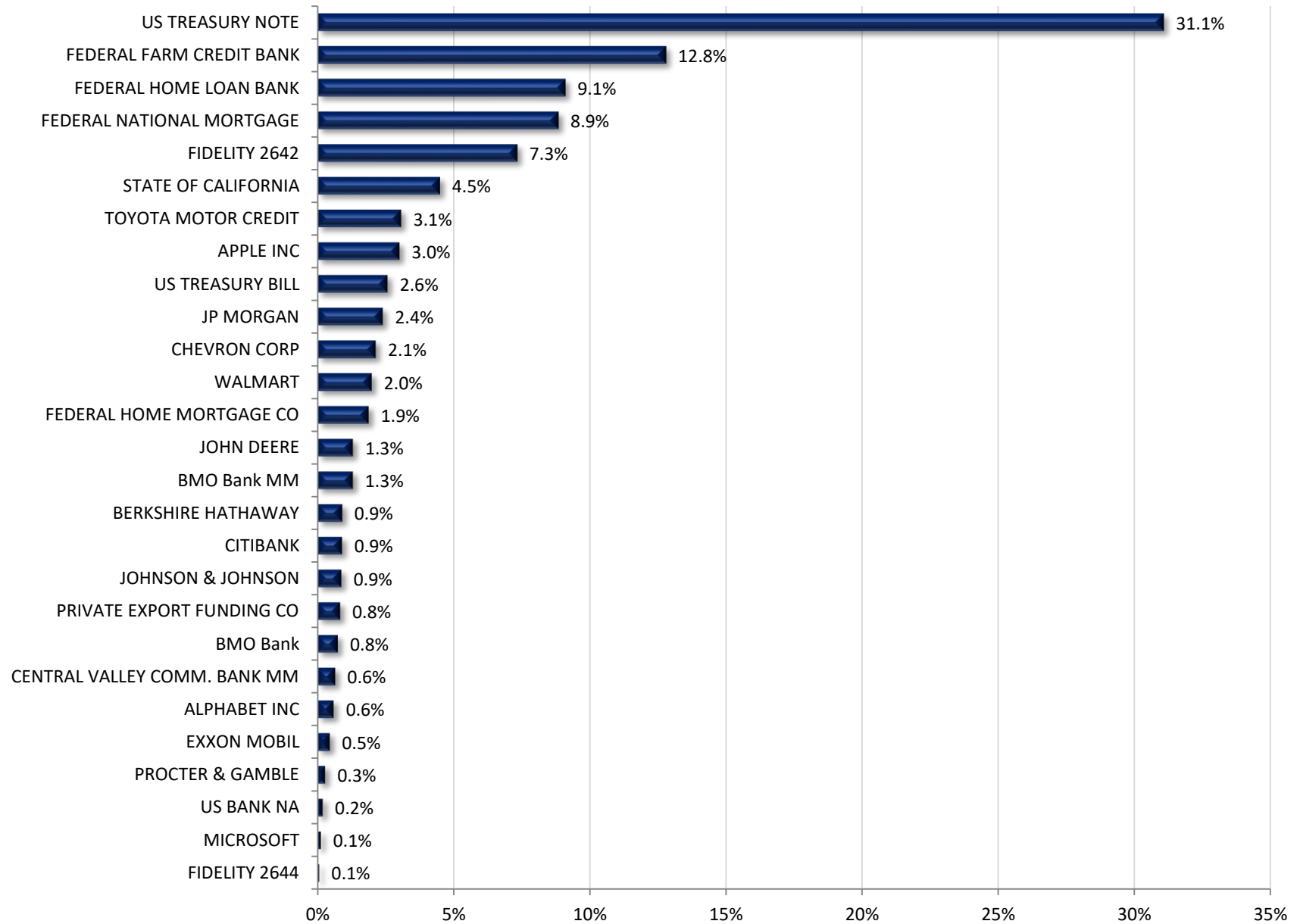


	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Maturities	\$1,094.6	\$206.3	\$10.0	\$131.4	\$0.0	\$5.0	\$181.6	\$50.0	\$25.0	\$7.5	\$210.6	\$225.0

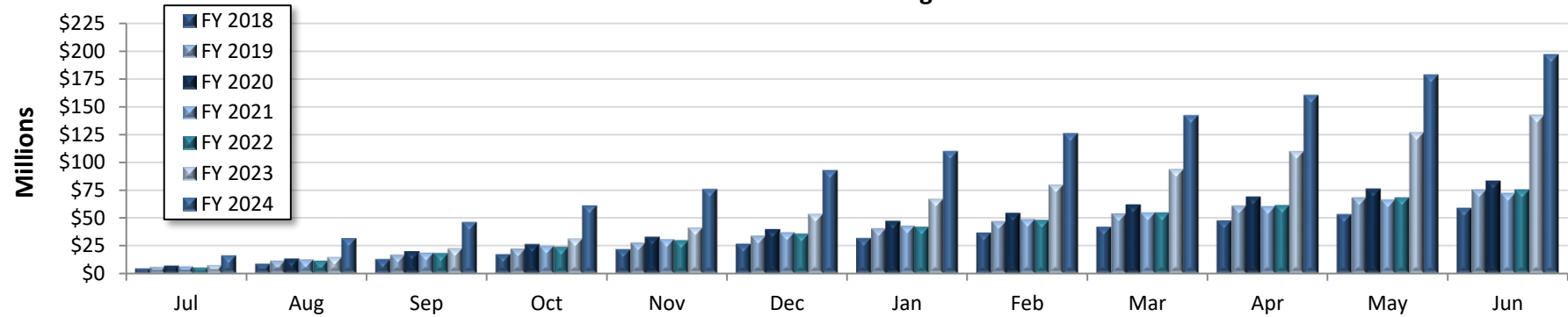
Par Value in Millions



Sector	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Agency	38.2%	39.1%	38.6%	38.8%	38.1%	35.5%	36.0%	36.5%	35.0%	33.8%	33.4%	33.5%
Treasury	24.8%	25.3%	25.2%	25.5%	25.1%	23.8%	25.0%	26.1%	29.0%	32.4%	33.5%	33.7%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
LAIF	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%
Muni	4.1%	4.2%	4.2%	5.3%	5.2%	4.9%	5.1%	5.1%	5.0%	4.5%	4.5%	4.5%
Corporates	18.6%	18.5%	19.0%	19.6%	19.2%	18.1%	18.1%	18.5%	17.9%	17.9%	18.1%	18.3%
CDs	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Bank/Cash	14.0%	12.6%	12.7%	10.6%	12.2%	17.5%	15.7%	13.5%	13.0%	11.2%	10.4%	10.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

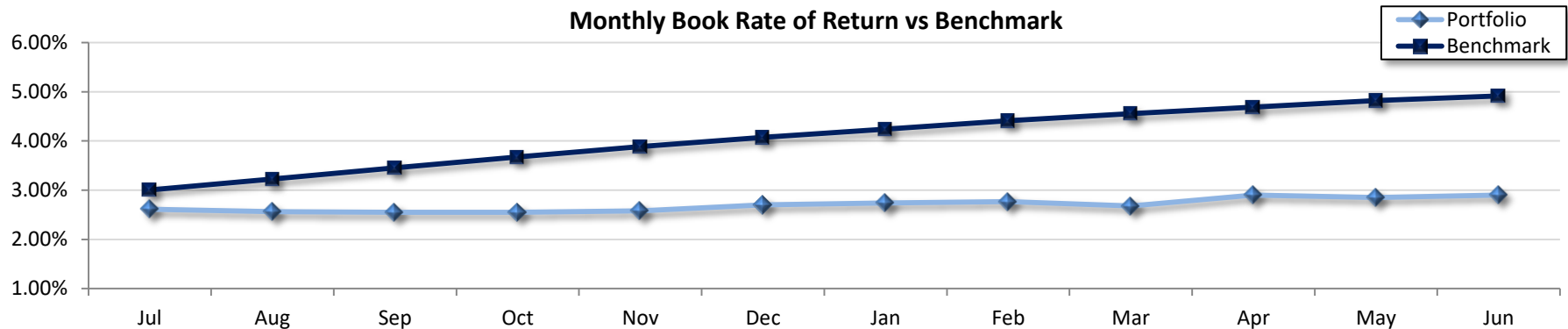


Fiscal Year-to-Date Earnings



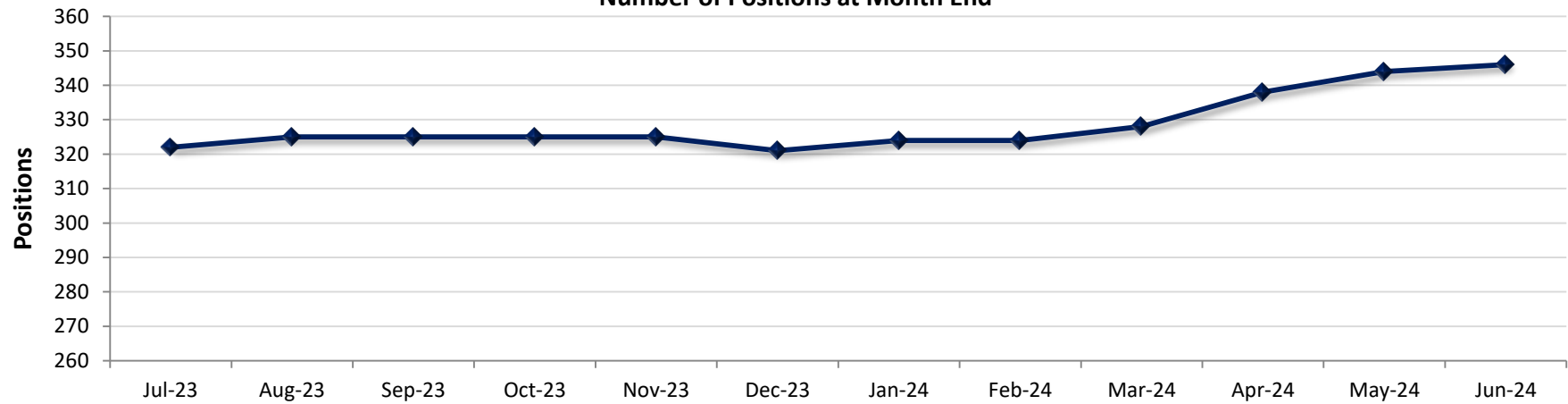
FYTD	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Return
FY 2018	\$4.5	\$8.7	\$12.9	\$17.3	\$21.6	\$26.7	\$31.7	\$36.7	\$41.9	\$47.4	\$53.0	\$58.8	1.79%
FY 2019	\$5.8	\$11.3	\$16.7	\$22.1	\$27.5	\$33.8	\$40.4	\$46.7	\$53.5	\$60.7	\$68.0	\$75.1	2.09%
FY 2020	\$7.1	\$13.5	\$20.0	\$26.4	\$32.9	\$39.9	\$47.1	\$54.2	\$61.8	\$68.9	\$76.1	\$83.1	2.10%
FY 2021	\$6.3	\$12.4	\$18.5	\$24.5	\$30.5	\$36.6	\$42.5	\$48.4	\$54.2	\$60.0	\$65.9	\$71.6	1.54%
FY 2022	\$5.2	\$11.3	\$18.2	\$23.9	\$29.8	\$35.7	\$41.9	\$48.0	\$54.5	\$61.1	\$68.1	\$75.1	1.34%
FY 2023	\$7.5	\$14.8	\$22.7	\$31.6	\$41.2	\$53.6	\$67.1	\$79.8	\$93.9	\$110.0	\$126.8	\$142.7	2.53%
FY 2024	\$16.3	\$31.7	\$46.2	\$61.3	\$75.9	\$92.7	\$110.0	\$125.8	\$142.1	\$160.3	\$178.7	\$196.8	2.70%

Monthly Book Rate of Return vs Benchmark



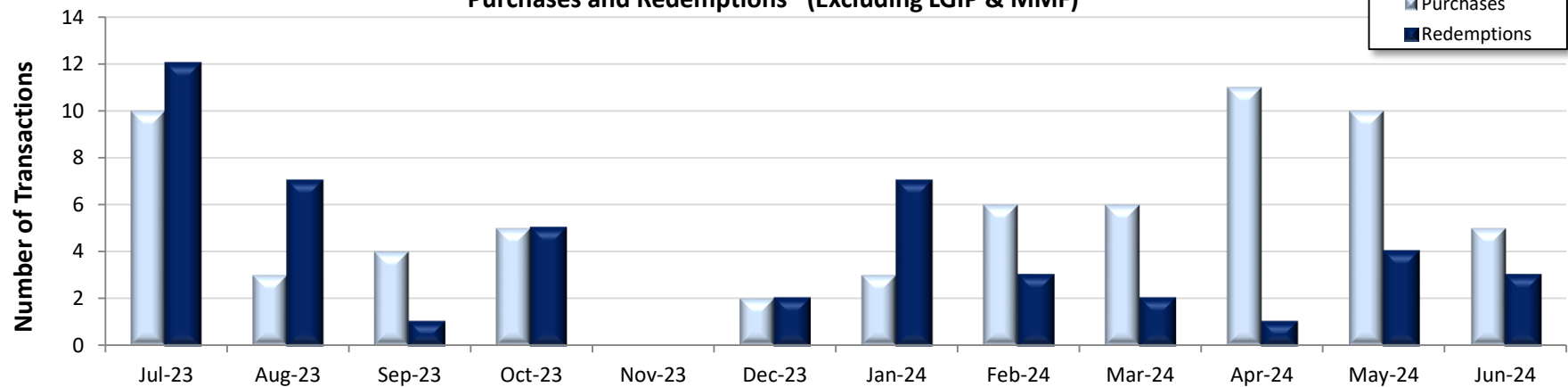
*Benchmark: ICE BofAML 1-Year US Treasury Note Index (24 Month Moving Average)

Number of Positions at Month End



	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Positions	322	325	325	325	325	321	324	324	328	338	344	346

Purchases and Redemptions* (Excluding LGIP & MMF)



*Redemptions include maturities, calls, and sells

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Purchases	10	3	4	5	0	2	3	6	6	11	10	5
Redemptions	12	7	1	5	0	2	7	3	2	1	4	3
Total Transactions	22	10	5	10	0	4	10	9	8	12	14	8

Summary of Portfolio

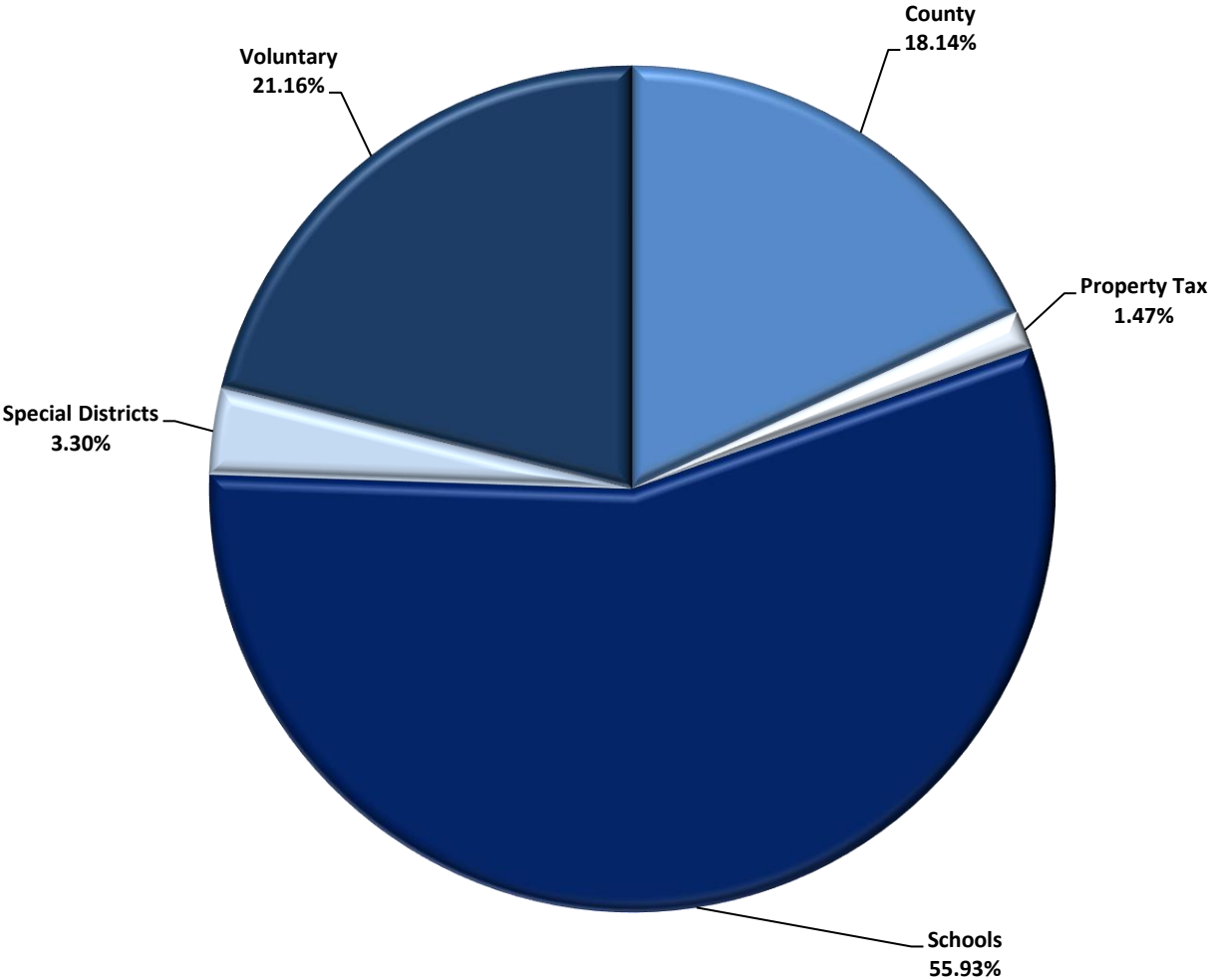
	June 2024	March 2024	December 2023	September 2023	June 2023
Market Value	\$7,468,164,102	\$7,196,690,250	\$7,333,539,173	\$7,221,872,874	\$6,874,891,359
Amortize Cost Value	\$7,701,619,810	\$7,441,270,786	\$7,551,419,982	\$7,565,068,380	\$7,151,730,923
Unrealized Gain/Loss % on cost	-3.03%	-3.29%	-2.89%	-4.54%	-3.87%
Yield (weighted on cost value)	2.86%	2.74%	2.76%	2.60%	2.44%
Years to Maturity (weighted on cost value)	2.14	2.21	2.19	2.36	2.42
Avg Dollar-Weighted Quality Rating	AA+	AA+	AA+	AA+	AA+

Projection of Future Cash Flows (in millions)

Month	Monthly Receipts (a)	Monthly Disburs. (a)	Difference	Actual Inv. Maturities	Balance
Beginning Balance (b)					768.0
7/24	386.0	828.7	-442.7	327.0	652.3
8/24	411.8	551.1	-139.3	206.0	719.0
9/24	566.9	521.4	45.5	10.0	774.5
10/24	499.9	567.7	-67.8	131.0	837.7
11/24	619.9	551.8	68.1	0.0	905.8
12/24	968.3	630.1	338.2	5.0	1,249.0
Totals	3,452.8	3,650.8	-198.0	679.0	

(a) Monthly Receipt and Monthly Disbursement amounts are estimates based upon historical cash flows and may change as actual cash flow information becomes available.

(b) Beg. Balance is taken from Bank Accounts, Mutual Funds, and LAIF.





County of Fresno
Portfolio Management
Portfolio Summary
June 30, 2024

Fresno County
P.O. Box 1247
Fresno, CA 93715
(559)600-3496

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.
Bank Accounts	47,777,261.92	47,777,261.92	47,777,261.92	0.62	1	1	1.460
Federal Agency Coupons	2,580,385,000.00	2,486,228,267.00	2,577,511,743.97	33.47	1,778	764	2.054
Medium Term Notes	1,428,974,000.00	1,371,744,446.00	1,407,277,060.42	18.27	1,753	993	3.176
Treasury Notes	2,445,000,000.00	2,295,658,171.90	2,394,602,488.16	31.09	1,645	974	2.642
Certificates of Deposit	10,000,000.00	10,000,000.00	10,000,000.00	0.13	731	54	3.186
Mutual Funds	570,000,000.00	570,000,000.00	570,000,000.00	7.40	1	1	5.178
Treasury Bills	200,000,000.00	198,146,145.50	198,149,783.32	2.57	94	64	5.375
Bank Money Market Accounts	150,000,000.00	150,000,000.00	150,000,000.00	1.95	1	1	5.063
Municipal Bonds	342,520,000.00	338,609,810.10	346,301,472.30	4.50	1,744	887	3.079
Investments	7,774,656,261.92	7,468,164,102.42	7,701,619,810.09	100.00%	1,509	782	2.861

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	18,097,148.55	196,816,327.72	196,816,327.72
Average Daily Balance	7,580,781,016.24	7,263,654,154.76	
Effective Rate of Return	2.90%	2.70%	

Oscar J. Garcia, CPA, Treasurer/ Tax Collector

Reporting period 06/01/2024-06/30/2024

Run Date: 07/16/2024 - 09:40

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County of Fresno
Portfolio Management
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P Moody's	Maturity Date
Bank Accounts											
SYS03400A	03400A	BMO Bank			47,777,261.92	47,777,261.92	47,777,261.92	1.480	1.480		
Subtotal and Average			15,320,827.43		47,777,261.92	47,777,261.92	47,777,261.92		1.480		
Federal Agency Coupons											
3133EKWV4	17647	FEDERAL FARM CREDIT BANK		08/28/2019	4,950,000.00	4,937,461.01	4,951,307.00	1.850	1.455	AA+	Aaa 07/26/2024
3133EKWV4	17648	FEDERAL FARM CREDIT BANK		08/28/2019	15,000,000.00	14,962,003.05	15,003,862.63	1.850	1.464	AA+	Aaa 07/26/2024
3133EKWV4	17649	FEDERAL FARM CREDIT BANK		09/13/2019	17,941,000.00	17,895,553.11	17,942,722.46	1.850	1.705	AA+	Aaa 07/26/2024
3133EKHV1	17655	FEDERAL FARM CREDIT BANK		10/16/2019	2,292,000.00	2,287,982.67	2,293,029.40	2.450	1.646	AA+	Aaa 07/22/2024
3133ELZM9	17711	FEDERAL FARM CREDIT BANK		05/19/2020	45,559,000.00	43,746,231.54	45,528,200.06	0.500	0.579	AA+	Aaa 05/14/2025
3133ELJM7	17712	FEDERAL FARM CREDIT BANK		05/19/2020	10,000,000.00	9,803,133.80	10,060,252.14	1.650	0.561	AA+	Aaa 01/23/2025
3133EMPC0	17783	FEDERAL FARM CREDIT BANK		01/29/2021	125,000,000.00	116,594,843.75	124,992,229.44	0.460	0.464	AA+	Aaa 01/29/2026
3133EMP48	17825	FEDERAL FARM CREDIT BANK		07/01/2021	30,000,000.00	27,793,436.40	29,988,120.00	0.900	0.920	AA+	Aaa 07/01/2026
3133EMP48	17826	FEDERAL FARM CREDIT BANK		07/01/2021	20,000,000.00	18,528,957.60	19,991,440.00	0.900	0.922	AA+	Aaa 07/01/2026
3133EM4A7	17837	FEDERAL FARM CREDIT BANK		08/27/2021	50,000,000.00	46,026,719.50	49,994,718.89	0.800	0.805	AA+	Aaa 08/27/2026
3133ENKV1	17879	FEDERAL FARM CREDIT BANK		01/27/2022	50,000,000.00	46,320,623.00	49,800,851.06	1.500	1.664	AA+	Aaa 01/13/2027
3133ENKV1	17880	FEDERAL FARM CREDIT BANK		01/27/2022	50,000,000.00	46,320,623.00	49,812,187.23	1.500	1.655	AA+	Aaa 01/13/2027
3133ENNS5	17882	FEDERAL FARM CREDIT BANK		02/28/2022	50,000,000.00	46,549,592.00	49,831,770.97	1.800	1.935	AA+	Aaa 02/16/2027
3133ENRD4	17893	FEDERAL FARM CREDIT BANK		03/15/2022	10,000,000.00	9,261,037.20	9,872,275.54	1.680	2.183	AA+	Aaa 03/10/2027
3133ENJ50	17906	FEDERAL FARM CREDIT BANK		08/26/2022	13,000,000.00	12,455,121.12	12,962,046.86	3.125	3.226	AA+	Aaa 08/26/2027
3133EHYG2	17917	FEDERAL FARM CREDIT BANK		09/13/2022	19,500,000.00	18,273,745.82	18,957,619.20	2.430	3.382	AA+	Aaa 09/13/2027
3133ENP53	17932	FEDERAL FARM CREDIT BANK		09/27/2022	25,000,000.00	24,417,570.75	24,978,340.83	3.750	3.782	AA+	Aaa 07/27/2027
3133ENP53	17938	FEDERAL FARM CREDIT BANK		09/28/2022	50,000,000.00	48,835,141.50	49,520,743.93	3.750	4.098	AA+	Aaa 07/27/2027
3133ENR36	17943	FEDERAL FARM CREDIT BANK		10/06/2022	25,000,000.00	24,630,143.50	24,979,969.32	4.050	4.080	AA+	Aaa 07/27/2027
3133ENW22	17947	FEDERAL FARM CREDIT BANK		10/28/2022	25,000,000.00	24,899,882.75	24,998,846.07	4.430	4.433	AA+	Aaa 06/28/2027
3133EN5N6	17977	FEDERAL FARM CREDIT BANK		02/07/2023	30,000,000.00	29,470,962.00	30,109,752.52	4.000	3.884	AA+	Aaa 01/06/2028
3133EPAU9	17978	FEDERAL FARM CREDIT BANK		02/14/2023	20,000,000.00	19,608,543.60	19,949,022.62	3.875	3.968	AA+	Aaa 07/14/2027
3133EPAV7	17984	FEDERAL FARM CREDIT BANK		02/15/2023	20,000,000.00	19,594,285.60	19,913,519.62	3.875	4.008	AA+	Aaa 02/14/2028
3133EPAV7	17985	FEDERAL FARM CREDIT BANK		02/15/2023	47,000,000.00	46,046,571.16	46,798,268.95	3.875	4.007	AA+	Aaa 02/14/2028
3133EPAV7	17989	FEDERAL FARM CREDIT BANK		02/16/2023	5,000,000.00	4,898,571.40	4,961,250.61	3.875	4.114	AA+	Aaa 02/14/2028
3133EPME2	18033	FEDERAL FARM CREDIT BANK		06/08/2023	20,850,000.00	20,459,694.46	20,786,545.09	3.875	3.961	AA+	Aaa 06/08/2028
3133EKQG4	18037	FEDERAL FARM CREDIT BANK		06/13/2023	8,916,000.00	8,257,013.80	8,406,467.95	2.400	4.012	AA+	Aaa 06/12/2028
3133EPNH4	18044	FEDERAL FARM CREDIT BANK		06/30/2023	10,000,000.00	9,812,586.30	9,890,933.56	3.875	4.182	AA+	Aaa 06/21/2028
3133EPQD0	18047	FEDERAL FARM CREDIT BANK		07/26/2023	9,800,000.00	9,719,889.21	9,785,500.16	4.250	4.291	AA+	Aaa 07/17/2028
3133EPQD0	18048	FEDERAL FARM CREDIT BANK		07/26/2023	55,000,000.00	54,550,398.65	54,939,951.18	4.250	4.280	AA+	Aaa 07/17/2028
3133EPQD0	18049	FEDERAL FARM CREDIT BANK		07/28/2023	15,790,000.00	15,660,923.54	15,763,398.66	4.250	4.296	AA+	Aaa 07/17/2028
3133EPQD0	18050	FEDERAL FARM CREDIT BANK		07/28/2023	28,300,000.00	28,068,659.67	28,246,611.11	4.250	4.302	AA+	Aaa 07/17/2028
3133EPSK2	18051	FEDERAL FARM CREDIT BANK		08/07/2023	20,000,000.00	19,833,861.20	19,927,740.62	4.250	4.349	AA+	Aaa 08/07/2028
3133EPSK2	18052	FEDERAL FARM CREDIT BANK		08/07/2023	10,000,000.00	9,916,930.60	9,964,002.00	4.250	4.349	AA+	Aaa 08/07/2028

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County of Fresno
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P Moody's	Maturity Date
Federal Agency Coupons											
3133EPSK2	18053	FEDERAL FARM CREDIT BANK		08/07/2023	10,000,000.00	9,916,930.60	9,964,002.00	4.250	4.349	AA+	Aaa 08/07/2028
3133EP3B9	18072	FEDERAL FARM CREDIT BANK		02/20/2024	20,000,000.00	19,801,040.40	19,835,807.83	4.125	4.344	AA+	Aaa 02/13/2029
3133EP4A0	18075	FEDERAL FARM CREDIT BANK		03/04/2024	20,000,000.00	19,893,326.40	19,986,310.15	4.250	4.283	AA+	Aaa 02/28/2029
3133X8EW8	17651	FEDERAL HOME LOAN BANK		09/26/2019	3,760,000.00	3,758,636.96	3,776,366.24	5.375	1.653	AA+	Aaa 08/15/2024
3130A2UW4	17654	FEDERAL HOME LOAN BANK		10/15/2019	10,000,000.00	9,948,092.80	10,023,078.28	2.875	1.668	AA+	Aaa 09/13/2024
3130AGWK7	17658	FEDERAL HOME LOAN BANK		10/23/2019	10,000,000.00	9,950,805.90	9,998,098.75	1.500	1.662	AA+	Aaa 08/15/2024
3130AGWK7	17662	FEDERAL HOME LOAN BANK		11/05/2019	12,500,000.00	12,438,507.38	12,497,788.17	1.500	1.651	AA+	Aaa 08/15/2024
3130AGWK7	17676	FEDERAL HOME LOAN BANK		12/18/2019	10,000,000.00	9,950,805.90	9,997,297.56	1.500	1.731	AA+	Aaa 08/15/2024
3130A3GE8	17693	FEDERAL HOME LOAN BANK		02/05/2020	5,000,000.00	4,940,618.70	5,026,977.91	2.750	1.502	AA+	Aaa 12/13/2024
3130AN6L9	17828	FEDERAL HOME LOAN BANK		07/14/2021	10,750,000.00	9,926,605.15	10,744,484.89	0.820	0.846	AA+	Aaa 07/08/2026
3133XG6E9	17829	FEDERAL HOME LOAN BANK		07/14/2021	15,000,000.00	15,286,642.50	16,399,428.74	5.750	0.848	AA+	Aaa 06/12/2026
3130AN4T4	17830	FEDERAL HOME LOAN BANK		07/14/2021	22,000,000.00	20,394,318.78	22,010,354.02	0.875	0.850	AA+	Aaa 06/12/2026
3130AN4T4	17831	FEDERAL HOME LOAN BANK		08/09/2021	9,250,000.00	8,574,884.03	9,266,591.94	0.875	0.781	AA+	Aaa 06/12/2026
3130AN4T4	17832	FEDERAL HOME LOAN BANK		08/09/2021	12,000,000.00	11,124,173.88	12,020,752.50	0.875	0.784	AA+	Aaa 06/12/2026
3130AN4T4	17833	FEDERAL HOME LOAN BANK		08/11/2021	50,000,000.00	46,350,724.50	50,054,296.30	0.875	0.818	AA+	Aaa 06/12/2026
3130A8XY4	17845	FEDERAL HOME LOAN BANK		09/20/2021	6,515,000.00	6,133,023.20	6,652,306.81	1.875	0.891	AA+	Aaa 09/11/2026
3130A8XY4	17848	FEDERAL HOME LOAN BANK		09/23/2021	13,980,000.00	13,160,347.57	14,278,526.95	1.875	0.878	AA+	Aaa 09/11/2026
3130AQF65	17868	FEDERAL HOME LOAN BANK		12/22/2021	100,000,000.00	92,090,615.00	99,866,376.32	1.250	1.305	AA+	Aaa 12/21/2026
3130AQF65	17869	FEDERAL HOME LOAN BANK		12/22/2021	24,860,000.00	22,893,726.89	24,827,371.49	1.250	1.304	AA+	Aaa 12/21/2026
3130AQF65	17872	FEDERAL HOME LOAN BANK		01/06/2022	24,300,000.00	22,378,019.45	24,197,099.10	1.250	1.428	AA+	Aaa 12/21/2026
3130ASVS5	17918	FEDERAL HOME LOAN BANK		09/12/2022	15,650,000.00	14,903,597.35	15,474,481.94	3.000	3.384	AA+	Aaa 09/10/2027
3130AU2B9	17955	FEDERAL HOME LOAN BANK		12/05/2022	50,000,000.00	49,154,963.00	49,961,593.79	4.000	4.029	AA+	Aaa 06/04/2027
3130AU2J2	17956	FEDERAL HOME LOAN BANK		12/06/2022	15,000,000.00	14,738,418.00	14,965,556.18	4.000	4.085	AA+	Aaa 07/06/2027
3130AUTA2	17971	FEDERAL HOME LOAN BANK		02/07/2023	50,000,000.00	48,660,690.50	49,564,696.27	3.625	3.900	AA+	Aaa 01/07/2028
3130AUSN5	17982	FEDERAL HOME LOAN BANK		02/14/2023	12,940,000.00	12,496,481.76	12,741,402.52	3.500	4.023	AA+	Aaa 10/01/2027
3130AUZK3	17990	FEDERAL HOME LOAN BANK		02/17/2023	60,000,000.00	59,226,750.00	59,875,122.37	4.050	4.117	AA+	Aaa 01/03/2028
3130AUZK3	17993	FEDERAL HOME LOAN BANK		02/22/2023	26,875,000.00	26,528,648.44	26,754,055.93	4.050	4.194	AA+	Aaa 01/03/2028
3130AVPH9	18006	FEDERAL HOME LOAN BANK		04/13/2023	20,000,000.00	19,455,323.40	19,984,332.17	3.625	3.650	AA+	Aaa 01/28/2028
3130AVPZ9	18010	FEDERAL HOME LOAN BANK		04/18/2023	10,000,000.00	9,721,656.90	9,952,803.27	3.600	3.747	AA+	Aaa 01/18/2028
3130AWC24	18034	FEDERAL HOME LOAN BANK		06/09/2023	8,800,000.00	8,686,665.06	8,803,618.74	4.000	3.988	AA+	Aaa 06/09/2028
3130AWC24	18039	FEDERAL HOME LOAN BANK		06/14/2023	18,025,000.00	17,792,856.57	17,983,919.77	4.000	4.064	AA+	Aaa 06/09/2028
3130AWC24	18040	FEDERAL HOME LOAN BANK		06/22/2023	30,000,000.00	29,613,630.90	29,996,667.26	4.000	4.002	AA+	Aaa 06/09/2028
3130AWC24	18042	FEDERAL HOME LOAN BANK		06/22/2023	15,000,000.00	14,806,815.45	15,000,238.05	4.000	3.999	AA+	Aaa 06/09/2028
3130AWC24	18045	FEDERAL HOME LOAN BANK		06/30/2023	14,650,000.00	14,461,323.09	14,552,133.57	4.000	4.189	AA+	Aaa 06/09/2028
3130AYWP7	18069	FEDERAL HOME LOAN BANK		02/15/2024	14,000,000.00	13,873,277.46	14,008,684.23	4.168	4.153	AA+	Aaa 02/15/2029
3137EAEU9	17724	FEDERAL HOME MORTGAGE CO		07/23/2020	65,000,000.00	61,928,540.05	64,931,587.32	0.375	0.476	AA+	Aaa 07/21/2025
3137EAEU9	17731	FEDERAL HOME MORTGAGE CO		09/10/2020	30,000,000.00	28,582,403.10	29,982,812.11	0.375	0.430	AA+	Aaa 07/21/2025
3137EAEX3	17741	FEDERAL HOME MORTGAGE CO		10/08/2020	50,000,000.00	47,255,950.50	49,934,554.29	0.375	0.483	AA+	Aaa 09/23/2025

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P Moody's	Maturity Date
Federal Agency Coupons											
3135G0V75	17652	FEDERAL NATIONAL MORTGAGE		09/26/2019	35,000,000.00	34,996,127.60	35,000,110.98	1.750	1.631	AA+	Aaa 07/02/2024
3135G0V75	17656	FEDERAL NATIONAL MORTGAGE		10/16/2019	10,000,000.00	9,998,893.60	10,000,029.48	1.750	1.639	AA+	Aaa 07/02/2024
3135G0V75	17659	FEDERAL NATIONAL MORTGAGE		10/23/2019	10,000,000.00	9,998,893.60	10,000,021.69	1.750	1.668	AA+	Aaa 07/02/2024
3135G0V75	17660	FEDERAL NATIONAL MORTGAGE		10/28/2019	8,632,000.00	8,631,044.96	8,632,015.02	1.750	1.684	AA+	Aaa 07/02/2024
3135G0V75	17661	FEDERAL NATIONAL MORTGAGE		11/05/2019	23,000,000.00	22,997,455.28	23,000,055.13	1.750	1.660	AA+	Aaa 07/02/2024
3135G0V75	17663	FEDERAL NATIONAL MORTGAGE		11/08/2019	25,000,000.00	24,997,234.00	24,999,943.70	1.750	1.835	AA+	Aaa 07/02/2024
3135G0V75	17668	FEDERAL NATIONAL MORTGAGE		12/06/2019	25,000,000.00	24,997,234.00	25,000,051.18	1.750	1.673	AA+	Aaa 07/02/2024
3135G0V75	17669	FEDERAL NATIONAL MORTGAGE		12/06/2019	15,000,000.00	14,998,340.40	15,000,032.72	1.750	1.668	AA+	Aaa 07/02/2024
3135G0V75	17670	FEDERAL NATIONAL MORTGAGE		12/09/2019	15,000,000.00	14,998,340.40	15,000,013.60	1.750	1.716	AA+	Aaa 07/02/2024
3135G0V75	17671	FEDERAL NATIONAL MORTGAGE		12/09/2019	25,000,000.00	24,997,234.00	25,000,023.74	1.750	1.714	AA+	Aaa 07/02/2024
3135G0V75	17673	FEDERAL NATIONAL MORTGAGE		12/12/2019	25,000,000.00	24,997,234.00	25,000,019.97	1.750	1.720	AA+	Aaa 07/02/2024
3135G0V75	17675	FEDERAL NATIONAL MORTGAGE		12/13/2019	20,000,000.00	19,997,787.20	19,999,989.75	1.750	1.769	AA+	Aaa 07/02/2024
3135G0X24	17680	FEDERAL NATIONAL MORTGAGE		01/10/2020	50,000,000.00	49,067,124.50	49,978,056.76	1.625	1.714	AA+	Aaa 01/07/2025
3135G05X7	17730	FEDERAL NATIONAL MORTGAGE		08/27/2020	125,000,000.00	118,512,897.50	124,865,300.33	0.375	0.470	AA+	Aaa 08/25/2025
3135G04Z3	17732	FEDERAL NATIONAL MORTGAGE		09/11/2020	20,000,000.00	19,132,780.00	20,012,347.93	0.500	0.435	AA+	Aaa 06/17/2025
3135G04Z3	17733	FEDERAL NATIONAL MORTGAGE		09/24/2020	50,000,000.00	47,831,950.00	50,035,158.72	0.500	0.426	AA+	Aaa 06/17/2025
3135G04Z3	17734	FEDERAL NATIONAL MORTGAGE		09/28/2020	20,000,000.00	19,132,780.00	20,018,328.43	0.500	0.404	AA+	Aaa 06/17/2025
3135G04Z3	17735	FEDERAL NATIONAL MORTGAGE		09/28/2020	50,000,000.00	47,831,950.00	50,045,647.97	0.500	0.404	AA+	Aaa 06/17/2025
3135G04Z3	17736	FEDERAL NATIONAL MORTGAGE		10/01/2020	75,000,000.00	71,747,925.00	75,065,609.43	0.500	0.408	AA+	Aaa 06/17/2025
3135G04Z3	17746	FEDERAL NATIONAL MORTGAGE		11/24/2020	10,000,000.00	9,566,390.00	10,004,654.05	0.500	0.451	AA+	Aaa 06/17/2025
3135G05X7	17747	FEDERAL NATIONAL MORTGAGE		11/24/2020	10,000,000.00	9,481,031.80	9,987,853.42	0.375	0.482	AA+	Aaa 08/25/2025
3135G05X7	17748	FEDERAL NATIONAL MORTGAGE		11/24/2020	10,000,000.00	9,481,031.80	9,987,829.22	0.375	0.482	AA+	Aaa 08/25/2025
3135G06G3	17754	FEDERAL NATIONAL MORTGAGE		12/07/2020	25,000,000.00	23,556,132.50	24,994,336.86	0.500	0.517	AA+	Aaa 11/07/2025
742651DP4	17643	PRIVATE EXPORT FUNDING CO		07/15/2019	10,000,000.00	9,986,272.10	10,001,653.56	2.450	2.001		Aaa 07/15/2024
742651DP4	17644	PRIVATE EXPORT FUNDING CO		07/15/2019	10,000,000.00	9,986,272.10	10,001,620.19	2.450	2.010		Aaa 07/15/2024
742651DZ2	18025	PRIVATE EXPORT FUNDING CO		05/18/2023	35,000,000.00	34,259,733.20	35,120,925.42	3.900	3.785		Aaa 10/15/2027
742651DZ2	18030	PRIVATE EXPORT FUNDING CO		05/23/2023	9,000,000.00	8,809,645.68	8,965,041.31	3.900	4.030		Aaa 10/15/2027
Subtotal and Average			2,577,511,950.71		2,580,385,000.00	2,486,228,267.00	2,577,511,743.97		2.083		
Medium Term Notes											
02079KAH0	17773	ALPHABET INC		01/19/2021	20,000,000.00	19,041,402.60	19,973,447.92	0.450	0.570	AA+	Aa2 08/15/2025
02079KAH0	17776	ALPHABET INC		01/20/2021	5,000,000.00	4,760,350.65	4,995,018.15	0.450	0.540	AA+	Aa2 08/15/2025
02079KAH0	17777	ALPHABET INC		01/20/2021	5,000,000.00	4,760,350.65	4,995,014.47	0.450	0.540	AA+	Aa2 08/15/2025
02079KAJ6	17927	ALPHABET INC		09/12/2022	5,000,000.00	4,457,103.05	4,598,612.18	0.800	3.631	AA+	Aa2 08/15/2027
02079KAJ6	17929	ALPHABET INC		09/15/2022	5,000,000.00	4,457,103.05	4,572,800.62	0.800	3.828	AA+	Aa2 08/15/2027
02079KAJ6	17945	ALPHABET INC		10/14/2022	7,500,000.00	6,685,654.58	6,741,169.26	0.800	4.436	AA+	Aa2 08/15/2027
037833DX5	17729	APPLE INC		08/20/2020	10,000,000.00	9,497,232.40	9,994,637.56	0.550	0.598	AA+	Aaa 08/20/2025
037833DX5	17772	APPLE INC		01/19/2021	15,000,000.00	14,245,848.60	14,990,431.48	0.550	0.607	AA+	Aaa 08/20/2025

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Medium Term Notes											
037833DX5	17782	APPLE INC		01/25/2021	10,000,000.00	9,497,232.40	9,996,640.98	0.550	0.580	AA+	Aaa 08/20/2025
037833EB2	17785	APPLE INC		02/08/2021	10,000,000.00	9,338,321.70	9,992,787.50	0.700	0.746	AA+	Aaa 02/08/2026
037833EB2	17787	APPLE INC		02/08/2021	20,000,000.00	18,676,643.40	19,986,472.56	0.700	0.743	AA+	Aaa 02/08/2026
037833CR9	17895	APPLE INC		06/13/2022	10,000,000.00	9,583,314.30	9,943,140.27	3.200	3.417	AA+	Aaa 05/11/2027
037833CR9	17899	APPLE INC		07/01/2022	5,000,000.00	4,791,657.15	4,939,877.43	3.200	3.662	AA+	Aaa 05/11/2027
037833CR9	17902	APPLE INC		07/27/2022	10,000,000.00	9,583,314.30	9,985,601.51	3.200	3.254	AA+	Aaa 05/11/2027
037833CR9	17903	APPLE INC		07/27/2022	5,000,000.00	4,791,657.15	4,995,250.29	3.200	3.235	AA+	Aaa 05/11/2027
037833CR9	17905	APPLE INC		08/23/2022	10,000,000.00	9,583,314.30	9,934,566.49	3.200	3.449	AA+	Aaa 05/11/2027
037833CX6	17921	APPLE INC		09/02/2022	10,000,000.00	9,525,998.50	9,840,175.84	3.000	3.590	AA+	Aaa 06/20/2027
037833DB3	17925	APPLE INC		09/12/2022	25,000,000.00	23,614,898.75	24,303,325.28	2.900	3.867	AA+	Aaa 09/12/2027
037833DB3	17962	APPLE INC		12/20/2022	10,000,000.00	9,445,959.50	9,643,852.74	2.900	4.137	AA+	Aaa 09/12/2027
037833EC0	17979	APPLE INC		02/10/2023	10,000,000.00	8,847,146.70	9,015,412.53	1.200	4.263	AA+	Aaa 02/08/2028
037833EC0	17983	APPLE INC		02/15/2023	5,000,000.00	4,423,573.35	4,486,480.59	1.200	4.406	AA+	Aaa 02/08/2028
037833EC0	17986	APPLE INC		02/16/2023	10,000,000.00	8,847,146.70	8,960,286.58	1.200	4.449	AA+	Aaa 02/08/2028
037833EC0	17996	APPLE INC		03/02/2023	15,000,000.00	13,270,720.05	13,334,275.17	1.200	4.688	AA+	Aaa 02/08/2028
037833EC0	18003	APPLE INC		04/12/2023	10,000,000.00	8,847,146.70	9,118,174.48	1.200	3.909	AA+	Aaa 02/08/2028
037833ET3	18035	APPLE INC		06/09/2023	10,000,000.00	9,795,859.00	9,924,157.93	4.000	4.219	AA+	Aaa 05/10/2028
037833ET3	18036	APPLE INC		06/14/2023	10,000,000.00	9,795,859.00	9,911,102.03	4.000	4.257	AA+	Aaa 05/10/2028
037833ET3	18038	APPLE INC		06/14/2023	10,000,000.00	9,795,859.00	9,908,370.05	4.000	4.265	AA+	Aaa 05/10/2028
037833EH9	18095	APPLE INC		05/24/2024	10,000,000.00	8,808,132.90	8,834,606.36	1.400	4.683	AA+	Aaa 08/05/2028
084664CZ2	17890	BERKSHIRE HATHAWAY		03/15/2022	60,000,000.00	56,250,372.60	59,993,831.33	2.300	2.304	AA	Aa2 03/15/2027
084664CZ2	17891	BERKSHIRE HATHAWAY		03/15/2022	10,000,000.00	9,375,062.10	9,959,470.78	2.300	2.460	AA	Aa2 03/15/2027
166764BW9	17710	CHEVRON CORP		05/11/2020	5,000,000.00	4,840,692.80	5,000,000.00	1.554	1.554	AA-	Aa2 05/11/2025
166756AE6	17725	CHEVRON CORP		08/12/2020	3,000,000.00	2,857,597.62	3,000,000.00	0.687	0.687	AA-	Aa2 08/12/2025
166756AE6	17726	CHEVRON CORP		08/13/2020	4,500,000.00	4,286,396.43	4,499,360.05	0.687	0.700	AA-	Aa2 08/12/2025
166756AE6	17727	CHEVRON CORP		08/13/2020	9,000,000.00	8,572,792.86	8,998,716.09	0.687	0.700	AA-	Aa2 08/12/2025
166756AE6	17728	CHEVRON CORP		08/13/2020	5,000,000.00	4,762,662.70	4,999,286.71	0.687	0.700	AA-	Aa2 08/12/2025
166756AE6	17745	CHEVRON CORP		11/05/2020	10,000,000.00	9,525,325.40	9,992,241.57	0.687	0.758	AA-	Aa2 08/12/2025
166756AL0	17904	CHEVRON CORP		08/23/2022	5,000,000.00	4,446,598.60	4,642,548.88	1.018	3.542	AA-	Aa2 08/12/2027
166756AL0	17915	CHEVRON CORP		08/31/2022	10,000,000.00	8,893,197.20	9,250,988.21	1.018	3.670	AA-	Aa2 08/12/2027
166764BX7	17919	CHEVRON CORP		09/02/2022	10,000,000.00	9,241,362.50	9,552,300.65	1.995	3.714	AA-	Aa2 05/11/2027
166756AL0	17920	CHEVRON CORP		09/02/2022	15,000,000.00	13,339,795.80	13,837,167.18	1.018	3.770	AA-	Aa2 08/12/2027
166756AL0	17930	CHEVRON CORP		09/16/2022	8,823,000.00	7,846,467.89	8,066,588.82	1.018	4.084	AA-	Aa2 08/12/2027
166756AL0	17933	CHEVRON CORP		09/23/2022	5,000,000.00	4,446,598.60	4,543,474.50	1.018	4.300	AA-	Aa2 08/12/2027
166756AL0	17946	CHEVRON CORP		10/14/2022	5,000,000.00	4,446,598.60	4,482,379.22	1.018	4.780	AA-	Aa2 08/12/2027
166764BX7	17957	CHEVRON CORP		12/02/2022	5,000,000.00	4,620,681.25	4,681,550.28	1.995	4.474	AA-	Aa2 05/11/2027
166756AL0	17958	CHEVRON CORP		12/08/2022	5,000,000.00	4,446,598.60	4,554,389.19	1.018	4.200	AA-	Aa2 08/12/2027
166764BX7	17959	CHEVRON CORP		12/08/2022	5,000,000.00	4,620,681.25	4,705,874.54	1.995	4.273	AA-	Aa2 05/11/2027

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Medium Term Notes											
166756AR7	17987	CHEVRON CORP		02/16/2023	17,000,000.00	16,503,252.86	16,638,094.70	3.850	4.527	AA-	Aa2 01/15/2028
166764BX7	17995	CHEVRON CORP		03/02/2023	20,000,000.00	18,482,725.00	18,591,445.99	1.995	4.737	AA-	Aa2 05/11/2027
166756AR7	18001	CHEVRON CORP		04/12/2023	5,000,000.00	4,853,897.90	4,980,488.39	3.850	3.971	AA-	Aa2 01/15/2028
166756AR7	18026	CHEVRON CORP		05/19/2023	10,000,000.00	9,707,795.80	9,942,077.09	3.850	4.030	AA-	Aa2 01/15/2028
166756AR7	18032	CHEVRON CORP		06/05/2023	10,000,000.00	9,707,795.80	9,904,603.49	3.850	4.148	AA-	Aa2 01/15/2028
17325FBB3	18055	CITIBANK		09/29/2023	10,000,000.00	10,279,369.10	9,979,287.11	5.803	5.860	A+	Aa3 09/29/2028
17325FBB3	18056	CITIBANK		09/29/2023	10,000,000.00	10,279,369.10	9,999,660.44	5.803	5.804	A+	Aa3 09/29/2028
17325FBB3	18057	CITIBANK		09/29/2023	10,000,000.00	10,279,369.10	10,004,329.33	5.803	5.791	A+	Aa3 09/29/2028
17325FBB3	18058	CITIBANK		09/29/2023	10,000,000.00	10,279,369.10	9,993,803.11	5.803	5.820	A+	Aa3 09/29/2028
17325FBB3	18059	CITIBANK		10/04/2023	20,000,000.00	20,558,738.20	19,930,878.22	5.803	5.898	A+	Aa3 09/29/2028
17325FBB3	18062	CITIBANK		10/20/2023	10,000,000.00	10,279,369.10	9,892,206.86	5.803	6.100	A+	Aa3 09/29/2028
30231GBC5	17695	EXXON MOBIL		03/17/2020	5,000,000.00	4,977,674.65	4,999,369.89	2.019	2.125	AA-	Aa2 08/16/2024
30231GBC5	17696	EXXON MOBIL		03/17/2020	5,000,000.00	4,977,674.65	4,999,280.68	2.019	2.140	AA-	Aa2 08/16/2024
30231GBH4	17699	EXXON MOBIL		03/19/2020	5,000,000.00	4,917,353.65	5,000,000.00	2.992	2.992	AA-	Aa2 03/19/2025
30231GAF9	18080	EXXON MOBIL		04/01/2024	20,000,000.00	19,642,574.60	19,720,222.01	2.709	5.124	AA-	Aa2 03/06/2025
24422EVC0	17681	JOHN DEERE		01/10/2020	3,925,000.00	3,855,896.25	3,924,589.83	2.050	2.071	A	A1 01/09/2025
24422EVC0	17683	JOHN DEERE		01/13/2020	10,000,000.00	9,823,939.50	9,998,566.97	2.050	2.079	A	A1 01/09/2025
24422EVC0	17686	JOHN DEERE		02/10/2020	10,000,000.00	9,823,939.50	10,011,032.69	2.050	1.828	A	A1 01/09/2025
24422EVC0	17688	JOHN DEERE		02/28/2020	5,000,000.00	4,911,969.75	5,011,586.53	2.050	1.587	A	A1 01/09/2025
24422EVC0	17689	JOHN DEERE		02/28/2020	10,000,000.00	9,823,939.50	10,023,425.38	2.050	1.582	A	A1 01/09/2025
24422EVC0	17697	JOHN DEERE		03/17/2020	5,000,000.00	4,911,969.75	5,006,118.68	2.050	1.804	A	A1 01/09/2025
24422EVC0	17701	JOHN DEERE		03/24/2020	4,500,000.00	4,420,772.78	4,479,337.98	2.050	3.000	A	A1 01/09/2025
24422EVC0	17755	JOHN DEERE		12/10/2020	8,210,000.00	8,065,454.33	8,272,194.15	2.050	0.580	A	A1 01/09/2025
24422EVK2	17774	JOHN DEERE		01/20/2021	9,200,000.00	8,600,494.88	9,190,998.97	0.700	0.765	A	A1 01/15/2026
24422EVK2	17775	JOHN DEERE		01/20/2021	4,510,000.00	4,216,112.16	4,506,666.29	0.700	0.749	A	A1 01/15/2026
24422EVK2	17778	JOHN DEERE		01/21/2021	10,000,000.00	9,348,364.00	9,996,973.69	0.700	0.720	A	A1 01/15/2026
24422EVK2	17779	JOHN DEERE		01/21/2021	5,000,000.00	4,674,182.00	4,998,486.85	0.700	0.720	A	A1 01/15/2026
24422EVK2	17781	JOHN DEERE		01/22/2021	5,000,000.00	4,674,182.00	4,997,358.23	0.700	0.735	A	A1 01/15/2026
24422EXT1	18104	JOHN DEERE		06/12/2024	10,000,000.00	9,978,247.10	9,935,549.55	4.850	5.002	A	A1 06/11/2029
478160CN2	17784	JOHNSON & JOHNSON		02/02/2021	5,000,000.00	4,747,094.25	5,000,000.00	0.550	0.550	AAA	Aaa 09/01/2025
478160CN2	17786	JOHNSON & JOHNSON		02/04/2021	5,000,000.00	4,747,094.25	5,000,000.00	0.550	0.550	AAA	Aaa 09/01/2025
478160CP7	17926	JOHNSON & JOHNSON		09/12/2022	5,000,000.00	4,455,649.80	4,614,241.59	0.950	3.635	AAA	Aaa 09/01/2027
478160CP7	17941	JOHNSON & JOHNSON		09/28/2022	5,000,000.00	4,455,649.80	4,506,321.49	0.950	4.457	AAA	Aaa 09/01/2027
478160CK8	17988	JOHNSON & JOHNSON		02/16/2023	5,000,000.00	4,727,737.25	4,776,765.53	2.900	4.313	AAA	Aaa 01/15/2028
478160CK8	17994	JOHNSON & JOHNSON		03/02/2023	5,000,000.00	4,727,737.25	4,742,892.56	2.900	4.535	AAA	Aaa 01/15/2028
478160CK8	18002	JOHNSON & JOHNSON		04/12/2023	5,000,000.00	4,727,737.25	4,856,386.81	2.900	3.794	AAA	Aaa 01/15/2028
478160CK8	18004	JOHNSON & JOHNSON		04/12/2023	5,000,000.00	4,727,737.25	4,858,320.49	2.900	3.782	AAA	Aaa 01/15/2028
478160CK8	18028	JOHNSON & JOHNSON		05/22/2023	10,000,000.00	9,455,474.50	9,668,630.54	2.900	3.933	AAA	Aaa 01/15/2028

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Medium Term Notes											
478160CK8	18029	JOHNSON & JOHNSON		05/22/2023	10,000,000.00	9,455,474.50	9,665,820.59	2.900	3.942	AAA	Aaa 01/15/2028
478160CU6	18102	JOHNSON & JOHNSON		06/03/2024	10,000,000.00	10,081,639.10	10,015,659.80	4.800	4.803	AAA	Aaa 06/01/2029
46632FRT4	17756	JP MORGAN		12/14/2020	60,000,000.00	57,204,220.80	60,000,000.00	0.580	0.580	A+	Aa2 05/29/2025
46632FSV8	18027	JP MORGAN		05/25/2023	30,000,000.00	28,202,200.20	30,000,000.00	4.000	4.000	A+	Aa2 05/25/2028
46632FTC9	18046	JP MORGAN		07/28/2023	50,000,000.00	49,320,500.00	50,000,000.00	4.650	4.650	A+	Aa2 07/28/2028
46632FUC7	18091	JP MORGAN		04/29/2024	25,000,000.00	25,145,250.00	25,000,000.00	5.025	5.027	A+	Aa2 02/16/2029
46632FUE3	18097	JP MORGAN		05/29/2024	20,000,000.00	20,185,200.00	20,000,000.00	4.925	4.925	A+	Aa2 05/29/2029
594918BY9	17961	MICROSOFT		12/19/2022	10,000,000.00	9,647,667.50	9,816,018.16	3.300	4.076	AAA	Aaa 02/06/2027
742718FL8	17780	PROCTER & GAMBLE		01/22/2021	12,200,000.00	11,509,364.34	12,200,000.00	0.550	0.550	AA-	Aa3 10/29/2025
742718EV7	17942	PROCTER & GAMBLE		10/05/2022	10,000,000.00	9,453,082.70	9,572,142.04	2.850	4.391	AA-	Aa3 08/11/2027
89236TGM1	17653	TOYOTA MOTOR CREDIT		10/15/2019	30,000,000.00	29,898,433.50	30,000,000.00	1.875	1.875	A+	A1 07/31/2024
89236TGL3	17664	TOYOTA MOTOR CREDIT		11/12/2019	10,000,000.00	9,902,672.30	9,998,683.74	2.000	2.052	A+	A1 10/07/2024
89236TGL3	17682	TOYOTA MOTOR CREDIT		01/13/2020	21,410,000.00	21,201,621.39	21,407,575.54	2.000	2.044	A+	A1 10/07/2024
89236THP3	17743	TOYOTA MOTOR CREDIT		10/16/2020	7,000,000.00	6,617,122.19	6,996,998.17	0.800	0.834	A+	A1 10/16/2025
89236THW8	17767	TOYOTA MOTOR CREDIT		01/11/2021	5,000,000.00	4,685,937.55	4,998,217.02	0.800	0.824	A+	A1 01/09/2026
89236THW8	17768	TOYOTA MOTOR CREDIT		01/11/2021	5,000,000.00	4,685,937.55	4,998,948.50	0.800	0.814	A+	A1 01/09/2026
89236THW8	17769	TOYOTA MOTOR CREDIT		01/11/2021	5,500,000.00	5,154,531.31	5,498,689.13	0.800	0.816	A+	A1 01/09/2026
89236THW8	17770	TOYOTA MOTOR CREDIT		01/11/2021	5,270,000.00	4,938,978.18	5,268,822.65	0.800	0.815	A+	A1 01/09/2026
89236TJV8	17884	TOYOTA MOTOR CREDIT		03/07/2022	11,581,000.00	10,712,730.74	11,481,430.46	1.900	2.260	A+	A1 01/13/2027
89236THG3	17940	TOYOTA MOTOR CREDIT		09/28/2022	5,000,000.00	4,464,212.95	4,477,390.94	1.150	4.967	A+	A1 08/13/2027
89236TKL8	17950	TOYOTA MOTOR CREDIT		11/10/2022	30,000,000.00	30,445,180.50	29,974,812.50	5.450	5.479	A+	A1 11/10/2027
89236TKQ7	17981	TOYOTA MOTOR CREDIT		02/14/2023	20,000,000.00	19,820,287.40	19,972,538.35	4.625	4.668	A+	A1 01/12/2028
89236TKQ7	17991	TOYOTA MOTOR CREDIT		02/17/2023	11,860,000.00	11,753,430.43	11,810,037.82	4.625	4.759	A+	A1 01/12/2028
89236TKQ7	17992	TOYOTA MOTOR CREDIT		02/17/2023	5,000,000.00	4,955,071.85	4,980,989.01	4.625	4.746	A+	A1 01/12/2028
89236TLL7	18067	TOYOTA MOTOR CREDIT		01/05/2024	20,000,000.00	19,766,230.60	20,036,630.22	4.650	4.604	A+	A1 01/05/2029
89236TLL7	18070	TOYOTA MOTOR CREDIT		02/15/2024	5,000,000.00	4,941,557.65	4,975,544.69	4.650	4.902	A+	A1 01/05/2029
89236TLL7	18071	TOYOTA MOTOR CREDIT		02/16/2024	5,000,000.00	4,941,557.65	4,988,690.01	4.650	4.839	A+	A1 01/05/2029
89236TLL7	18073	TOYOTA MOTOR CREDIT		02/23/2024	10,000,000.00	9,883,115.30	9,997,818.63	4.650	4.810	A+	A1 01/05/2029
89236TMF9	18094	TOYOTA MOTOR CREDIT		05/16/2024	15,000,000.00	15,062,118.00	14,990,786.25	5.050	5.064	A+	A1 05/16/2029
89236TMF9	18096	TOYOTA MOTOR CREDIT		05/28/2024	10,000,000.00	10,041,412.00	9,989,350.11	5.050	5.114	A+	A1 05/16/2029
90331HPL1	17690	US BANK NA		02/28/2020	5,000,000.00	4,900,372.20	5,010,828.13	2.050	1.636	A+	A2 01/21/2025
90331HPL1	17691	US BANK NA		03/12/2020	5,000,000.00	4,900,372.20	5,012,675.24	2.050	1.574	A+	A2 01/21/2025
90331HPL1	17692	US BANK NA		03/12/2020	5,000,000.00	4,900,372.20	5,011,772.44	2.050	1.608	A+	A2 01/21/2025
931142ER0	17842	WALMART		09/17/2021	20,000,000.00	18,436,621.00	19,983,284.00	1.050	1.089	AA	Aa2 09/17/2026
931142ER0	17846	WALMART		09/21/2021	10,000,000.00	9,218,310.50	10,000,000.00	1.050	1.050	AA	Aa2 09/17/2026
931142ER0	17847	WALMART		09/21/2021	10,000,000.00	9,218,310.50	10,000,000.00	1.050	1.050	AA	Aa2 09/17/2026
931142ER0	17849	WALMART		09/27/2021	10,000,000.00	9,218,310.50	10,000,000.00	1.050	1.050	AA	Aa2 09/17/2026
931142CH4	17901	WALMART		07/18/2022	5,125,000.00	5,296,681.50	5,440,132.05	5.875	3.442	AA	Aa2 04/05/2027

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Medium Term Notes											
931142EX7	17923	WALMART		09/09/2022	7,000,000.00	6,841,382.38	6,990,356.80	3.950	3.998	AA	Aa2 09/09/2027
931142EX7	17924	WALMART		09/09/2022	10,000,000.00	9,773,403.40	9,997,959.11	3.950	3.957	AA	Aa2 09/09/2027
931142EX7	17931	WALMART		09/22/2022	10,000,000.00	9,773,403.40	9,917,018.94	3.950	4.241	AA	Aa2 09/09/2027
931142FB4	18008	WALMART		04/18/2023	10,000,000.00	9,748,011.90	9,955,823.71	3.900	4.030	AA	Aa2 04/15/2028
931142FB4	18011	WALMART		04/19/2023	10,000,000.00	9,748,011.90	9,936,508.69	3.900	4.087	AA	Aa2 04/15/2028
931142FB4	18012	WALMART		04/19/2023	5,000,000.00	4,874,005.95	4,968,250.55	3.900	4.087	AA	Aa2 04/15/2028
931142FB4	18013	WALMART		04/19/2023	5,000,000.00	4,874,005.95	4,966,393.65	3.900	4.098	AA	Aa2 04/15/2028
931142FB4	18014	WALMART		04/19/2023	10,000,000.00	9,748,011.90	9,932,787.31	3.900	4.098	AA	Aa2 04/15/2028
931142FB4	18015	WALMART		04/19/2023	5,000,000.00	4,874,005.95	4,966,051.89	3.900	4.100	AA	Aa2 04/15/2028
931142FB4	18023	WALMART		05/17/2023	4,660,000.00	4,542,573.55	4,654,032.04	3.900	3.937	AA	Aa2 04/15/2028
931142FB4	18024	WALMART		05/18/2023	5,000,000.00	4,874,005.95	4,986,414.04	3.900	3.979	AA	Aa2 04/15/2028
931142EE9	18043	WALMART		06/26/2023	17,200,000.00	16,691,548.05	16,805,129.14	3.700	4.347	AA	Aa2 06/26/2028
Subtotal and Average			1,408,102,844.02		1,428,974,000.00	1,371,744,446.00	1,407,277,060.42		3.221		
Treasury Notes											
912828P46	17791	US TREASURY NOTE		02/26/2021	30,000,000.00	28,496,484.30	30,402,698.86	1.625	0.782	AA+	Aaa 02/15/2026
91282CBH3	17795	US TREASURY NOTE		03/08/2021	20,000,000.00	18,639,843.80	19,866,065.82	0.375	0.807	AA+	Aaa 01/31/2026
91282CBW0	17798	US TREASURY NOTE		05/03/2021	20,000,000.00	18,600,781.20	19,956,772.83	0.750	0.871	AA+	Aaa 04/30/2026
91282CBW0	17800	US TREASURY NOTE		05/12/2021	30,000,000.00	27,901,171.80	29,948,215.27	0.750	0.847	AA+	Aaa 04/30/2026
912828R36	17801	US TREASURY NOTE		05/18/2021	30,000,000.00	28,324,218.60	30,434,660.84	1.625	0.832	AA+	Aaa 05/15/2026
912828R36	17802	US TREASURY NOTE		05/19/2021	20,000,000.00	18,882,812.40	20,292,861.55	1.625	0.824	AA+	Aaa 05/15/2026
912828R36	17803	US TREASURY NOTE		05/20/2021	20,000,000.00	18,882,812.40	20,276,613.12	1.625	0.868	AA+	Aaa 05/15/2026
91282CCF6	17805	US TREASURY NOTE		06/16/2021	20,000,000.00	18,547,656.20	19,986,724.79	0.750	0.785	AA+	Aaa 05/31/2026
91282CCF6	17808	US TREASURY NOTE		06/17/2021	40,000,000.00	37,095,312.40	39,936,002.28	0.750	0.835	AA+	Aaa 05/31/2026
91282CCF6	17809	US TREASURY NOTE		06/17/2021	40,000,000.00	37,095,312.40	39,925,134.74	0.750	0.850	AA+	Aaa 05/31/2026
91282CCF6	17810	US TREASURY NOTE		06/17/2021	20,000,000.00	18,547,656.20	19,944,454.81	0.750	0.899	AA+	Aaa 05/31/2026
91282CCJ8	17823	US TREASURY NOTE		06/30/2021	30,000,000.00	27,829,687.50	29,950,415.22	0.875	0.960	AA+	Aaa 06/30/2026
91282CCJ8	17824	US TREASURY NOTE		06/30/2021	30,000,000.00	27,829,687.50	29,985,392.73	0.875	0.900	AA+	Aaa 06/30/2026
91282CCJ8	17827	US TREASURY NOTE		06/30/2021	30,000,000.00	27,829,687.50	29,965,378.99	0.875	0.934	AA+	Aaa 06/30/2026
91282CCW9	17836	US TREASURY NOTE		08/31/2021	50,000,000.00	45,986,328.00	49,957,607.64	0.750	0.790	AA+	Aaa 08/31/2026
91282CCP4	17838	US TREASURY NOTE		08/26/2021	50,000,000.00	45,996,094.00	49,798,784.72	0.625	0.823	AA+	Aaa 07/31/2026
91282CCP4	17839	US TREASURY NOTE		09/07/2021	50,000,000.00	45,996,094.00	49,843,924.78	0.625	0.778	AA+	Aaa 07/31/2026
91282CCP4	17840	US TREASURY NOTE		09/08/2021	25,000,000.00	22,998,047.00	24,908,628.29	0.625	0.804	AA+	Aaa 07/31/2026
91282CCW9	17843	US TREASURY NOTE		09/13/2021	20,000,000.00	18,394,531.20	19,971,368.24	0.750	0.818	AA+	Aaa 08/31/2026
91282CCW9	17844	US TREASURY NOTE		09/17/2021	20,000,000.00	18,394,531.20	19,965,155.99	0.750	0.832	AA+	Aaa 08/31/2026
91282CCZ2	17850	US TREASURY NOTE		09/30/2021	20,000,000.00	18,407,031.20	19,975,891.56	0.875	0.930	AA+	Aaa 09/30/2026
91282CCZ2	17851	US TREASURY NOTE		09/30/2021	30,000,000.00	27,610,546.80	29,893,567.31	0.875	1.037	AA+	Aaa 09/30/2026
91282CCZ2	17852	US TREASURY NOTE		09/30/2021	30,000,000.00	27,610,546.80	29,917,804.46	0.875	1.000	AA+	Aaa 09/30/2026

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Treasury Notes											
91282CCW9	17853	US TREASURY NOTE		10/12/2021	20,000,000.00	18,394,531.20	19,883,264.87	0.750	1.027	AA+	Aaa 08/31/2026
91282CCP4	17854	US TREASURY NOTE		10/19/2021	20,000,000.00	18,398,437.60	19,788,820.88	0.625	1.148	AA+	Aaa 07/31/2026
91282CCP4	17855	US TREASURY NOTE		10/25/2021	20,000,000.00	18,398,437.60	19,763,182.47	0.625	1.212	AA+	Aaa 07/31/2026
91282CCP4	17856	US TREASURY NOTE		10/28/2021	5,000,000.00	4,599,609.40	4,949,068.08	0.625	1.129	AA+	Aaa 07/31/2026
91282CDG3	17859	US TREASURY NOTE		11/01/2021	30,000,000.00	27,687,890.70	29,940,411.87	1.125	1.213	AA+	Aaa 10/31/2026
91282CDG3	17860	US TREASURY NOTE		11/01/2021	20,000,000.00	18,458,593.80	19,955,322.33	1.125	1.224	AA+	Aaa 10/31/2026
91282CDG3	17861	US TREASURY NOTE		11/01/2021	50,000,000.00	46,146,484.50	49,909,730.31	1.125	1.205	AA+	Aaa 10/31/2026
91282CCP4	17862	US TREASURY NOTE		11/01/2021	20,000,000.00	18,398,437.60	19,775,245.24	0.625	1.182	AA+	Aaa 07/31/2026
91282CDG3	17864	US TREASURY NOTE		11/23/2021	20,000,000.00	18,458,593.80	19,916,566.14	1.125	1.310	AA+	Aaa 10/31/2026
91282CCP4	17867	US TREASURY NOTE		12/21/2021	50,000,000.00	45,996,094.00	49,472,575.01	0.625	1.146	AA+	Aaa 07/31/2026
91282CDQ1	17870	US TREASURY NOTE		12/31/2021	50,000,000.00	46,097,656.00	49,987,922.50	1.250	1.260	AA+	Aaa 12/31/2026
91282CDQ1	17873	US TREASURY NOTE		01/06/2022	30,000,000.00	27,658,593.60	29,896,535.03	1.250	1.393	AA+	Aaa 12/31/2026
91282CDQ1	17874	US TREASURY NOTE		01/07/2022	30,000,000.00	27,658,593.60	29,840,011.68	1.250	1.472	AA+	Aaa 12/31/2026
91282CDG3	17875	US TREASURY NOTE		01/10/2022	30,000,000.00	27,687,890.70	29,743,990.38	1.125	1.506	AA+	Aaa 10/31/2026
91282CDG3	17877	US TREASURY NOTE		01/19/2022	30,000,000.00	27,687,890.70	29,658,038.02	1.125	1.635	AA+	Aaa 10/31/2026
912828Z78	17878	US TREASURY NOTE		01/31/2022	50,000,000.00	46,277,344.00	49,840,506.65	1.500	1.629	AA+	Aaa 01/31/2027
912828Z78	17883	US TREASURY NOTE		02/28/2022	20,000,000.00	18,510,937.60	19,795,731.37	1.500	1.916	AA+	Aaa 01/31/2027
912828X88	17897	US TREASURY NOTE		06/22/2022	50,000,000.00	47,101,562.50	48,644,574.94	2.375	3.408	AA+	Aaa 05/15/2027
912828X88	17898	US TREASURY NOTE		06/22/2022	50,000,000.00	47,101,562.50	48,644,574.94	2.375	3.408	AA+	Aaa 05/15/2027
91282CFB2	17922	US TREASURY NOTE		09/07/2022	50,000,000.00	47,482,422.00	48,992,305.47	2.750	3.466	AA+	Aaa 07/31/2027
91282CFB2	17928	US TREASURY NOTE		09/14/2022	30,000,000.00	28,489,453.20	29,265,686.41	2.750	3.623	AA+	Aaa 07/31/2027
91282CFB2	17934	US TREASURY NOTE		09/26/2022	30,000,000.00	28,489,453.20	28,937,263.73	2.750	4.026	AA+	Aaa 07/31/2027
912828X88	17954	US TREASURY NOTE		11/22/2022	50,000,000.00	47,101,562.50	47,816,666.67	2.375	4.053	AA+	Aaa 05/15/2027
912828ZV5	17960	US TREASURY NOTE		12/13/2022	30,000,000.00	26,661,328.20	27,242,860.50	0.500	3.873	AA+	Aaa 06/30/2027
91282CEW7	17963	US TREASURY NOTE		12/23/2022	30,000,000.00	28,951,171.80	29,521,375.00	3.250	3.835	AA+	Aaa 06/30/2027
912810FA1	17964	US TREASURY NOTE		12/23/2022	25,000,000.00	26,373,047.00	26,801,205.04	6.375	3.833	AA+	Aaa 08/15/2027
912810FA1	17965	US TREASURY NOTE		12/23/2022	25,000,000.00	26,373,047.00	26,801,205.04	6.375	3.833	AA+	Aaa 08/15/2027
912810FA1	17966	US TREASURY NOTE		12/23/2022	30,000,000.00	31,647,656.40	32,170,898.44	6.375	3.823	AA+	Aaa 08/15/2027
91282CFB2	17967	US TREASURY NOTE		12/27/2022	30,000,000.00	28,489,453.20	29,028,329.05	2.750	3.908	AA+	Aaa 07/31/2027
91282CFB2	17968	US TREASURY NOTE		12/28/2022	50,000,000.00	47,482,422.00	48,293,054.99	2.750	3.972	AA+	Aaa 07/31/2027
91282CFB2	17969	US TREASURY NOTE		12/28/2022	50,000,000.00	47,482,422.00	48,256,346.49	2.750	3.999	AA+	Aaa 07/31/2027
91282CAU5	17970	US TREASURY NOTE		12/29/2022	30,000,000.00	26,341,406.40	26,849,023.77	0.500	3.999	AA+	Aaa 10/31/2027
91282CFU0	17997	US TREASURY NOTE		03/03/2023	30,000,000.00	29,670,703.20	29,753,790.65	4.125	4.399	AA+	Aaa 10/31/2027
9128283W8	18009	US TREASURY NOTE		04/17/2023	20,000,000.00	18,864,062.40	19,432,705.38	2.750	3.609	AA+	Aaa 02/15/2028
9128284N7	18064	US TREASURY NOTE		12/28/2023	10,000,000.00	9,451,953.10	9,657,201.66	2.875	3.845	AA+	Aaa 05/15/2028
91282CCE9	18065	US TREASURY NOTE		12/29/2023	10,000,000.00	8,869,531.20	9,057,135.26	1.250	3.895	AA+	Aaa 05/31/2028
9128284N7	18066	US TREASURY NOTE		01/02/2024	10,000,000.00	9,451,953.10	9,642,275.18	2.875	3.888	AA+	Aaa 05/15/2028
9128284N7	18068	US TREASURY NOTE		01/05/2024	20,000,000.00	18,903,906.20	19,193,689.15	2.875	4.020	AA+	Aaa 05/15/2028

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Treasury Notes											
91282CHQ7	18074	US TREASURY NOTE		02/26/2024	50,000,000.00	49,494,140.50	49,805,539.42	4.125	4.310	AA+ Aaa	07/31/2028
91282CJW2	18076	US TREASURY NOTE		03/13/2024	35,000,000.00	34,481,835.85	34,930,610.15	4.000	4.160	AA+ Aaa	01/31/2029
91282CJW2	18077	US TREASURY NOTE		03/15/2024	50,000,000.00	49,259,765.50	49,617,919.38	4.000	4.304	AA+ Aaa	01/31/2029
91282CDZ1	18078	US TREASURY NOTE		03/21/2024	50,000,000.00	48,832,031.00	48,972,193.27	1.500	5.144	AA+ Aaa	02/15/2025
91282CDS7	18079	US TREASURY NOTE		03/21/2024	50,000,000.00	48,898,926.00	49,053,983.95	1.125	5.134	AA+ Aaa	01/15/2025
91282XB1	18081	US TREASURY NOTE		03/28/2024	100,000,000.00	97,416,667.00	97,672,026.33	2.125	4.901	AA+ Aaa	05/15/2025
9128286B1	18083	US TREASURY NOTE		04/09/2024	25,000,000.00	23,187,500.00	23,222,631.17	2.625	4.445	AA+ Aaa	02/15/2029
91282CJW2	18084	US TREASURY NOTE		04/09/2024	25,000,000.00	24,629,882.75	24,744,802.33	4.000	4.434	AA+ Aaa	01/31/2029
91282CDW8	18086	US TREASURY NOTE		04/11/2024	25,000,000.00	22,303,711.00	22,190,184.65	1.750	4.594	AA+ Aaa	01/31/2029
91282CCE9	18087	US TREASURY NOTE		04/11/2024	25,000,000.00	22,173,828.00	22,020,340.42	1.250	4.630	AA+ Aaa	05/31/2028
91282CDW8	18088	US TREASURY NOTE		04/16/2024	25,000,000.00	22,303,711.00	22,109,456.34	1.750	4.685	AA+ Aaa	01/31/2029
91282CDW8	18089	US TREASURY NOTE		04/19/2024	25,000,000.00	22,303,711.00	22,109,816.01	1.750	4.688	AA+ Aaa	01/31/2029
91282CCV1	18093	US TREASURY NOTE		05/03/2024	25,000,000.00	21,913,086.00	21,781,059.43	1.125	4.624	AA+ Aaa	08/31/2028
9128286B1	18098	US TREASURY NOTE		05/29/2024	25,000,000.00	23,187,500.00	23,179,828.06	2.625	4.575	AA+ Aaa	02/15/2029
91282CDW8	18099	US TREASURY NOTE		05/29/2024	25,000,000.00	22,303,711.00	22,264,199.22	1.750	4.568	AA+ Aaa	01/31/2029
91282CDW8	18100	US TREASURY NOTE		05/30/2024	20,000,000.00	17,842,968.80	17,735,844.49	1.750	4.669	AA+ Aaa	01/31/2029
9128286B1	18101	US TREASURY NOTE		05/30/2024	20,000,000.00	18,550,000.00	18,470,765.77	2.625	4.670	AA+ Aaa	02/15/2029
91282CDW8	18106	US TREASURY NOTE		06/27/2024	15,000,000.00	13,382,226.60	13,498,072.34	1.750	4.357	AA+ Aaa	01/31/2029
Subtotal and Average			2,382,157,835.55		2,445,000,000.00	2,295,658,171.90	2,394,602,488.16		2.679		
Certificates of Deposit											
SYS16602	16602	BMO Bank		08/24/2022	10,000,000.00	10,000,000.00	10,000,000.00	3.230	3.230		08/24/2024
Subtotal and Average			10,000,000.00		10,000,000.00	10,000,000.00	10,000,000.00		3.230		
Mutual Funds											
SYS16455	16455	BLACKROCK T-FUND INST		07/01/2023	0.00	0.00	0.00	2.858	2.858	AAA Aaa	
SYS16450	16450	BLACKROCK LIQUIDITY FED FUND		07/01/2023	0.00	0.00	0.00	0.040	0.040	AAA Aaa	
SYS02642	02642	FIDELITY 2642			565,000,000.00	565,000,000.00	565,000,000.00	5.250	5.250	AAA Aaa	
SYS15497	15497	FIDELITY 2644			5,000,000.00	5,000,000.00	5,000,000.00	5.230	5.230	AAA Aaa	
Subtotal and Average			494,500,000.00		570,000,000.00	570,000,000.00	570,000,000.00		5.250		
Local Agency Investment Funds											
SYS05291	05291	LAIF			0.00	0.00	0.00	4.480	4.480		
Subtotal and Average			0.00		0.00	0.00	0.00		0.000		
Treasury Bills											
912797JU2	18092	US TREASURY BILL		05/03/2024	50,000,000.00	49,774,819.50	49,774,475.00	5.238	5.456	AA+ Aaa	08/01/2024
912797KD8	18103	US TREASURY BILL		06/05/2024	100,000,000.00	99,138,354.00	99,142,041.66	5.235	5.449	AA+ Aaa	08/29/2024

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Treasury Bills												
912797LT2	18105	US TREASURY BILL		06/21/2024	50,000,000.00	49,232,972.00	49,233,266.66	5.208	5.445	AA+	Aaa	10/15/2024
Subtotal and Average			193,458,845.55		200,000,000.00	198,146,145.50	198,149,783.32		5.450			
Bank Money Market Accounts												
SYS16800	16800	BMO Bank MM			100,000,000.00	100,000,000.00	100,000,000.00	5.200	5.200			
SYS16900	16900	CENTRAL VALLEY COMM. BANK MM			50,000,000.00	50,000,000.00	50,000,000.00	5.000	5.000			
SYS16500	16500	UNION BANK MM		07/01/2023	0.00	0.00	0.00	0.030	0.030			
SYS16950	16950	UNITED SECURITY BANK MM		07/01/2023	0.00	0.00	0.00		0.000			
Subtotal and Average			153,333,333.33		150,000,000.00	150,000,000.00	150,000,000.00		5.133			
Municipal Bonds												
13063DRK6	17657	STATE OF CALIFORNIA		10/24/2019	50,000,000.00	49,597,500.00	50,058,168.26	2.400	1.910	AA-	Aa2	10/01/2024
13063DYW2	17744	STATE OF CALIFORNIA		11/03/2020	50,685,000.00	49,240,477.50	52,209,812.28	3.000	0.700	AA-	Aa2	11/01/2025
13063DGB8	17766	STATE OF CALIFORNIA		01/11/2021	7,500,000.00	7,392,525.00	7,651,235.53	3.375	0.645	AA-	Aa2	04/01/2025
13063DK31	17863	STATE OF CALIFORNIA		11/17/2021	16,635,000.00	15,325,825.50	16,649,442.29	1.250	1.210	AA-	Aa2	10/01/2026
13063DMA3	17866	STATE OF CALIFORNIA		12/17/2021	10,000,000.00	9,592,600.00	10,230,415.16	2.650	1.292	AA-	Aa2	04/01/2026
13063DRD2	17871	STATE OF CALIFORNIA		01/05/2022	7,840,000.00	7,408,408.00	7,992,729.73	2.375	1.475	AA-	Aa2	10/01/2026
13063DRD2	17881	STATE OF CALIFORNIA		02/01/2022	16,175,000.00	15,284,566.25	16,389,229.21	2.375	1.759	AA-	Aa2	10/01/2026
13063DRD2	17892	STATE OF CALIFORNIA		03/11/2022	15,000,000.00	14,174,250.00	15,078,975.00	2.375	2.128	AA-	Aa2	10/01/2026
13063D2U1	17953	STATE OF CALIFORNIA		11/17/2022	58,115,000.00	58,718,814.85	58,828,671.42	5.250	4.823	AA-	Aa2	10/01/2027
13063D3A4	17980	STATE OF CALIFORNIA		02/14/2023	8,710,000.00	8,826,365.60	8,951,935.41	5.700	4.350	AA-	Aa2	10/01/2026
13063D3N6	18000	STATE OF CALIFORNIA		03/15/2023	22,000,000.00	21,923,220.00	22,000,000.00	4.846	4.847	AA-	Aa2	03/01/2027
13063DGC6	18016	STATE OF CALIFORNIA		04/25/2023	5,000,000.00	4,784,000.00	4,867,660.47	3.500	4.290	AA-	Aa2	04/01/2028
13063D2V9	18054	STATE OF CALIFORNIA		10/02/2023	10,000,000.00	10,070,900.00	10,011,141.19	5.000	4.970	AA-	Aa2	10/01/2028
13063D2V9	18060	STATE OF CALIFORNIA		10/05/2023	14,860,000.00	14,965,357.40	14,771,765.85	5.000	5.160	AA-	Aa2	10/01/2028
13063D7D4	18061	STATE OF CALIFORNIA		10/11/2023	50,000,000.00	51,305,000.00	50,610,290.50	5.500	5.170	AA-	Aa2	10/01/2028
Subtotal and Average			346,395,379.64		342,520,000.00	338,609,810.10	346,301,472.30		3.121			
Total and Average			7,580,781,016.24		7,774,656,261.92	7,468,164,102.42	7,701,619,810.09		2.901			

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Portfolio Details - Cash
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P Moody's
Average Balance			0.00							
Total Cash and Investments			7,580,781,016.24		7,774,656,261.92	7,468,164,102.42	7,701,619,810.09		2.901	

County of Fresno
Inventory by Maturity Report
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CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
SYS02642	02642	TREAS	LA1	FIDELITY 2642	07/01/2023	565,000,000.00	5.250		565,000,000.00	1	565,000,000.00	5.178	5.250	1
SYS03400A	03400A	TREAS	PA1	BMO Bank	07/01/2023	47,777,261.92	1.480		47,777,261.92	1	47,777,261.92	1.460	1.480	1
SYS05291	05291	TREAS	LA5	LAIF	07/01/2023	0.00	4.480		0.00	1	0.00	4.419	4.480	1
SYS15497	15497	TREAS	LA1	FIDELITY 2644	07/01/2023	5,000,000.00	5.230		5,000,000.00	1	5,000,000.00	5.158	5.230	1
SYS16450	16450	TREAS	LA1	BLACKROCK LIQUIDITY	07/01/2023	0.00	0.040		0.00	1	0.00	0.039	0.040	1
SYS16455	16455	TREAS	LA1	BLACKROCK T-FUND INST	07/01/2023	0.00	2.858		0.00	1	0.00	2.819	2.858	1
SYS16500	16500	TREAS	LA3	UNION BANK MM	07/01/2023	0.00	0.030		0.00	1	0.00	0.030	0.030	1
SYS16800	16800	TREAS	LA3	BMO Bank MM	07/01/2023	100,000,000.00	5.200		100,000,000.00	1	100,000,000.00	5.129	5.200	1
SYS16900	16900	TREAS	LA3	CENTRAL VALLEY COMM.	07/01/2023	50,000,000.00	5.000		50,000,000.00	1	50,000,000.00	4.932	5.000	1
SYS16950	16950	TREAS	LA3	UNITED SECURITY BANK	07/01/2023	0.00			0.00	1	0.00			1
3135G0V75	17652	TREAS	FAC	FEDERAL NATIONAL	09/26/2019	35,000,110.98	1.750	07/02/2024	35,000,000.00	1,741	35,000,000.00	1.608	1.631	1
3135G0V75	17656	TREAS	FAC	FEDERAL NATIONAL	10/16/2019	10,000,029.48	1.750	07/02/2024	10,000,000.00	1,721	10,000,000.00	1.617	1.639	1
3135G0V75	17659	TREAS	FAC	FEDERAL NATIONAL	10/23/2019	10,000,021.69	1.750	07/02/2024	10,000,000.00	1,714	10,000,000.00	1.645	1.668	1
3135G0V75	17660	TREAS	FAC	FEDERAL NATIONAL	10/28/2019	8,632,015.02	1.750	07/02/2024	8,632,000.00	1,709	8,632,000.00	1.661	1.684	1
3135G0V75	17661	TREAS	FAC	FEDERAL NATIONAL	11/05/2019	23,000,055.13	1.750	07/02/2024	23,000,000.00	1,701	23,000,000.00	1.637	1.660	1
3135G0V75	17663	TREAS	FAC	FEDERAL NATIONAL	11/08/2019	24,999,943.70	1.750	07/02/2024	25,000,000.00	1,698	25,000,000.00	1.810	1.835	1
3135G0V75	17668	TREAS	FAC	FEDERAL NATIONAL	12/06/2019	25,000,051.18	1.750	07/02/2024	25,000,000.00	1,670	25,000,000.00	1.650	1.673	1
3135G0V75	17669	TREAS	FAC	FEDERAL NATIONAL	12/06/2019	15,000,032.72	1.750	07/02/2024	15,000,000.00	1,670	15,000,000.00	1.645	1.668	1
3135G0V75	17670	TREAS	FAC	FEDERAL NATIONAL	12/09/2019	15,000,013.60	1.750	07/02/2024	15,000,000.00	1,667	15,000,000.00	1.692	1.716	1
3135G0V75	17671	TREAS	FAC	FEDERAL NATIONAL	12/09/2019	25,000,023.74	1.750	07/02/2024	25,000,000.00	1,667	25,000,000.00	1.691	1.714	1
3135G0V75	17673	TREAS	FAC	FEDERAL NATIONAL	12/12/2019	25,000,019.97	1.750	07/02/2024	25,000,000.00	1,664	25,000,000.00	1.696	1.720	1
3135G0V75	17675	TREAS	FAC	FEDERAL NATIONAL	12/13/2019	19,999,989.75	1.750	07/02/2024	20,000,000.00	1,663	20,000,000.00	1.745	1.769	1
742651DP4	17643	TREAS	FAC	PRIVATE EXPORT	07/15/2019	10,001,653.56	2.450	07/15/2024	10,000,000.00	1,827	10,000,000.00	1.974	2.001	14
742651DP4	17644	TREAS	FAC	PRIVATE EXPORT	07/15/2019	10,001,620.19	2.450	07/15/2024	10,000,000.00	1,827	10,000,000.00	1.982	2.010	14
3133EKHV1	17655	TREAS	FAC	FEDERAL FARM CREDIT	10/16/2019	2,293,029.40	2.450	07/22/2024	2,292,000.00	1,741	2,292,000.00	1.623	1.646	21
3133EKWV4	17647	TREAS	FAC	FEDERAL FARM CREDIT	08/28/2019	4,951,307.00	1.850	07/26/2024	4,950,000.00	1,794	4,950,000.00	1.435	1.455	25
3133EKWV4	17648	TREAS	FAC	FEDERAL FARM CREDIT	08/28/2019	15,003,862.63	1.850	07/26/2024	15,000,000.00	1,794	15,000,000.00	1.444	1.464	25
3133EKWV4	17649	TREAS	FAC	FEDERAL FARM CREDIT	09/13/2019	17,942,722.46	1.850	07/26/2024	17,941,000.00	1,778	17,941,000.00	1.682	1.705	25
89236TGM1	17653	TREAS	MTN	TOYOTA MOTOR CREDIT	10/15/2019	30,000,000.00	1.875	07/31/2024	30,000,000.00	1,751	30,000,000.00	1.850	1.875	30
912797JU2	18092	TREAS	ATD	US TREASURY BILL	05/03/2024	49,774,475.00	5.238	08/01/2024	50,000,000.00	90	50,000,000.00	5.381	5.456	31
3133X8EW8	17651	TREAS	FAC	FEDERAL HOME LOAN	09/26/2019	3,776,366.24	5.375	08/15/2024	3,760,000.00	1,785	3,760,000.00	1.630	1.653	45
3130AGWK7	17658	TREAS	FAC	FEDERAL HOME LOAN	10/23/2019	9,998,098.75	1.500	08/15/2024	10,000,000.00	1,758	10,000,000.00	1.640	1.662	45
3130AGWK7	17662	TREAS	FAC	FEDERAL HOME LOAN	11/05/2019	12,497,788.17	1.500	08/15/2024	12,500,000.00	1,745	12,500,000.00	1.628	1.651	45
3130AGWK7	17676	TREAS	FAC	FEDERAL HOME LOAN	12/18/2019	9,997,297.56	1.500	08/15/2024	10,000,000.00	1,702	10,000,000.00	1.707	1.731	45
30231GBC5	17695	TREAS	MTN	EXXON MOBIL	03/17/2020	4,999,369.89	2.019	08/16/2024	5,000,000.00	1,613	5,000,000.00	2.096	2.125	46

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												360	365	
30231GBC5	17696	TREAS	MTN	EXXON MOBIL	03/17/2020	4,999,280.68	2.019	08/16/2024	5,000,000.00	1,613	5,000,000.00	2.111	2.140	46
SYS16602	16602	TREAS	BCD	BMO Bank	08/24/2022	10,000,000.00	3.230	08/24/2024	10,000,000.00	731	10,000,000.00	3.186	3.230	54
912797KD8	18103	TREAS	ATD	US TREASURY BILL	06/05/2024	99,142,041.66	5.235	08/29/2024	100,000,000.00	85	100,000,000.00	5.374	5.449	59
3130A2UW4	17654	TREAS	FAC	FEDERAL HOME LOAN	10/15/2019	10,023,078.28	2.875	09/13/2024	10,000,000.00	1,795	10,000,000.00	1.645	1.668	74
13063DRK6	17657	TREAS	MUN	STATE OF CALIFORNIA	10/24/2019	50,058,168.26	2.400	10/01/2024	50,000,000.00	1,804	50,000,000.00	1.884	1.910	92
89236TGL3	17664	TREAS	MTN	TOYOTA MOTOR CREDIT	11/12/2019	9,998,683.74	2.000	10/07/2024	10,000,000.00	1,791	10,000,000.00	2.024	2.052	98
89236TGL3	17682	TREAS	MTN	TOYOTA MOTOR CREDIT	01/13/2020	21,407,575.54	2.000	10/07/2024	21,410,000.00	1,729	21,410,000.00	2.016	2.044	98
912797LT2	18105	TREAS	ATD	US TREASURY BILL	06/21/2024	49,233,266.66	5.208	10/15/2024	50,000,000.00	116	50,000,000.00	5.370	5.445	106
3130A3GE8	17693	TREAS	FAC	FEDERAL HOME LOAN	02/05/2020	5,026,977.91	2.750	12/13/2024	5,000,000.00	1,773	5,000,000.00	1.481	1.502	165
3135G0X24	17680	TREAS	FAC	FEDERAL NATIONAL	01/10/2020	49,978,056.76	1.625	01/07/2025	50,000,000.00	1,824	50,000,000.00	1.691	1.714	190
24422EVC0	17681	TREAS	MTN	JOHN DEERE	01/10/2020	3,924,589.83	2.050	01/09/2025	3,925,000.00	1,826	3,925,000.00	2.043	2.071	192
24422EVC0	17683	TREAS	MTN	JOHN DEERE	01/13/2020	9,998,566.97	2.050	01/09/2025	10,000,000.00	1,823	10,000,000.00	2.051	2.079	192
24422EVC0	17686	TREAS	MTN	JOHN DEERE	02/10/2020	10,011,032.69	2.050	01/09/2025	10,000,000.00	1,795	10,000,000.00	1.803	1.828	192
24422EVC0	17688	TREAS	MTN	JOHN DEERE	02/28/2020	5,011,586.53	2.050	01/09/2025	5,000,000.00	1,777	5,000,000.00	1.565	1.587	192
24422EVC0	17689	TREAS	MTN	JOHN DEERE	02/28/2020	10,023,425.38	2.050	01/09/2025	10,000,000.00	1,777	10,000,000.00	1.560	1.582	192
24422EVC0	17697	TREAS	MTN	JOHN DEERE	03/17/2020	5,006,118.68	2.050	01/09/2025	5,000,000.00	1,759	5,000,000.00	1.779	1.804	192
24422EVC0	17701	TREAS	MTN	JOHN DEERE	03/24/2020	4,479,337.98	2.050	01/09/2025	4,500,000.00	1,752	4,500,000.00	2.959	3.000	192
24422EVC0	17755	TREAS	MTN	JOHN DEERE	12/10/2020	8,272,194.15	2.050	01/09/2025	8,210,000.00	1,491	8,210,000.00	0.572	0.580	192
91282CDS7	18079	TREAS	TRC	US TREASURY NOTE	03/21/2024	49,053,983.95	1.125	01/15/2025	50,000,000.00	300	50,000,000.00	5.064	5.134	198
90331HPL1	17690	TREAS	MTN	US BANK NA	02/28/2020	5,010,828.13	2.050	01/21/2025	5,000,000.00	1,789	5,000,000.00	1.613	1.636	204
90331HPL1	17691	TREAS	MTN	US BANK NA	03/12/2020	5,012,675.24	2.050	01/21/2025	5,000,000.00	1,776	5,000,000.00	1.552	1.574	204
90331HPL1	17692	TREAS	MTN	US BANK NA	03/12/2020	5,011,772.44	2.050	01/21/2025	5,000,000.00	1,776	5,000,000.00	1.586	1.608	204
3133ELJM7	17712	TREAS	FAC	FEDERAL FARM CREDIT	05/19/2020	10,060,252.14	1.650	01/23/2025	10,000,000.00	1,710	10,000,000.00	0.553	0.561	206
91282CDZ1	18078	TREAS	TRC	US TREASURY NOTE	03/21/2024	48,972,193.27	1.500	02/15/2025	50,000,000.00	331	50,000,000.00	5.074	5.144	229
30231GAF9	18080	TREAS	MTN	EXXON MOBIL	04/01/2024	19,720,222.01	2.709	03/06/2025	20,000,000.00	339	20,000,000.00	5.054	5.124	248
30231GBH4	17699	TREAS	MTN	EXXON MOBIL	03/19/2020	5,000,000.00	2.992	03/19/2025	5,000,000.00	1,826	5,000,000.00	2.951	2.992	261
13063DGB8	17766	TREAS	MUN	STATE OF CALIFORNIA	01/11/2021	7,651,235.53	3.375	04/01/2025	7,500,000.00	1,541	7,500,000.00	0.636	0.645	274
166764BW9	17710	TREAS	MTN	CHEVRON CORP	05/11/2020	5,000,000.00	1.554	05/11/2025	5,000,000.00	1,826	5,000,000.00	1.533	1.554	314
3133ELZM9	17711	TREAS	FAC	FEDERAL FARM CREDIT	05/19/2020	45,528,200.06	0.500	05/14/2025	45,559,000.00	1,821	45,559,000.00	0.571	0.579	317
912828XB1	18081	TREAS	TRC	US TREASURY NOTE	03/28/2024	97,672,026.33	2.125	05/15/2025	100,000,000.00	413	100,000,000.00	4.834	4.901	318
46632FRT4	17756	TREAS	MTN	JP MORGAN	12/14/2020	60,000,000.00	0.580	05/29/2025	60,000,000.00	1,627	60,000,000.00	0.572	0.580	332
3135G04Z3	17732	TREAS	FAC	FEDERAL NATIONAL	09/11/2020	20,012,347.93	0.500	06/17/2025	20,000,000.00	1,740	20,000,000.00	0.429	0.435	351
3135G04Z3	17733	TREAS	FAC	FEDERAL NATIONAL	09/24/2020	50,035,158.72	0.500	06/17/2025	50,000,000.00	1,727	50,000,000.00	0.420	0.426	351
3135G04Z3	17734	TREAS	FAC	FEDERAL NATIONAL	09/28/2020	20,018,328.43	0.500	06/17/2025	20,000,000.00	1,723	20,000,000.00	0.398	0.404	351
3135G04Z3	17735	TREAS	FAC	FEDERAL NATIONAL	09/28/2020	50,045,647.97	0.500	06/17/2025	50,000,000.00	1,723	50,000,000.00	0.398	0.404	351
3135G04Z3	17736	TREAS	FAC	FEDERAL NATIONAL	10/01/2020	75,065,609.43	0.500	06/17/2025	75,000,000.00	1,720	75,000,000.00	0.402	0.408	351
3135G04Z3	17746	TREAS	FAC	FEDERAL NATIONAL	11/24/2020	10,004,654.05	0.500	06/17/2025	10,000,000.00	1,666	10,000,000.00	0.445	0.451	351
3137EAEU9	17724	TREAS	FAC	FEDERAL HOME	07/23/2020	64,931,587.32	0.375	07/21/2025	65,000,000.00	1,824	65,000,000.00	0.469	0.476	385
3137EAEU9	17731	TREAS	FAC	FEDERAL HOME	09/10/2020	29,982,812.11	0.375	07/21/2025	30,000,000.00	1,775	30,000,000.00	0.424	0.430	385
166756AE6	17725	TREAS	MTN	CHEVRON CORP	08/12/2020	3,000,000.00	0.687	08/12/2025	3,000,000.00	1,826	3,000,000.00	0.678	0.687	407

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
166756AE6	17726	TREAS	MTN	CHEVRON CORP	08/13/2020	4,499,360.05	0.687	08/12/2025	4,500,000.00	1,825	4,500,000.00	0.690	0.700	407
166756AE6	17727	TREAS	MTN	CHEVRON CORP	08/13/2020	8,998,716.09	0.687	08/12/2025	9,000,000.00	1,825	9,000,000.00	0.690	0.700	407
166756AE6	17728	TREAS	MTN	CHEVRON CORP	08/13/2020	4,999,286.71	0.687	08/12/2025	5,000,000.00	1,825	5,000,000.00	0.690	0.700	407
166756AE6	17745	TREAS	MTN	CHEVRON CORP	11/05/2020	9,992,241.57	0.687	08/12/2025	10,000,000.00	1,741	10,000,000.00	0.748	0.758	407
02079KAH0	17773	TREAS	MTN	ALPHABET INC	01/19/2021	19,973,447.92	0.450	08/15/2025	20,000,000.00	1,669	20,000,000.00	0.562	0.570	410
02079KAH0	17776	TREAS	MTN	ALPHABET INC	01/20/2021	4,995,018.15	0.450	08/15/2025	5,000,000.00	1,668	5,000,000.00	0.533	0.540	410
02079KAH0	17777	TREAS	MTN	ALPHABET INC	01/20/2021	4,995,014.47	0.450	08/15/2025	5,000,000.00	1,668	5,000,000.00	0.533	0.540	410
037833DX5	17729	TREAS	MTN	APPLE INC	08/20/2020	9,994,637.56	0.550	08/20/2025	10,000,000.00	1,826	10,000,000.00	0.590	0.598	415
037833DX5	17772	TREAS	MTN	APPLE INC	01/19/2021	14,990,431.48	0.550	08/20/2025	15,000,000.00	1,674	15,000,000.00	0.599	0.607	415
037833DX5	17782	TREAS	MTN	APPLE INC	01/25/2021	9,996,640.98	0.550	08/20/2025	10,000,000.00	1,668	10,000,000.00	0.572	0.580	415
3135G05X7	17730	TREAS	FAC	FEDERAL NATIONAL	08/27/2020	124,865,300.33	0.375	08/25/2025	125,000,000.00	1,824	125,000,000.00	0.463	0.470	420
3135G05X7	17747	TREAS	FAC	FEDERAL NATIONAL	11/24/2020	9,987,853.42	0.375	08/25/2025	10,000,000.00	1,735	10,000,000.00	0.475	0.482	420
3135G05X7	17748	TREAS	FAC	FEDERAL NATIONAL	11/24/2020	9,987,829.22	0.375	08/25/2025	10,000,000.00	1,735	10,000,000.00	0.476	0.482	420
478160CN2	17784	TREAS	MTN	JOHNSON & JOHNSON	02/02/2021	5,000,000.00	0.550	09/01/2025	5,000,000.00	1,672	5,000,000.00	0.542	0.550	427
478160CN2	17786	TREAS	MTN	JOHNSON & JOHNSON	02/04/2021	5,000,000.00	0.550	09/01/2025	5,000,000.00	1,670	5,000,000.00	0.542	0.550	427
3137EAXE3	17741	TREAS	FAC	FEDERAL HOME	10/08/2020	49,934,554.29	0.375	09/23/2025	50,000,000.00	1,811	50,000,000.00	0.476	0.483	449
89236THP3	17743	TREAS	MTN	TOYOTA MOTOR CREDIT	10/16/2020	6,996,998.17	0.800	10/16/2025	7,000,000.00	1,826	7,000,000.00	0.823	0.834	472
742718FL8	17780	TREAS	MTN	PROCTER & GAMBLE	01/22/2021	12,200,000.00	0.550	10/29/2025	12,200,000.00	1,741	12,200,000.00	0.542	0.550	485
13063DYW2	17744	TREAS	MUN	STATE OF CALIFORNIA	11/03/2020	52,209,812.28	3.000	11/01/2025	50,685,000.00	1,824	50,685,000.00	0.690	0.700	488
3135G06G3	17754	TREAS	FAC	FEDERAL NATIONAL	12/07/2020	24,994,336.86	0.500	11/07/2025	25,000,000.00	1,796	25,000,000.00	0.510	0.517	494
89236THW8	17767	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	4,998,217.02	0.800	01/09/2026	5,000,000.00	1,824	5,000,000.00	0.813	0.824	557
89236THW8	17768	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	4,998,948.50	0.800	01/09/2026	5,000,000.00	1,824	5,000,000.00	0.803	0.814	557
89236THW8	17769	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	5,498,689.13	0.800	01/09/2026	5,500,000.00	1,824	5,500,000.00	0.805	0.816	557
89236THW8	17770	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	5,268,822.65	0.800	01/09/2026	5,270,000.00	1,824	5,270,000.00	0.804	0.815	557
24422EVK2	17774	TREAS	MTN	JOHN DEERE	01/20/2021	9,190,998.97	0.700	01/15/2026	9,200,000.00	1,821	9,200,000.00	0.754	0.765	563
24422EVK2	17775	TREAS	MTN	JOHN DEERE	01/20/2021	4,506,666.29	0.700	01/15/2026	4,510,000.00	1,821	4,510,000.00	0.739	0.749	563
24422EVK2	17778	TREAS	MTN	JOHN DEERE	01/21/2021	9,996,973.69	0.700	01/15/2026	10,000,000.00	1,820	10,000,000.00	0.710	0.720	563
24422EVK2	17779	TREAS	MTN	JOHN DEERE	01/21/2021	4,998,486.85	0.700	01/15/2026	5,000,000.00	1,820	5,000,000.00	0.710	0.720	563
24422EVK2	17781	TREAS	MTN	JOHN DEERE	01/22/2021	4,997,358.23	0.700	01/15/2026	5,000,000.00	1,819	5,000,000.00	0.725	0.735	563
3133EMPC0	17783	TREAS	FAC	FEDERAL FARM CREDIT	01/29/2021	124,992,229.44	0.460	01/29/2026	125,000,000.00	1,826	125,000,000.00	0.458	0.464	577
91282CBH3	17795	TREAS	TRC	US TREASURY NOTE	03/08/2021	19,866,065.82	0.375	01/31/2026	20,000,000.00	1,790	20,000,000.00	0.796	0.807	579
037833EB2	17785	TREAS	MTN	APPLE INC	02/08/2021	9,992,787.50	0.700	02/08/2026	10,000,000.00	1,826	10,000,000.00	0.736	0.746	587
037833EB2	17787	TREAS	MTN	APPLE INC	02/08/2021	19,986,472.56	0.700	02/08/2026	20,000,000.00	1,826	20,000,000.00	0.733	0.743	587
912828P46	17791	TREAS	TRC	US TREASURY NOTE	02/26/2021	30,402,698.86	1.625	02/15/2026	30,000,000.00	1,815	30,000,000.00	0.771	0.782	594
13063DMA3	17866	TREAS	MUN	STATE OF CALIFORNIA	12/17/2021	10,230,415.16	2.650	04/01/2026	10,000,000.00	1,566	10,000,000.00	1.274	1.292	639
91282CBW0	17798	TREAS	TRC	US TREASURY NOTE	05/03/2021	19,956,772.83	0.750	04/30/2026	20,000,000.00	1,823	20,000,000.00	0.859	0.871	668
91282CBW0	17800	TREAS	TRC	US TREASURY NOTE	05/12/2021	29,948,215.27	0.750	04/30/2026	30,000,000.00	1,814	30,000,000.00	0.835	0.847	668
912828R36	17801	TREAS	TRC	US TREASURY NOTE	05/18/2021	30,434,660.84	1.625	05/15/2026	30,000,000.00	1,823	30,000,000.00	0.821	0.832	683
912828R36	17802	TREAS	TRC	US TREASURY NOTE	05/19/2021	20,292,861.55	1.625	05/15/2026	20,000,000.00	1,822	20,000,000.00	0.813	0.824	683
912828R36	17803	TREAS	TRC	US TREASURY NOTE	05/20/2021	20,276,613.12	1.625	05/15/2026	20,000,000.00	1,821	20,000,000.00	0.856	0.868	683

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
91282CCF6	17805	TREAS	TRC	US TREASURY NOTE	06/16/2021	19,986,724.79	0.750	05/31/2026	20,000,000.00	1,810	20,000,000.00	0.775	0.785	699
91282CCF6	17808	TREAS	TRC	US TREASURY NOTE	06/17/2021	39,936,002.28	0.750	05/31/2026	40,000,000.00	1,809	40,000,000.00	0.824	0.835	699
91282CCF6	17809	TREAS	TRC	US TREASURY NOTE	06/17/2021	39,925,134.74	0.750	05/31/2026	40,000,000.00	1,809	40,000,000.00	0.838	0.850	699
91282CCF6	17810	TREAS	TRC	US TREASURY NOTE	06/17/2021	19,944,454.81	0.750	05/31/2026	20,000,000.00	1,809	20,000,000.00	0.886	0.899	699
3133XG6E9	17829	TREAS	FAC	FEDERAL HOME LOAN	07/14/2021	16,399,428.74	5.750	06/12/2026	15,000,000.00	1,794	15,000,000.00	0.836	0.848	711
3130AN4T4	17830	TREAS	FAC	FEDERAL HOME LOAN	07/14/2021	22,010,354.02	0.875	06/12/2026	22,000,000.00	1,794	22,000,000.00	0.839	0.850	711
3130AN4T4	17831	TREAS	FAC	FEDERAL HOME LOAN	08/09/2021	9,266,591.94	0.875	06/12/2026	9,250,000.00	1,768	9,250,000.00	0.770	0.781	711
3130AN4T4	17832	TREAS	FAC	FEDERAL HOME LOAN	08/09/2021	12,020,752.50	0.875	06/12/2026	12,000,000.00	1,768	12,000,000.00	0.774	0.784	711
3130AN4T4	17833	TREAS	FAC	FEDERAL HOME LOAN	08/11/2021	50,054,296.30	0.875	06/12/2026	50,000,000.00	1,766	50,000,000.00	0.807	0.818	711
91282CCJ8	17823	TREAS	TRC	US TREASURY NOTE	06/30/2021	29,950,415.22	0.875	06/30/2026	30,000,000.00	1,826	30,000,000.00	0.947	0.960	729
91282CCJ8	17824	TREAS	TRC	US TREASURY NOTE	06/30/2021	29,985,392.73	0.875	06/30/2026	30,000,000.00	1,826	30,000,000.00	0.888	0.900	729
91282CCJ8	17827	TREAS	TRC	US TREASURY NOTE	06/30/2021	29,965,378.99	0.875	06/30/2026	30,000,000.00	1,826	30,000,000.00	0.922	0.934	729
3133EMP48	17825	TREAS	FAC	FEDERAL FARM CREDIT	07/01/2021	29,988,120.00	0.900	07/01/2026	30,000,000.00	1,826	30,000,000.00	0.908	0.920	730
3133EMP48	17826	TREAS	FAC	FEDERAL FARM CREDIT	07/01/2021	19,991,440.00	0.900	07/01/2026	20,000,000.00	1,826	20,000,000.00	0.909	0.922	730
3130AN6L9	17828	TREAS	FAC	FEDERAL HOME LOAN	07/14/2021	10,744,484.89	0.820	07/08/2026	10,750,000.00	1,820	10,750,000.00	0.834	0.846	737
91282CCP4	17838	TREAS	TRC	US TREASURY NOTE	08/26/2021	49,798,784.72	0.625	07/31/2026	50,000,000.00	1,800	50,000,000.00	0.811	0.823	760
91282CCP4	17839	TREAS	TRC	US TREASURY NOTE	09/07/2021	49,843,924.78	0.625	07/31/2026	50,000,000.00	1,788	50,000,000.00	0.767	0.778	760
91282CCP4	17840	TREAS	TRC	US TREASURY NOTE	09/08/2021	24,908,628.29	0.625	07/31/2026	25,000,000.00	1,787	25,000,000.00	0.793	0.804	760
91282CCP4	17854	TREAS	TRC	US TREASURY NOTE	10/19/2021	19,788,820.88	0.625	07/31/2026	20,000,000.00	1,746	20,000,000.00	1.132	1.148	760
91282CCP4	17855	TREAS	TRC	US TREASURY NOTE	10/25/2021	19,763,182.47	0.625	07/31/2026	20,000,000.00	1,740	20,000,000.00	1.195	1.212	760
91282CCP4	17856	TREAS	TRC	US TREASURY NOTE	10/28/2021	4,949,068.08	0.625	07/31/2026	5,000,000.00	1,737	5,000,000.00	1.113	1.129	760
91282CCP4	17862	TREAS	TRC	US TREASURY NOTE	11/01/2021	19,775,245.24	0.625	07/31/2026	20,000,000.00	1,733	20,000,000.00	1.165	1.182	760
91282CCP4	17867	TREAS	TRC	US TREASURY NOTE	12/21/2021	49,472,575.01	0.625	07/31/2026	50,000,000.00	1,683	50,000,000.00	1.131	1.146	760
3133EM4A7	17837	TREAS	FAC	FEDERAL FARM CREDIT	08/27/2021	49,994,718.89	0.800	08/27/2026	50,000,000.00	1,826	50,000,000.00	0.794	0.805	787
91282CCW9	17836	TREAS	TRC	US TREASURY NOTE	08/31/2021	49,957,607.64	0.750	08/31/2026	50,000,000.00	1,826	50,000,000.00	0.779	0.790	791
91282CCW9	17843	TREAS	TRC	US TREASURY NOTE	09/13/2021	19,971,368.24	0.750	08/31/2026	20,000,000.00	1,813	20,000,000.00	0.806	0.818	791
91282CCW9	17844	TREAS	TRC	US TREASURY NOTE	09/17/2021	19,965,155.99	0.750	08/31/2026	20,000,000.00	1,809	20,000,000.00	0.821	0.832	791
91282CCW9	17853	TREAS	TRC	US TREASURY NOTE	10/12/2021	19,883,264.87	0.750	08/31/2026	20,000,000.00	1,784	20,000,000.00	1.013	1.027	791
3130A8XY4	17845	TREAS	FAC	FEDERAL HOME LOAN	09/20/2021	6,652,306.81	1.875	09/11/2026	6,515,000.00	1,817	6,515,000.00	0.879	0.891	802
3130A8XY4	17848	TREAS	FAC	FEDERAL HOME LOAN	09/23/2021	14,278,526.95	1.875	09/11/2026	13,980,000.00	1,814	13,980,000.00	0.866	0.878	802
931142ER0	17842	TREAS	MTN	WALMART	09/17/2021	19,983,284.00	1.050	09/17/2026	20,000,000.00	1,826	20,000,000.00	1.074	1.089	808
931142ER0	17846	TREAS	MTN	WALMART	09/21/2021	10,000,000.00	1.050	09/17/2026	10,000,000.00	1,822	10,000,000.00	1.036	1.050	808
931142ER0	17847	TREAS	MTN	WALMART	09/21/2021	10,000,000.00	1.050	09/17/2026	10,000,000.00	1,822	10,000,000.00	1.036	1.050	808
931142ER0	17849	TREAS	MTN	WALMART	09/27/2021	10,000,000.00	1.050	09/17/2026	10,000,000.00	1,816	10,000,000.00	1.036	1.050	808
91282CCZ2	17850	TREAS	TRC	US TREASURY NOTE	09/30/2021	19,975,891.56	0.875	09/30/2026	20,000,000.00	1,826	20,000,000.00	0.917	0.930	821
91282CCZ2	17851	TREAS	TRC	US TREASURY NOTE	09/30/2021	29,893,567.31	0.875	09/30/2026	30,000,000.00	1,826	30,000,000.00	1.023	1.037	821
91282CCZ2	17852	TREAS	TRC	US TREASURY NOTE	09/30/2021	29,917,804.46	0.875	09/30/2026	30,000,000.00	1,826	30,000,000.00	0.987	1.000	821
13063DK31	17863	TREAS	MUN	STATE OF CALIFORNIA	11/17/2021	16,649,442.29	1.250	10/01/2026	16,635,000.00	1,779	16,635,000.00	1.194	1.210	822
13063DRD2	17871	TREAS	MUN	STATE OF CALIFORNIA	01/05/2022	7,992,729.73	2.375	10/01/2026	7,840,000.00	1,730	7,840,000.00	1.455	1.475	822
13063DRD2	17881	TREAS	MUN	STATE OF CALIFORNIA	02/01/2022	16,389,229.21	2.375	10/01/2026	16,175,000.00	1,703	16,175,000.00	1.735	1.759	822

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
13063DRD2	17892	TREAS	MUN	STATE OF CALIFORNIA	03/11/2022	15,078,975.00	2.375	10/01/2026	15,000,000.00	1,665	15,000,000.00	2.099	2.128	822
13063D3A4	17980	TREAS	MUN	STATE OF CALIFORNIA	02/14/2023	8,951,935.41	5.700	10/01/2026	8,710,000.00	1,325	8,710,000.00	4.290	4.350	822
91282CDG3	17859	TREAS	TRC	US TREASURY NOTE	11/01/2021	29,940,411.87	1.125	10/31/2026	30,000,000.00	1,825	30,000,000.00	1.196	1.213	852
91282CDG3	17860	TREAS	TRC	US TREASURY NOTE	11/01/2021	19,955,322.33	1.125	10/31/2026	20,000,000.00	1,825	20,000,000.00	1.207	1.224	852
91282CDG3	17861	TREAS	TRC	US TREASURY NOTE	11/01/2021	49,909,730.31	1.125	10/31/2026	50,000,000.00	1,825	50,000,000.00	1.188	1.205	852
91282CDG3	17864	TREAS	TRC	US TREASURY NOTE	11/23/2021	19,916,566.14	1.125	10/31/2026	20,000,000.00	1,803	20,000,000.00	1.292	1.310	852
91282CDG3	17875	TREAS	TRC	US TREASURY NOTE	01/10/2022	29,743,990.38	1.125	10/31/2026	30,000,000.00	1,755	30,000,000.00	1.485	1.506	852
91282CDG3	17877	TREAS	TRC	US TREASURY NOTE	01/19/2022	29,658,038.02	1.125	10/31/2026	30,000,000.00	1,746	30,000,000.00	1.613	1.635	852
3130AQF65	17868	TREAS	FAC	FEDERAL HOME LOAN	12/22/2021	99,866,376.32	1.250	12/21/2026	100,000,000.00	1,825	100,000,000.00	1.287	1.305	903
3130AQF65	17869	TREAS	FAC	FEDERAL HOME LOAN	12/22/2021	24,827,371.49	1.250	12/21/2026	24,860,000.00	1,825	24,860,000.00	1.286	1.304	903
3130AQF65	17872	TREAS	FAC	FEDERAL HOME LOAN	01/06/2022	24,197,099.10	1.250	12/21/2026	24,300,000.00	1,810	24,300,000.00	1.408	1.428	903
91282CDQ1	17870	TREAS	TRC	US TREASURY NOTE	12/31/2021	49,987,922.50	1.250	12/31/2026	50,000,000.00	1,826	50,000,000.00	1.243	1.260	913
91282CDQ1	17873	TREAS	TRC	US TREASURY NOTE	01/06/2022	29,896,535.03	1.250	12/31/2026	30,000,000.00	1,820	30,000,000.00	1.374	1.393	913
91282CDQ1	17874	TREAS	TRC	US TREASURY NOTE	01/07/2022	29,840,011.68	1.250	12/31/2026	30,000,000.00	1,819	30,000,000.00	1.452	1.472	913
3133ENKV1	17879	TREAS	FAC	FEDERAL FARM CREDIT	01/27/2022	49,800,851.06	1.500	01/13/2027	50,000,000.00	1,812	50,000,000.00	1.642	1.664	926
3133ENKV1	17880	TREAS	FAC	FEDERAL FARM CREDIT	01/27/2022	49,812,187.23	1.500	01/13/2027	50,000,000.00	1,812	50,000,000.00	1.632	1.655	926
89236TJV8	17884	TREAS	MTN	TOYOTA MOTOR CREDIT	03/07/2022	11,481,430.46	1.900	01/13/2027	11,581,000.00	1,773	11,581,000.00	2.229	2.260	926
912828Z78	17878	TREAS	TRC	US TREASURY NOTE	01/31/2022	49,840,506.65	1.500	01/31/2027	50,000,000.00	1,826	50,000,000.00	1.607	1.629	944
912828Z78	17883	TREAS	TRC	US TREASURY NOTE	02/28/2022	19,795,731.37	1.500	01/31/2027	20,000,000.00	1,798	20,000,000.00	1.890	1.916	944
594918BY9	17961	TREAS	MTN	MICROSOFT	12/19/2022	9,816,018.16	3.300	02/06/2027	10,000,000.00	1,510	10,000,000.00	4.020	4.076	950
3133ENNS5	17882	TREAS	FAC	FEDERAL FARM CREDIT	02/28/2022	49,831,770.97	1.800	02/16/2027	50,000,000.00	1,814	50,000,000.00	1.908	1.935	960
13063D3N6	18000	TREAS	MUN	STATE OF CALIFORNIA	03/15/2023	22,000,000.00	4.846	03/01/2027	22,000,000.00	1,447	22,000,000.00	4.780	4.847	973
3133ENRD4	17893	TREAS	FAC	FEDERAL FARM CREDIT	03/15/2022	9,872,275.54	1.680	03/10/2027	10,000,000.00	1,821	10,000,000.00	2.153	2.183	982
084664CZ2	17890	TREAS	MTN	BERKSHIRE HATHAWAY	03/15/2022	59,993,831.33	2.300	03/15/2027	60,000,000.00	1,826	60,000,000.00	2.272	2.304	987
084664CZ2	17891	TREAS	MTN	BERKSHIRE HATHAWAY	03/15/2022	9,959,470.78	2.300	03/15/2027	10,000,000.00	1,826	10,000,000.00	2.426	2.460	987
931142CH4	17901	TREAS	MTN	WALMART	07/18/2022	5,440,132.05	5.875	04/05/2027	5,125,000.00	1,722	5,125,000.00	3.395	3.442	1,008
037833CR9	17895	TREAS	MTN	APPLE INC	06/13/2022	9,943,140.27	3.200	05/11/2027	10,000,000.00	1,793	10,000,000.00	3.370	3.417	1,044
037833CR9	17899	TREAS	MTN	APPLE INC	07/01/2022	4,939,877.43	3.200	05/11/2027	5,000,000.00	1,775	5,000,000.00	3.612	3.662	1,044
037833CR9	17902	TREAS	MTN	APPLE INC	07/27/2022	9,985,601.51	3.200	05/11/2027	10,000,000.00	1,749	10,000,000.00	3.209	3.254	1,044
037833CR9	17903	TREAS	MTN	APPLE INC	07/27/2022	4,995,250.29	3.200	05/11/2027	5,000,000.00	1,749	5,000,000.00	3.191	3.235	1,044
037833CR9	17905	TREAS	MTN	APPLE INC	08/23/2022	9,934,566.49	3.200	05/11/2027	10,000,000.00	1,722	10,000,000.00	3.402	3.449	1,044
166764BX7	17919	TREAS	MTN	CHEVRON CORP	09/02/2022	9,552,300.65	1.995	05/11/2027	10,000,000.00	1,712	10,000,000.00	3.663	3.714	1,044
166764BX7	17957	TREAS	MTN	CHEVRON CORP	12/02/2022	4,681,550.28	1.995	05/11/2027	5,000,000.00	1,621	5,000,000.00	4.413	4.474	1,044
166764BX7	17959	TREAS	MTN	CHEVRON CORP	12/08/2022	4,705,874.54	1.995	05/11/2027	5,000,000.00	1,615	5,000,000.00	4.214	4.273	1,044
166764BX7	17995	TREAS	MTN	CHEVRON CORP	03/02/2023	18,591,445.99	1.995	05/11/2027	20,000,000.00	1,531	20,000,000.00	4.672	4.737	1,044
912828X88	17897	TREAS	TRC	US TREASURY NOTE	06/22/2022	48,644,574.94	2.375	05/15/2027	50,000,000.00	1,788	50,000,000.00	3.361	3.408	1,048
912828X88	17898	TREAS	TRC	US TREASURY NOTE	06/22/2022	48,644,574.94	2.375	05/15/2027	50,000,000.00	1,788	50,000,000.00	3.361	3.408	1,048
912828X88	17954	TREAS	TRC	US TREASURY NOTE	11/22/2022	47,816,666.67	2.375	05/15/2027	50,000,000.00	1,635	50,000,000.00	3.997	4.053	1,048
3130AU2B9	17955	TREAS	FAC	FEDERAL HOME LOAN	12/05/2022	49,961,593.79	4.000	06/04/2027	50,000,000.00	1,642	50,000,000.00	3.974	4.029	1,068
037833CX6	17921	TREAS	MTN	APPLE INC	09/02/2022	9,840,175.84	3.000	06/20/2027	10,000,000.00	1,752	10,000,000.00	3.541	3.590	1,084

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
3133ENW22	17947	TREAS	FAC	FEDERAL FARM CREDIT	10/28/2022	24,998,846.07	4.430	06/28/2027	25,000,000.00	1,704	25,000,000.00	4.372	4.433	1,092
912828ZV5	17960	TREAS	TRC	US TREASURY NOTE	12/13/2022	27,242,860.50	0.500	06/30/2027	30,000,000.00	1,660	30,000,000.00	3.820	3.873	1,094
91282CEW7	17963	TREAS	TRC	US TREASURY NOTE	12/23/2022	29,521,375.00	3.250	06/30/2027	30,000,000.00	1,650	30,000,000.00	3.782	3.835	1,094
3130AU2J2	17956	TREAS	FAC	FEDERAL HOME LOAN	12/06/2022	14,965,556.18	4.000	07/06/2027	15,000,000.00	1,673	15,000,000.00	4.029	4.085	1,100
3133EPAU9	17978	TREAS	FAC	FEDERAL FARM CREDIT	02/14/2023	19,949,022.62	3.875	07/14/2027	20,000,000.00	1,611	20,000,000.00	3.914	3.968	1,108
3133ENP53	17932	TREAS	FAC	FEDERAL FARM CREDIT	09/27/2022	24,978,340.83	3.750	07/27/2027	25,000,000.00	1,764	25,000,000.00	3.730	3.782	1,121
3133ENP53	17938	TREAS	FAC	FEDERAL FARM CREDIT	09/28/2022	49,520,743.93	3.750	07/27/2027	50,000,000.00	1,763	50,000,000.00	4.042	4.098	1,121
3133ENR36	17943	TREAS	FAC	FEDERAL FARM CREDIT	10/06/2022	24,979,969.32	4.050	07/27/2027	25,000,000.00	1,755	25,000,000.00	4.024	4.080	1,121
91282CFB2	17922	TREAS	TRC	US TREASURY NOTE	09/07/2022	48,992,305.47	2.750	07/31/2027	50,000,000.00	1,788	50,000,000.00	3.419	3.466	1,125
91282CFB2	17928	TREAS	TRC	US TREASURY NOTE	09/14/2022	29,265,686.41	2.750	07/31/2027	30,000,000.00	1,781	30,000,000.00	3.574	3.623	1,125
91282CFB2	17934	TREAS	TRC	US TREASURY NOTE	09/26/2022	28,937,263.73	2.750	07/31/2027	30,000,000.00	1,769	30,000,000.00	3.971	4.026	1,125
91282CFB2	17967	TREAS	TRC	US TREASURY NOTE	12/27/2022	29,028,329.05	2.750	07/31/2027	30,000,000.00	1,677	30,000,000.00	3.854	3.908	1,125
91282CFB2	17968	TREAS	TRC	US TREASURY NOTE	12/28/2022	48,293,054.99	2.750	07/31/2027	50,000,000.00	1,676	50,000,000.00	3.918	3.972	1,125
91282CFB2	17969	TREAS	TRC	US TREASURY NOTE	12/28/2022	48,256,346.49	2.750	07/31/2027	50,000,000.00	1,676	50,000,000.00	3.944	3.999	1,125
742718EV7	17942	TREAS	MTN	PROCTER & GAMBLE	10/05/2022	9,572,142.04	2.850	08/11/2027	10,000,000.00	1,771	10,000,000.00	4.331	4.391	1,136
166756AL0	17904	TREAS	MTN	CHEVRON CORP	08/23/2022	4,642,548.88	1.018	08/12/2027	5,000,000.00	1,815	5,000,000.00	3.493	3.542	1,137
166756AL0	17915	TREAS	MTN	CHEVRON CORP	08/31/2022	9,250,988.21	1.018	08/12/2027	10,000,000.00	1,807	10,000,000.00	3.620	3.670	1,137
166756AL0	17920	TREAS	MTN	CHEVRON CORP	09/02/2022	13,837,167.18	1.018	08/12/2027	15,000,000.00	1,805	15,000,000.00	3.718	3.770	1,137
166756AL0	17930	TREAS	MTN	CHEVRON CORP	09/16/2022	8,066,588.82	1.018	08/12/2027	8,823,000.00	1,791	8,823,000.00	4.028	4.084	1,137
166756AL0	17933	TREAS	MTN	CHEVRON CORP	09/23/2022	4,543,474.50	1.018	08/12/2027	5,000,000.00	1,784	5,000,000.00	4.241	4.300	1,137
166756AL0	17946	TREAS	MTN	CHEVRON CORP	10/14/2022	4,482,379.22	1.018	08/12/2027	5,000,000.00	1,763	5,000,000.00	4.715	4.780	1,137
166756AL0	17958	TREAS	MTN	CHEVRON CORP	12/08/2022	4,554,389.19	1.018	08/12/2027	5,000,000.00	1,708	5,000,000.00	4.142	4.200	1,137
89236THG3	17940	TREAS	MTN	TOYOTA MOTOR CREDIT	09/28/2022	4,477,390.94	1.150	08/13/2027	5,000,000.00	1,780	5,000,000.00	4.899	4.967	1,138
02079KAJ6	17927	TREAS	MTN	ALPHABET INC	09/12/2022	4,598,612.18	0.800	08/15/2027	5,000,000.00	1,798	5,000,000.00	3.581	3.631	1,140
02079KAJ6	17929	TREAS	MTN	ALPHABET INC	09/15/2022	4,572,800.62	0.800	08/15/2027	5,000,000.00	1,795	5,000,000.00	3.776	3.828	1,140
02079KAJ6	17945	TREAS	MTN	ALPHABET INC	10/14/2022	6,741,169.26	0.800	08/15/2027	7,500,000.00	1,766	7,500,000.00	4.375	4.436	1,140
912810FA1	17964	TREAS	TRC	US TREASURY NOTE	12/23/2022	26,801,205.04	6.375	08/15/2027	25,000,000.00	1,696	25,000,000.00	3.781	3.833	1,140
912810FA1	17965	TREAS	TRC	US TREASURY NOTE	12/23/2022	26,801,205.04	6.375	08/15/2027	25,000,000.00	1,696	25,000,000.00	3.781	3.833	1,140
912810FA1	17966	TREAS	TRC	US TREASURY NOTE	12/23/2022	32,170,898.44	6.375	08/15/2027	30,000,000.00	1,696	30,000,000.00	3.770	3.823	1,140
3133ENJ50	17906	TREAS	FAC	FEDERAL FARM CREDIT	08/26/2022	12,962,046.86	3.125	08/26/2027	13,000,000.00	1,826	13,000,000.00	3.182	3.226	1,151
478160CP7	17926	TREAS	MTN	JOHNSON & JOHNSON	09/12/2022	4,614,241.59	0.950	09/01/2027	5,000,000.00	1,815	5,000,000.00	3.585	3.635	1,157
478160CP7	17941	TREAS	MTN	JOHNSON & JOHNSON	09/28/2022	4,506,321.49	0.950	09/01/2027	5,000,000.00	1,799	5,000,000.00	4.396	4.457	1,157
931142EX7	17923	TREAS	MTN	WALMART	09/09/2022	6,990,356.80	3.950	09/09/2027	7,000,000.00	1,826	7,000,000.00	3.943	3.998	1,165
931142EX7	17924	TREAS	MTN	WALMART	09/09/2022	9,997,959.11	3.950	09/09/2027	10,000,000.00	1,826	10,000,000.00	3.903	3.957	1,165
931142EX7	17931	TREAS	MTN	WALMART	09/22/2022	9,917,018.94	3.950	09/09/2027	10,000,000.00	1,813	10,000,000.00	4.183	4.241	1,165
3130ASVS5	17918	TREAS	FAC	FEDERAL HOME LOAN	09/12/2022	15,474,481.94	3.000	09/10/2027	15,650,000.00	1,824	15,650,000.00	3.337	3.384	1,166
037833DB3	17925	TREAS	MTN	APPLE INC	09/12/2022	24,303,325.28	2.900	09/12/2027	25,000,000.00	1,826	25,000,000.00	3.814	3.867	1,168
037833DB3	17962	TREAS	MTN	APPLE INC	12/20/2022	9,643,852.74	2.900	09/12/2027	10,000,000.00	1,727	10,000,000.00	4.080	4.137	1,168
3133EHYG2	17917	TREAS	FAC	FEDERAL FARM CREDIT	09/13/2022	18,957,619.20	2.430	09/13/2027	19,500,000.00	1,826	19,500,000.00	3.336	3.382	1,169
13063D2U1	17953	TREAS	MUN	STATE OF CALIFORNIA	11/17/2022	58,828,671.42	5.250	10/01/2027	58,115,000.00	1,779	58,115,000.00	4.757	4.823	1,187

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
3130AUSN5	17982	TREAS	FAC	FEDERAL HOME LOAN	02/14/2023	12,741,402.52	3.500	10/01/2027	12,940,000.00	1,690	12,940,000.00	3.968	4.023	1,187
742651DZ2	18025	TREAS	FAC	PRIVATE EXPORT	05/18/2023	35,120,925.42	3.900	10/15/2027	35,000,000.00	1,611	35,000,000.00	3.733	3.785	1,201
742651DZ2	18030	TREAS	FAC	PRIVATE EXPORT	05/23/2023	8,965,041.31	3.900	10/15/2027	9,000,000.00	1,606	9,000,000.00	3.975	4.030	1,201
91282CAU5	17970	TREAS	TRC	US TREASURY NOTE	12/29/2022	26,849,023.77	0.500	10/31/2027	30,000,000.00	1,767	30,000,000.00	3.944	3.999	1,217
91282CFU0	17997	TREAS	TRC	US TREASURY NOTE	03/03/2023	29,753,790.65	4.125	10/31/2027	30,000,000.00	1,703	30,000,000.00	4.339	4.399	1,217
89236TKL8	17950	TREAS	MTN	TOYOTA MOTOR CREDIT	11/10/2022	29,974,812.50	5.450	11/10/2027	30,000,000.00	1,826	30,000,000.00	5.404	5.479	1,227
3130AUZK3	17990	TREAS	FAC	FEDERAL HOME LOAN	02/17/2023	59,875,122.37	4.050	01/03/2028	60,000,000.00	1,781	60,000,000.00	4.061	4.117	1,281
3130AUZK3	17993	TREAS	FAC	FEDERAL HOME LOAN	02/22/2023	26,754,055.93	4.050	01/03/2028	26,875,000.00	1,776	26,875,000.00	4.137	4.194	1,281
3133EN5N6	17977	TREAS	FAC	FEDERAL FARM CREDIT	02/07/2023	30,109,752.52	4.000	01/06/2028	30,000,000.00	1,794	30,000,000.00	3.831	3.884	1,284
3130AUTA2	17971	TREAS	FAC	FEDERAL HOME LOAN	02/07/2023	49,564,696.27	3.625	01/07/2028	50,000,000.00	1,795	50,000,000.00	3.847	3.900	1,285
89236TKQ7	17981	TREAS	MTN	TOYOTA MOTOR CREDIT	02/14/2023	19,972,538.35	4.625	01/12/2028	20,000,000.00	1,793	20,000,000.00	4.604	4.668	1,290
89236TKQ7	17991	TREAS	MTN	TOYOTA MOTOR CREDIT	02/17/2023	11,810,037.82	4.625	01/12/2028	11,860,000.00	1,790	11,860,000.00	4.694	4.759	1,290
89236TKQ7	17992	TREAS	MTN	TOYOTA MOTOR CREDIT	02/17/2023	4,980,989.01	4.625	01/12/2028	5,000,000.00	1,790	5,000,000.00	4.681	4.746	1,290
166756AR7	17987	TREAS	MTN	CHEVRON CORP	02/16/2023	16,638,094.70	3.850	01/15/2028	17,000,000.00	1,794	17,000,000.00	4.465	4.527	1,293
478160CK8	17988	TREAS	MTN	JOHNSON & JOHNSON	02/16/2023	4,776,765.53	2.900	01/15/2028	5,000,000.00	1,794	5,000,000.00	4.254	4.313	1,293
478160CK8	17994	TREAS	MTN	JOHNSON & JOHNSON	03/02/2023	4,742,892.56	2.900	01/15/2028	5,000,000.00	1,780	5,000,000.00	4.473	4.535	1,293
166756AR7	18001	TREAS	MTN	CHEVRON CORP	04/12/2023	4,980,488.39	3.850	01/15/2028	5,000,000.00	1,739	5,000,000.00	3.917	3.971	1,293
478160CK8	18002	TREAS	MTN	JOHNSON & JOHNSON	04/12/2023	4,856,386.81	2.900	01/15/2028	5,000,000.00	1,739	5,000,000.00	3.742	3.794	1,293
478160CK8	18004	TREAS	MTN	JOHNSON & JOHNSON	04/12/2023	4,858,320.49	2.900	01/15/2028	5,000,000.00	1,739	5,000,000.00	3.730	3.782	1,293
166756AR7	18026	TREAS	MTN	CHEVRON CORP	05/19/2023	9,942,077.09	3.850	01/15/2028	10,000,000.00	1,702	10,000,000.00	3.975	4.030	1,293
478160CK8	18028	TREAS	MTN	JOHNSON & JOHNSON	05/22/2023	9,668,630.54	2.900	01/15/2028	10,000,000.00	1,699	10,000,000.00	3.879	3.933	1,293
478160CK8	18029	TREAS	MTN	JOHNSON & JOHNSON	05/22/2023	9,665,820.59	2.900	01/15/2028	10,000,000.00	1,699	10,000,000.00	3.888	3.942	1,293
166756AR7	18032	TREAS	MTN	CHEVRON CORP	06/05/2023	9,904,603.49	3.850	01/15/2028	10,000,000.00	1,685	10,000,000.00	4.091	4.148	1,293
3130AVPZ9	18010	TREAS	FAC	FEDERAL HOME LOAN	04/18/2023	9,952,803.27	3.600	01/18/2028	10,000,000.00	1,736	10,000,000.00	3.696	3.747	1,296
3130AVPH9	18006	TREAS	FAC	FEDERAL HOME LOAN	04/13/2023	19,984,332.17	3.625	01/28/2028	20,000,000.00	1,751	20,000,000.00	3.600	3.650	1,306
037833EC0	17979	TREAS	MTN	APPLE INC	02/10/2023	9,015,412.53	1.200	02/08/2028	10,000,000.00	1,824	10,000,000.00	4.205	4.263	1,317
037833EC0	17983	TREAS	MTN	APPLE INC	02/15/2023	4,486,480.59	1.200	02/08/2028	5,000,000.00	1,819	5,000,000.00	4.346	4.406	1,317
037833EC0	17986	TREAS	MTN	APPLE INC	02/16/2023	8,960,286.58	1.200	02/08/2028	10,000,000.00	1,818	10,000,000.00	4.388	4.449	1,317
037833EC0	17996	TREAS	MTN	APPLE INC	03/02/2023	13,334,275.17	1.200	02/08/2028	15,000,000.00	1,804	15,000,000.00	4.624	4.688	1,317
037833EC0	18003	TREAS	MTN	APPLE INC	04/12/2023	9,118,174.48	1.200	02/08/2028	10,000,000.00	1,763	10,000,000.00	3.855	3.909	1,317
3133EPAV7	17984	TREAS	FAC	FEDERAL FARM CREDIT	02/15/2023	19,913,519.62	3.875	02/14/2028	20,000,000.00	1,825	20,000,000.00	3.953	4.008	1,323
3133EPAV7	17985	TREAS	FAC	FEDERAL FARM CREDIT	02/15/2023	46,798,268.95	3.875	02/14/2028	47,000,000.00	1,825	47,000,000.00	3.952	4.007	1,323
3133EPAV7	17989	TREAS	FAC	FEDERAL FARM CREDIT	02/16/2023	4,961,250.61	3.875	02/14/2028	5,000,000.00	1,824	5,000,000.00	4.058	4.114	1,323
9128283W8	18009	TREAS	TRC	US TREASURY NOTE	04/17/2023	19,432,705.38	2.750	02/15/2028	20,000,000.00	1,765	20,000,000.00	3.560	3.609	1,324
13063DGC6	18016	TREAS	MUN	STATE OF CALIFORNIA	04/25/2023	4,867,660.47	3.500	04/01/2028	5,000,000.00	1,803	5,000,000.00	4.231	4.290	1,370
931142FB4	18008	TREAS	MTN	WALMART	04/18/2023	9,955,823.71	3.900	04/15/2028	10,000,000.00	1,824	10,000,000.00	3.975	4.030	1,384
931142FB4	18011	TREAS	MTN	WALMART	04/19/2023	9,936,508.69	3.900	04/15/2028	10,000,000.00	1,823	10,000,000.00	4.031	4.087	1,384
931142FB4	18012	TREAS	MTN	WALMART	04/19/2023	4,968,250.55	3.900	04/15/2028	5,000,000.00	1,823	5,000,000.00	4.031	4.087	1,384
931142FB4	18013	TREAS	MTN	WALMART	04/19/2023	4,966,393.65	3.900	04/15/2028	5,000,000.00	1,823	5,000,000.00	4.042	4.098	1,384
931142FB4	18014	TREAS	MTN	WALMART	04/19/2023	9,932,787.31	3.900	04/15/2028	10,000,000.00	1,823	10,000,000.00	4.042	4.098	1,384

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
931142FB4	18015	TREAS	MTN	WALMART	04/19/2023	4,966,051.89	3.900	04/15/2028	5,000,000.00	1,823	5,000,000.00	4.044	4.100	1,384
931142FB4	18023	TREAS	MTN	WALMART	05/17/2023	4,654,032.04	3.900	04/15/2028	4,660,000.00	1,795	4,660,000.00	3.883	3.937	1,384
931142FB4	18024	TREAS	MTN	WALMART	05/18/2023	4,986,414.04	3.900	04/15/2028	5,000,000.00	1,794	5,000,000.00	3.925	3.979	1,384
037833ET3	18035	TREAS	MTN	APPLE INC	06/09/2023	9,924,157.93	4.000	05/10/2028	10,000,000.00	1,797	10,000,000.00	4.161	4.219	1,409
037833ET3	18036	TREAS	MTN	APPLE INC	06/14/2023	9,911,102.03	4.000	05/10/2028	10,000,000.00	1,792	10,000,000.00	4.199	4.257	1,409
037833ET3	18038	TREAS	MTN	APPLE INC	06/14/2023	9,908,370.05	4.000	05/10/2028	10,000,000.00	1,792	10,000,000.00	4.207	4.265	1,409
9128284N7	18064	TREAS	TRC	US TREASURY NOTE	12/28/2023	9,657,201.66	2.875	05/15/2028	10,000,000.00	1,600	10,000,000.00	3.792	3.845	1,414
9128284N7	18066	TREAS	TRC	US TREASURY NOTE	01/02/2024	9,642,275.18	2.875	05/15/2028	10,000,000.00	1,595	10,000,000.00	3.834	3.888	1,414
9128284N7	18068	TREAS	TRC	US TREASURY NOTE	01/05/2024	19,193,689.15	2.875	05/15/2028	20,000,000.00	1,592	20,000,000.00	3.965	4.020	1,414
46632FSV8	18027	TREAS	MTN	JP MORGAN	05/25/2023	30,000,000.00	4.000	05/25/2028	30,000,000.00	1,827	30,000,000.00	3.945	4.000	1,424
91282CCE9	18065	TREAS	TRC	US TREASURY NOTE	12/29/2023	9,057,135.26	1.250	05/31/2028	10,000,000.00	1,615	10,000,000.00	3.842	3.895	1,430
91282CCE9	18087	TREAS	TRC	US TREASURY NOTE	04/11/2024	22,020,340.42	1.250	05/31/2028	25,000,000.00	1,511	25,000,000.00	4.566	4.630	1,430
3133EPME2	18033	TREAS	FAC	FEDERAL FARM CREDIT	06/08/2023	20,786,545.09	3.875	06/08/2028	20,850,000.00	1,827	20,850,000.00	3.907	3.961	1,438
3130AWC24	18034	TREAS	FAC	FEDERAL HOME LOAN	06/09/2023	8,803,618.74	4.000	06/09/2028	8,800,000.00	1,827	8,800,000.00	3.933	3.988	1,439
3130AWC24	18039	TREAS	FAC	FEDERAL HOME LOAN	06/14/2023	17,983,919.77	4.000	06/09/2028	18,025,000.00	1,822	18,025,000.00	4.008	4.064	1,439
3130AWC24	18040	TREAS	FAC	FEDERAL HOME LOAN	06/22/2023	29,996,667.26	4.000	06/09/2028	30,000,000.00	1,814	30,000,000.00	3.948	4.002	1,439
3130AWC24	18042	TREAS	FAC	FEDERAL HOME LOAN	06/22/2023	15,000,238.05	4.000	06/09/2028	15,000,000.00	1,814	15,000,000.00	3.944	3.999	1,439
3130AWC24	18045	TREAS	FAC	FEDERAL HOME LOAN	06/30/2023	14,552,133.57	4.000	06/09/2028	14,650,000.00	1,806	14,650,000.00	4.131	4.189	1,439
3133EKQG4	18037	TREAS	FAC	FEDERAL FARM CREDIT	06/13/2023	8,406,467.95	2.400	06/12/2028	8,916,000.00	1,826	8,916,000.00	3.957	4.012	1,442
3133EPNH4	18044	TREAS	FAC	FEDERAL FARM CREDIT	06/30/2023	9,890,933.56	3.875	06/21/2028	10,000,000.00	1,818	10,000,000.00	4.124	4.182	1,451
931142EE9	18043	TREAS	MTN	WALMART	06/26/2023	16,805,129.14	3.700	06/26/2028	17,200,000.00	1,827	17,200,000.00	4.287	4.347	1,456
3133EPQD0	18047	TREAS	FAC	FEDERAL FARM CREDIT	07/26/2023	9,785,500.16	4.250	07/17/2028	9,800,000.00	1,818	9,800,000.00	4.232	4.291	1,477
3133EPQD0	18048	TREAS	FAC	FEDERAL FARM CREDIT	07/26/2023	54,939,951.18	4.250	07/17/2028	55,000,000.00	1,818	55,000,000.00	4.221	4.280	1,477
3133EPQD0	18049	TREAS	FAC	FEDERAL FARM CREDIT	07/28/2023	15,763,398.66	4.250	07/17/2028	15,790,000.00	1,816	15,790,000.00	4.238	4.296	1,477
3133EPQD0	18050	TREAS	FAC	FEDERAL FARM CREDIT	07/28/2023	28,246,611.11	4.250	07/17/2028	28,300,000.00	1,816	28,300,000.00	4.243	4.302	1,477
46632FTC9	18046	TREAS	MTN	JP MORGAN	07/28/2023	50,000,000.00	4.650	07/28/2028	50,000,000.00	1,827	50,000,000.00	4.586	4.650	1,488
91282CHQ7	18074	TREAS	TRC	US TREASURY NOTE	02/26/2024	49,805,539.42	4.125	07/31/2028	50,000,000.00	1,617	50,000,000.00	4.251	4.310	1,491
037833EH9	18095	TREAS	MTN	APPLE INC	05/24/2024	8,834,606.36	1.400	08/05/2028	10,000,000.00	1,534	10,000,000.00	4.619	4.683	1,496
3133EPSK2	18051	TREAS	FAC	FEDERAL FARM CREDIT	08/07/2023	19,927,740.62	4.250	08/07/2028	20,000,000.00	1,827	20,000,000.00	4.289	4.349	1,498
3133EPSK2	18052	TREAS	FAC	FEDERAL FARM CREDIT	08/07/2023	9,964,002.00	4.250	08/07/2028	10,000,000.00	1,827	10,000,000.00	4.289	4.349	1,498
3133EPSK2	18053	TREAS	FAC	FEDERAL FARM CREDIT	08/07/2023	9,964,002.00	4.250	08/07/2028	10,000,000.00	1,827	10,000,000.00	4.289	4.349	1,498
91282CCV1	18093	TREAS	TRC	US TREASURY NOTE	05/03/2024	21,781,059.43	1.125	08/31/2028	25,000,000.00	1,581	25,000,000.00	4.560	4.624	1,522
17325FBB3	18055	TREAS	MTN	CITIBANK	09/29/2023	9,979,287.11	5.803	09/29/2028	10,000,000.00	1,827	10,000,000.00	5.780	5.860	1,551
17325FBB3	18056	TREAS	MTN	CITIBANK	09/29/2023	9,999,660.44	5.803	09/29/2028	10,000,000.00	1,827	10,000,000.00	5.724	5.804	1,551
17325FBB3	18057	TREAS	MTN	CITIBANK	09/29/2023	10,004,329.33	5.803	09/29/2028	10,000,000.00	1,827	10,000,000.00	5.712	5.791	1,551
17325FBB3	18058	TREAS	MTN	CITIBANK	09/29/2023	9,993,803.11	5.803	09/29/2028	10,000,000.00	1,827	10,000,000.00	5.740	5.820	1,551
17325FBB3	18059	TREAS	MTN	CITIBANK	10/04/2023	19,930,878.22	5.803	09/29/2028	20,000,000.00	1,822	20,000,000.00	5.817	5.898	1,551
17325FBB3	18062	TREAS	MTN	CITIBANK	10/20/2023	9,892,206.86	5.803	09/29/2028	10,000,000.00	1,806	10,000,000.00	6.016	6.100	1,551
13063D2V9	18054	TREAS	MUN	STATE OF CALIFORNIA	10/02/2023	10,011,141.19	5.000	10/01/2028	10,000,000.00	1,826	10,000,000.00	4.902	4.970	1,553
13063D2V9	18060	TREAS	MUN	STATE OF CALIFORNIA	10/05/2023	14,771,765.85	5.000	10/01/2028	14,860,000.00	1,823	14,860,000.00	5.089	5.160	1,553

**County of Fresno
Inventory by Maturity Report**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
13063D7D4	18061	TREAS	MUN	STATE OF CALIFORNIA	10/11/2023	50,610,290.50	5.500	10/01/2028	50,000,000.00	1,817	50,000,000.00	5.099	5.170	1,553
89236TLL7	18067	TREAS	MTN	TOYOTA MOTOR CREDIT	01/05/2024	20,036,630.22	4.650	01/05/2029	20,000,000.00	1,827	20,000,000.00	4.541	4.604	1,649
89236TLL7	18070	TREAS	MTN	TOYOTA MOTOR CREDIT	02/15/2024	4,975,544.69	4.650	01/05/2029	5,000,000.00	1,786	5,000,000.00	4.835	4.902	1,649
89236TLL7	18071	TREAS	MTN	TOYOTA MOTOR CREDIT	02/16/2024	4,988,690.01	4.650	01/05/2029	5,000,000.00	1,785	5,000,000.00	4.773	4.839	1,649
89236TLL7	18073	TREAS	MTN	TOYOTA MOTOR CREDIT	02/23/2024	9,997,818.63	4.650	01/05/2029	10,000,000.00	1,778	10,000,000.00	4.744	4.810	1,649
91282CJW2	18076	TREAS	TRC	US TREASURY NOTE	03/13/2024	34,930,610.15	4.000	01/31/2029	35,000,000.00	1,785	35,000,000.00	4.103	4.160	1,675
91282CJW2	18077	TREAS	TRC	US TREASURY NOTE	03/15/2024	49,617,919.38	4.000	01/31/2029	50,000,000.00	1,783	50,000,000.00	4.245	4.304	1,675
91282CJW2	18084	TREAS	TRC	US TREASURY NOTE	04/09/2024	24,744,802.33	4.000	01/31/2029	25,000,000.00	1,758	25,000,000.00	4.373	4.434	1,675
91282CDW8	18086	TREAS	TRC	US TREASURY NOTE	04/11/2024	22,190,184.65	1.750	01/31/2029	25,000,000.00	1,756	25,000,000.00	4.531	4.594	1,675
91282CDW8	18088	TREAS	TRC	US TREASURY NOTE	04/16/2024	22,109,456.34	1.750	01/31/2029	25,000,000.00	1,751	25,000,000.00	4.621	4.685	1,675
91282CDW8	18089	TREAS	TRC	US TREASURY NOTE	04/19/2024	22,109,816.01	1.750	01/31/2029	25,000,000.00	1,748	25,000,000.00	4.624	4.688	1,675
91282CDW8	18099	TREAS	TRC	US TREASURY NOTE	05/29/2024	22,264,199.22	1.750	01/31/2029	25,000,000.00	1,708	25,000,000.00	4.506	4.568	1,675
91282CDW8	18100	TREAS	TRC	US TREASURY NOTE	05/30/2024	17,735,844.49	1.750	01/31/2029	20,000,000.00	1,707	20,000,000.00	4.605	4.669	1,675
91282CDW8	18106	TREAS	TRC	US TREASURY NOTE	06/27/2024	13,498,072.34	1.750	01/31/2029	15,000,000.00	1,679	15,000,000.00	4.298	4.357	1,675
3133EP3B9	18072	TREAS	FAC	FEDERAL FARM CREDIT	02/20/2024	19,835,807.83	4.125	02/13/2029	20,000,000.00	1,820	20,000,000.00	4.284	4.344	1,688
3130AYWP7	18069	TREAS	FAC	FEDERAL HOME LOAN	02/15/2024	14,008,684.23	4.168	02/15/2029	14,000,000.00	1,827	14,000,000.00	4.096	4.153	1,690
9128286B1	18083	TREAS	TRC	US TREASURY NOTE	04/09/2024	23,222,631.17	2.625	02/15/2029	25,000,000.00	1,773	25,000,000.00	4.384	4.445	1,690
9128286B1	18098	TREAS	TRC	US TREASURY NOTE	05/29/2024	23,179,828.06	2.625	02/15/2029	25,000,000.00	1,723	25,000,000.00	4.512	4.575	1,690
9128286B1	18101	TREAS	TRC	US TREASURY NOTE	05/30/2024	18,470,765.77	2.625	02/15/2029	20,000,000.00	1,722	20,000,000.00	4.606	4.670	1,690
46632FUC7	18091	TREAS	MTN	JP MORGAN	04/29/2024	25,000,000.00	5.025	02/16/2029	25,000,000.00	1,754	25,000,000.00	4.958	5.027	1,691
3133EP4A0	18075	TREAS	FAC	FEDERAL FARM CREDIT	03/04/2024	19,986,310.15	4.250	02/28/2029	20,000,000.00	1,822	20,000,000.00	4.225	4.283	1,703
89236TMF9	18094	TREAS	MTN	TOYOTA MOTOR CREDIT	05/16/2024	14,990,786.25	5.050	05/16/2029	15,000,000.00	1,826	15,000,000.00	4.995	5.064	1,780
89236TMF9	18096	TREAS	MTN	TOYOTA MOTOR CREDIT	05/28/2024	9,989,350.11	5.050	05/16/2029	10,000,000.00	1,814	10,000,000.00	5.044	5.114	1,780
46632FUE3	18097	TREAS	MTN	JP MORGAN	05/29/2024	20,000,000.00	4.925	05/29/2029	20,000,000.00	1,826	20,000,000.00	4.858	4.925	1,793
478160CU6	18102	TREAS	MTN	JOHNSON & JOHNSON	06/03/2024	10,015,659.80	4.800	06/01/2029	10,000,000.00	1,824	10,000,000.00	4.737	4.803	1,796
24422EXT1	18104	TREAS	MTN	JOHN DEERE	06/12/2024	9,935,549.55	4.850	06/11/2029	10,000,000.00	1,825	10,000,000.00	4.933	5.002	1,806
Subtotal and Average						7,701,619,810.09			7,774,656,261.92		7,774,656,261.92	2.861	2.901	781
Net Maturities and Average						7,701,619,810.09			7,774,656,261.92		7,774,656,261.92	2.861	2.901	781

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APPENDIX H
SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: \$ _____ in aggregate principal
amount of [NAME OF TRANSACTION]
[and maturing on]

Effective Date: _____

Risk Premium: \$ _____
Member Surplus Contribution: \$ _____
Total Insurance Payment: \$ _____

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: _____
Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:

claims@buildamerica.com

Address:

200 Liberty Street, 27th floor
New York, New York 10281

Telecopy:

212-962-1524 (attention: Claims)

SPECIMEN

