

**SUPPLEMENT TO
OFFICIAL STATEMENT DATED MARCH 31, 2021**

**\$113,310,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C**

Evidencing and Representing Proportionate and Undivided Interests
of the Owners Thereof in 2020-21 Tax and Revenue Anticipation Notes of
Certain Los Angeles County School Districts

**\$18,280,000
LOS ANGELES COUNTY SCHOOLS
POOLED
FINANCING PROGRAM
2020-21 POOLED TRAN PARTICIPATION
CERTIFICATES
SERIES C-1**

**\$56,080,000
LOS ANGELES COUNTY SCHOOLS
POOLED
FINANCING PROGRAM
2020-21 POOLED TRAN PARTICIPATION
CERTIFICATES
SERIES C-2**

**\$38,950,000
LOS ANGELES COUNTY SCHOOLS
POOLED
FINANCING PROGRAM
2020-21 POOLED TRAN PARTICIPATION
CERTIFICATES
SERIES C-3**

This Supplement (the “Supplement”) dated April 28, 2021 supplements the final Official Statement dated March 31, 2021 (the “Original Official Statement”) relating to the above-referenced series of notes (the “Notes”). This Supplement constitutes a part of the Original Official Statement and is intended to be read in conjunction with the Original Official Statement. Capitalized terms used but not defined in this Supplement have the meanings ascribed thereto in the Original Official Statement.

Investors must read the entire Original Official Statement as supplemented, including the appendices thereto and the information incorporated therein, to obtain information essential to the making of an informed investment decision. Other than as set forth in the Supplement, the Original Official Statement is not amended, modified or supplemented.

Since the publication of the Original Official Statement, Bassett Unified School District (“Bassett”), Compton Unified School District (“Compton”) and Whittier City School District (“Whittier City”) adopted their respective audited financial statements for Fiscal Year 2019-20. Accordingly, information under APPENDIX A – “PARTICIPANT INFORMATION AND CASH FLOW STATEMENTS” is revised to reflect the inclusion of the Fiscal Year 2019-20 Audits, as follows:

1. The Original Official Statement is hereby amended and supplemented by deleting the section labeled “Outstanding Obligations” on page A-3 of Appendix A as it relates to Bassett, and replacing it with the following:

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable	\$70,870,325
Capital leases	1,470,222
Compensated Absences	586,199
Terminated Benefits	557,945
Retiree Cash Benefit Plan	1,065,441
Total OPEB Liability	5,987,509
PARS Supplementary Retirement Plan	35,677
Net pension liability	54,313,348
TOTAL LONG-TERM OBLIGATIONS	\$134,886,666

Source: District's Fiscal Year 2019-20 Audit.

2. The Original Official Statement is hereby amended and supplemented by updating the section labeled "Retirement Systems" on page A-5 of Appendix A as it relates to Bassett as follows: (i) updating the STRS contribution amount for Fiscal Year 2019-20 from "\$3,241,726" and amended to "\$3,256,949;" (ii) deleting footnote number two (2) under each STRS and PERS tables and replacing it with the following, "Source: District's Fiscal Year 2019-20 Audit;" and (iii) updating the PERS contribution amount for Fiscal Year 2019-20 from "\$1,900,886" and amended to "\$1,890,523."

3. The Original Official Statement is hereby amended and supplemented by updating the table in the section labeled "Other-Post Employment Benefits" on page A-6 of Appendix A as it relates to Bassett, and replacing it with the following:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$5,987,509	\$5,987,509	\$182,939

⁽¹⁾ Based on a measurement date of June 30, 2019.
Source: District's Fiscal Year 2019-20 Audit.

4. The Original Official Statement is hereby amended and supplemented by deleting the section labeled "Financial Reports" on pages A-6 and A-7 of Appendix A as it relates to Bassett, and replacing it with the following:

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District's General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**BASSETT UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$7,467,658	\$4,737,923	\$6,616,333
Total Revenues	48,044,415	51,132,893	48,837,055
Total Beginning Fund Balance and Revenues	55,512,073	55,870,816	55,453,388
Total Expenditures	50,774,150	49,059,813	44,770,682
Other Financing Sources (Uses)	-	(194,670)	-
ENDING FUND BALANCE	<u>\$4,737,923</u>	<u>\$6,616,333</u>	<u>\$10,682,706</u>

Source: District's Audited Financial Statements.

5. The Original Official Statement is hereby amended and supplemented by deleting the section labeled "District General Fund Balance Sheets" on pages A-7 and A-8 of Appendix A as it relates to Bassett, and replacing it with the following:

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**BASSETT UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$10,502,661	\$11,491,467	\$18,428,121
Total Liabilities	5,764,738	4,875,134	7,745,415
Fund Balance			
Nonspendable	38,778	38,778	38,778
Restricted	2,294,685	1,421,874	812,118
Assigned	17	1,350,030	7,502,510
Unassigned	2,404,443	3,805,651	2,329,300
Total Fund Balance	<u>4,737,923</u>	<u>6,616,333</u>	<u>10,682,706</u>
Total Liabilities and Fund Balance	<u>\$10,502,661</u>	<u>\$11,491,467</u>	<u>\$18,428,121</u>

Source: District's Audited Financial Statements.

6. The Original Official Statement is hereby amended and supplemented by deleting the section labeled "District Fiscal Year 2019-20 Audit" on page A-9 of Appendix A as it relates to Bassett, in its entirety.

7. The Original Official Statement is hereby amended and supplemented by deleting the section labeled “Outstanding Obligations” on page A-14 of Appendix A as it relates to Compton, and replacing it with the following:

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$274,382,689
General obligation bonds, accreted interest	15,417,179
Net pension liability	261,128,584
Compensated Absences	1,804,363
Certificates of Participation	35,226,270
OPEB obligation – net	40,542,284
TOTAL LONG-TERM OBLIGATIONS	\$628,501,369

Source: District’s Fiscal Year 2019-20 Audit.

8. The Original Official Statement is hereby amended and supplemented by updating the section labeled “Retirement Systems” on page A-16 of Appendix A as it relates to Compton as follows: (i) updating the STRS contribution amount for Fiscal Year 2019-20 from “\$33,506,970” and amended to “\$19,854,626;” (ii) deleting footnote number two (2) under each STRS and PERS tables and replacing it with the following, “Source: District’s Fiscal Year 2019-20 Audit;” and (iii) deleting footnote number three (3) under the STRS table and replacing it with the following, “Source: District’s Fiscal Year 2020-21 2nd Interim Report, includes State on-behalf payment amounts.”

9. The Original Official Statement is hereby amended and supplemented by updating the section labeled “Financial Reports” on pages A-17 and A-18 of Appendix A as it relates to Compton as follows: (i) deleting the phrase “(Unaudited Actuals)” from the first paragraph of the section; (ii) updating the column title from “GENERAL FUND 2019-20 UNAUDITED ACTUALS” and amended to “GENERAL FUND 2019-20 AUDITED;” and (iii) deleting the related footnote and replacing it with the following, “Source: District’s Audited Financial Statements.”

10. The Original Official Statement is hereby amended and supplemented by updating the section labeled “District General Fund Balance Sheets” on pages A-18 and A-19 of Appendix A as it relates to Compton as follows: (i) deleting the phrase “(Unaudited Actuals)” from the first sentence of that section; (ii) updating the column title from “GENERAL FUND 2019-20 UNAUDITED ACTUALS” and amended to “GENERAL FUND 2019-20 AUDITED;” and (iii) deleting the related footnote and replacing it with the following, “Source: District’s Audited Financial Statements.”

11. The Original Official Statement is hereby amended and supplemented by deleting the section labeled “District Fiscal Year 2019-20 Audit” on page A-20 of Appendix A as it relates to Compton, in its entirety.

12. The Original Official Statement is hereby amended and supplemented by deleting the section labeled “Outstanding Obligations” on page A-147 of Appendix A as it relates to Whittier City, and replacing it with the following:

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$77,202,383
Compensated Absences	179,967
Certificates of Participation	9,485,000
OPEB obligation – net	38,105,258
Pension Liability – net	72,589,876
TOTAL LONG-TERM OBLIGATIONS	\$197,562,484

Source: District's Fiscal Year 2019-20 Audit.

13. The Original Official Statement is hereby amended and supplemented by updating the section labeled "Retirement Systems" on page A-149 of Appendix A as it relates to Whittier City by deleting footnote number two (2) under each STRS and PERS tables and replacing it with the following: "Source: District's Fiscal Year 2019-20 Audit."

14. The Original Official Statement is hereby amended and supplemented by updating the section labeled "Other-Post Employment Benefits" on page A-150 of Appendix A as it relates to Whittier City as follows: (i) updating the District's Contribution amount from "\$474,217" and amended to "\$623,232;" and (ii) deleting the related footnote and replacing it with the following, "Source: District's Fiscal Year 2019-20 Audit."

15. The Original Official Statement is hereby amended and supplemented by deleting the section labeled "Financial Reports" on pages A-150 and A-151 of Appendix A as it relates to Whittier City, and replacing it with the following:

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District's General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

WHITTIER CITY SCHOOL DISTRICT SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN GENERAL FUND BALANCES FOR FISCAL YEARS ENDING JUNE 30, 2018, 2019 AND 2020

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$7,035,089	\$4,751,913	\$6,632,245
Total Revenues	70,223,025	78,130,017	76,497,487
Total Beginning Fund Balance and Revenues	77,258,114	82,881,930	83,129,732
Total Expenditures	71,024,710	76,249,685	72,479,472
Other Financing Sources (Uses)	(1,481,491)	-	(1,091,074)
ENDING FUND BALANCE	<u>\$4,751,913</u>	<u>\$6,632,245</u>	<u>\$9,559,186</u>

Source: District's Audited Financial Statements.

16. The Original Official Statement is hereby amended and supplemented by deleting the section labeled “District General Fund Balance Sheets” on page A-152 of Appendix A as it relates to Whittier City, and replacing it with the following:

District General Fund Balance Sheets

The following table is a summary of the District’s General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**WHITTIER CITY SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$12,054,798	\$13,548,761	\$22,841,448
Total Liabilities	7,302,885	6,916,516	13,282,262
Fund Balance			
Nonspendable	82,964	91,296	104,626
Restricted	1,764,552	2,405,168	3,021,521
Assigned	699,272	2,007,406	3,963,988
Unassigned	2,205,125	2,128,375	2,469,051
Total Fund Balance	4,751,913	6,632,245	9,559,186
Total Liabilities and Fund Balance	\$12,054,798	\$13,548,761	\$22,841,448

Source: District’s Audited Financial Statements.

17. The Original Official Statement is hereby amended and supplemented by deleting the section labeled “District Fiscal Year 2019-20 Audit” on page A-154 of Appendix A as it relates to Whittier City, in its entirety.

Supplement Dated: April 28, 2021

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Participants, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Notes designated as and comprising interest with respect to the Certificates is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) interest on the Notes designated as and comprising interest with respect to the Certificates is not treated as a preference item in calculating the alternative minimum tax under the Code. In addition, in the opinion of Bond Counsel to the Participants, under existing statutes, interest on the Notes designated as and comprising interest with respect to the Certificates is exempt from personal income taxes imposed by the State of California. See "TAX MATTERS" herein.

\$113,310,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C

Evidencing and Representing Proportionate and Undivided Interests
 of the Owners Thereof in 2020-21 Tax and Revenue Anticipation Notes of
 Certain Los Angeles County School Districts

\$18,280,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C-1

\$56,080,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C-2

\$38,950,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C-3

Date of Issue: Date of Delivery

Maturity Dates: As shown on inside cover.

The Certificates will be delivered as fully registered certificates, without coupons, and when delivered will be registered in the name of The Depository Trust Company, New York, New York ("DTC"), or its nominee. DTC will act as securities depository for the Certificates. Individual purchases of beneficial interests in the Certificates will be made in book-entry form only and in the principal amount of \$5,000 or any integral multiple thereof. **Purchasers of such beneficial interests will not receive physical delivery of the Certificates.** Principal and interest due with respect to the Certificates will be payable on the maturity date set forth on the inside cover hereof (the "Maturity Date") by the Treasurer and Tax Collector of the County of Los Angeles, acting as fiscal agent (in such capacity, the "Certificate Agent"), to DTC. Interest is payable on the basis of a 360-day year of twelve 30-day months. DTC will in turn remit such principal and interest to the DTC Participants (as hereinafter defined), who will in turn remit such principal and interest to the Beneficial Owners (as hereinafter defined) of the Certificates (see "DESCRIPTION OF THE CERTIFICATES – Book-Entry System" herein).

The Certificates will not be subject to prepayment prior to their respective maturities.

The Certificates evidence and represent a proportionate and undivided interest in (i) 2020-21 tax and revenue anticipation notes (individually, a "Note" and collectively, the "Notes") issued by certain school districts located within the County of Los Angeles (the "Participants") and (ii) debt service payments on the Notes attributable to the Certificates to be made by the respective Participants. Each Participant has pledged certain unrestricted revenues as described herein for the payment of the principal of and interest on its Note, but no Participant has any obligation to pay the principal of or interest on the Note of any other Participant. In accordance with California law and resolutions of the governing board of each Participant, the Notes are general obligations of the respective Participants payable out of the taxes, income, revenue, cash receipts, and other moneys of such Participants received or accrued by the Participant for the general fund of such Participant for Fiscal Year 2020-21 and, to the extent the Notes are not paid from revenues pledged for the payment of the Notes, the Notes shall be paid with interest thereon from any other moneys of the Participants lawfully available therefor. Payments by a Participant of the principal of and interest on its Note shall fully discharge the obligations of such Participant to the Owners of the Certificates, notwithstanding nonpayment by one or more other Participants.

The obligation of each Participant is a several and not a joint obligation and is strictly limited to such Participant's repayment obligation under the applicable Participant Resolution and Note.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Certificates will be offered when, as and if executed and delivered to and received by the Underwriter, subject to approval as to their legality by Hawkins Delafield & Wood LLP, Los Angeles, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriter by Norton Rose Fulbright US LLP, Los Angeles, California. It is anticipated that the Certificates, in book-entry form, will be available for delivery through the facilities of DTC on or about April 14, 2021.



**Capital
Markets**

MATURITY SCHEDULE

\$113,310,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C

Evidencing and Representing Proportionate and Undivided Interests
of the Owners Thereof in 2020-21 Tax and Revenue Anticipation Notes of
Certain Los Angeles County School Districts

\$18,280,000	\$56,080,000	\$38,950,000
SERIES C-1	SERIES C-2	SERIES C-3

Principal Amounts, Interest Rates, Yields and CUSIP

<u>Series</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Priced to Yield</u>	<u>CUSIP No. (54515E)⁽¹⁾</u>	<u>Maturity Date</u>
C-1	\$18,280,000	2.00%	0.140%	FV1	December 30, 2021
C-2	\$56,080,000	2.00	0.150	FW9	December 30, 2021
C-3	\$38,950,000	2.00	0.160	FX7	December 30, 2021

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Underwriter, the Participants, nor the County is responsible for the selection or correctness of the CUSIP numbers set forth herein.

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representation other than those contained in this Official Statement in connection with the offers made hereby and, if given or made, such information or representation must not be relied upon as having been authorized by the Participants. The information set forth in this Official Statement has been obtained from the Participants, the County of Los Angeles (see the caption "THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS") and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness. 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 circumstance create any implication that there has been no change in the affairs of the Participants since the date hereof. This Official Statement does not constitute an offer to sell the Certificates in any state or other jurisdiction to any person to whom it is unlawful to make such an offer in such state or jurisdiction.

This Official Statement is not to be construed as a contract with the purchasers of the Certificates. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

All summaries of the Notes, the Trust Agreements, the Resolutions (each as defined herein) and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions.

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

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

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "project," "forecast" or other similar words.

The Preliminary Official Statement has been "deemed final" by the Participants for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FORWARD-LOOKING STATEMENTS. NO ASSURANCE IS GIVEN THAT ACTUAL RESULTS WILL MEET THE FORECASTS CONTAINED HEREIN IN ANY WAY. THE PARTICIPANTS DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THESE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR DO NOT OCCUR.

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

TABLE OF CONTENTS

	Page
INTRODUCTION	1
Changes Since Preliminary Official Statement.....	2
Risks Related to COVID-19	2
THE TRANSACTION.....	5
THE PARTICIPANTS.....	7
DESCRIPTION OF THE CERTIFICATES	7
The Certificates	7
Book-Entry System.....	8
SOURCES OF PAYMENT FOR THE CERTIFICATES	9
The Notes	9
Assignment of Notes.....	10
Pledged Revenues	10
Intercept Procedure	11
Repayment Funds	11
Investment of Note Proceeds and Repayment Funds.....	11
THE TRUST AGREEMENTS	13
LIMITATIONS ON REMEDIES	14
No Joint Obligation.....	14
Limitation on Remedies	14
THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS	15
INVESTMENT OF PARTICIPANT FUNDS	17
PARTICIPANT FINANCES	17
General.....	17
Major Revenues	17
K-12 School Districts.....	18
Community College Districts	20
Ad Valorem Property Taxes	21
Proposition 98.....	22
State Assistance	23
Federal Revenues	34
Financial Statements and Accounting Practices	34
Retirement Systems	35
Reports and Certifications.....	40
Budgets of Participants	41
State Emergency Loan Program	41
State Lottery.....	43
Insurance	43
CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS.....	43
Article XIII A of the California Constitution.....	43
Legislation Implementing Article XIII A	44

Article XIIIIB of the California Constitution	44
Unitary Property	44
Proposition 39	45
Proposition 46	45
Proposition 218	46
Proposition 1A	47
Proposition 30 and Proposition 55	47
Proposition 2	48
Proposition 22	49
Proposition 51	49
Future Initiatives	50
TAX MATTERS.....	50
Opinion of Bond Counsel	50
Certain Ongoing Federal Tax Requirements and Covenants.....	51
Certain Collateral Federal Tax Consequences	51
Bond Premium	51
Information Reporting and Backup Withholding	52
Miscellaneous	52
CONTINUING DISCLOSURE.....	52
CYBER INCIDENTS	54
LITIGATION.....	55
RATINGS	55
LEGAL MATTERS.....	55
MUNICIPAL ADVISOR.....	55
UNDERWRITING	56
MISCELLANEOUS	56
APPENDIX A – PARTICIPANT INFORMATION AND CASH FLOW STATEMENTS	A-1
APPENDIX B – PROJECTED COVERAGE AND DEBT SET ASIDE TABLE.....	B-1
APPENDIX C – PROPOSED FORM OF BOND COUNSEL OPINION.....	C-1

[THIS PAGE INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT

\$113,310,000
LOS ANGELES COUNTY SCHOOLS
POOLED FINANCING PROGRAM
2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES
SERIES C

Evidencing and Representing Proportionate and Undivided Interests
of the Owners Thereof in 2020-21 Tax and Revenue Anticipation Notes of
Certain Los Angeles County School Districts

\$18,280,000	\$56,080,000	\$38,950,000
LOS ANGELES COUNTY SCHOOLS	LOS ANGELES COUNTY SCHOOLS	LOS ANGELES COUNTY SCHOOLS
POOLED	POOLED	POOLED
FINANCING PROGRAM	FINANCING PROGRAM	FINANCING PROGRAM
2020-21 POOLED TRAN	2020-21 POOLED TRAN	2020-21 POOLED TRAN
PARTICIPATION CERTIFICATES	PARTICIPATION CERTIFICATES	PARTICIPATION CERTIFICATES
SERIES C-1	SERIES C-2	SERIES C-3

INTRODUCTION

This Official Statement, including the cover page, inside cover, table of contents and appendices, sets forth certain information concerning \$113,310,000 aggregate principal amount of the Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C, comprised of the \$18,280,000 aggregate principal amount of the Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C-1 (the “Series C-1 Certificates”), \$56,080,000 aggregate principal amount of the Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C-2 (the “Series C-2 Certificates”), and \$39,950,000 aggregate principal amount of the Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C-3 (the “Series C-3 Certificates” and together with the Series C-1 Certificates and the Series C-2 Certificates, the “Certificates”) The Certificates evidence and represent proportionate and undivided interests in (1) 2020-21 Tax and Revenue Anticipation Notes (individually, a “Note” and collectively, the “Notes”) issued by certain school districts (collectively, the “Participants,” and with respect to the Series C-1 Certificates, the “Series C-1 Participants,” with respect to the Series C-2 Certificates, the “Series C-2 Participants,” and to the Series C-3 Certificates, the “Series C-3 Participants”) located in the County of Los Angeles (the “County”) participating in such series and (2) the debt service payments on the Notes attributable to the Certificates to be made by the respective Participants. Each Note is issued pursuant to Article 7.6, Sections 53850 *et seq.*, and particularly under authority of Section 53853, of the California Government Code (the “Government Code”), and separate resolutions adopted by the governing board of each Participant (each, a “Participant Resolution” and collectively, the “Participant Resolutions”) and a resolution adopted by the Los Angeles County Board of Supervisors (the “Board of Supervisors”) on March 23, 2021 (the “County Resolution,” and collectively with the Participant Resolutions, the “Resolutions”).

The Certificates of each series will be executed and delivered by The Bank of New York Mellon Trust Company, N.A., acting as Certificate Agent (the “Certificate Agent”), pursuant to separate Trust Agreements, each dated as of April 1, 2021 related to each series of Certificates (the “Trust Agreements”), between the County and the Certificate Agent, as authorized by the Resolutions. See “THE PARTICIPANTS” herein for a listing of the Participants and APPENDIX A – “PARTICIPANT

INFORMATION AND CASH FLOW STATEMENTS” and APPENDIX B – “PROJECTED COVERAGE AND DEBT SET ASIDE TABLE” for a summary description of certain information relating to each Participant.

The Notes are being issued to provide operating cash for the Participants prior to their receipt of anticipated tax payments and other revenues. Imbalances in the Participants’ cash flows, resulting from the timing of expenditures and receipts, require that the Participants borrow funds in order to meet all scheduled disbursements, including current expenses, capital expenditures, and the discharge of other obligations or indebtedness of the Participants. Each Participant has pledged, pursuant to Section 53856 of the Government Code and its respective Participant Resolution, certain unrestricted revenues to be received by such respective Participant for the payment, when due, of the principal of and interest on its Note. No Participant has any obligation to pay the principal of or interest on the Note of any other Participant. The Notes are general obligations of the respective Participants and, to the extent that a Note is not paid from such pledged revenues of each Participant, such Note shall be paid, with interest thereon, from any other moneys of the affected Participant lawfully available therefor, pursuant to Section 53857 of the Government Code. See “SOURCES OF PAYMENT FOR THE CERTIFICATES” herein.

All quotations from and summaries and explanations of provisions of the laws of the State of California (the “State”) and acts and proceedings of the Participants contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Certificates, the Notes and the proceedings of the Participants relating thereto are qualified in their entirety by reference to the definitive forms of the Certificates, the Notes and such proceedings. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the related Trust Agreement.

Changes Since Preliminary Official Statement

In addition to pricing-related information, since the publication of the Preliminary Official Statement, dated March 24, 2021, (i) several Participants adopted and filed their 2020-21 Second Interim Report and (ii) Mountain View School District and Westside Union School District adopted their Fiscal Year 2019-20 Audits. Accordingly, information under APPENDIX A – “PARTICIPANT INFORMATION AND CASH FLOW STATEMENTS” has been revised to reflect the inclusion of information regarding the respective Second Interim Reports and the Fiscal Year 2019-20 Audits.

Risks Related to COVID-19

Background. The outbreak of the respiratory disease caused by a new strain of coronavirus (“COVID-19”) has been declared a Pandemic by the World Health Organization, a National Emergency by President Trump (the “President”) and a State of Emergency by California State Governor Newsom (the “Governor”). The emergency has resulted in tremendous volatility in the financial markets in the United States and globally, and the likely onset of a U.S. and global recession. The Participants cannot predict the extent or duration of the outbreak or what impact it may have on the Participants’ financial condition or operations.

Federal Response. The President’s declaration of a National Emergency on March 13, 2020 made available more than \$50 billion in federal resources to combat the spread of the virus. A multibillion-dollar Coronavirus relief package was signed into law by the President on March 18, 2020 providing for Medicaid expansion, unemployment benefits and paid emergency leave during the crisis. In an effort to calm the markets, the Federal Reserve lowered its benchmark interest rate to nearly zero, introduced a large bond-buying program and established emergency lending programs to banks and money market mutual funds.

CARES Act, CRRSA and American Rescue Plan. In response to COVID-19, the U.S. Congress passed the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”), which was signed into law on March 27, 2020. The CARES Act appropriates over \$2 trillion to (i) provide cash payments to individuals, (ii) expand unemployment assistance and eligibility, (iii) provide emergency grants and loans for small businesses, (iv) provide loans and other assistance to corporations, including the airline industry, (v) provide funding for hospitals and community health centers, (vi) expand funding for safety net programs, including child nutrition programs and (vii) provide aid to state and local governments. The CARES Act includes \$13.2 billion in direct funding for elementary and secondary school emergency relief. California will receive approximately \$1.65 billion, with 10% set aside for emergencies designated by the California Department of Education. School district distribution is based on a district’s share of federal Title I funding which uses a formula based primarily on the number of students whose family income is below the federal poverty threshold of \$26,200 for a family of four and who receive Temporary Assistance for Needy Families.

On December 27, 2020, the President signed into law the Coronavirus Response and Relief Supplemental Appropriations (“CRRSA”) Act, which includes approximately \$6.8 billion in California funding, which requires 90% – \$6.12 billion – be distributed to LEAs in proportion to the amount of Title I, Part A funds that each LEA received in Fiscal Year 2019-20.

On March 11, 2021, the President signed into law the American Rescue Plan Act of 2021 (the “American Rescue Plan”), a \$1.9 trillion COVID-19 relief package, intended to accelerate the recovery from the COVID-19 pandemic. The American Rescue Plan includes approximately \$15.3 billion in California funding, which requires 90% – \$13.7 billion – be distributed to LEAs in proportion to the amount of Title I, Part A funds that each LEA received in Fiscal Year 2019-20.

State Response. On March 15, 2020, the Governor ordered the closing of California bars and nightclubs, the cancellation of gatherings of more than 250 and confirmed continued funding for school districts that close under certain conditions. On March 16, 2020, the State legislature passed \$1.1 billion in general purpose spending authority for emergency funds to respond to the coronavirus crisis. On March 19, 2020, Governor Newsom issued Executive Order N-33-20, a blanket shelter-in-place order, ordering all California residents to stay home except for certain necessities and other essential purposes, which is in effect until further notice.

On March 17, 2020, the Governor signed Senate Bill 117 (“SB 117”) as urgency legislation effective immediately. For purposes of school district funding for fiscal year 2019-20, SB 117 limits the average daily attendance (“ADA”) reported to the California Department of Education to include the full school months from July 1, 2019, to February 29, 2020. This condensed ADA period applies to school districts that comply with Executive Order N-26-20, which provides that school districts that initiate a school closure to address COVID-19 will continue to receive State funding to support certain enumerated school functions during the period of closure. SB 117 further states the intent of the State Legislature that a school district’s employees and contractors are paid during the period of a school closure due to COVID-19. SB 117 also waives instructional time penalties that would otherwise accrue, as long as the school district superintendent, county superintendent or charter school administrator certify that the closure due to COVID-19 caused the school district to fall below applicable instructional time requirements. SB 117 also included \$100 million in additional funding to school districts for certain costs incurred as a result of COVID-19.

On August 28, 2020, the Governor released a revised system of guidelines for reopening - Blueprint for a Safer Economy (“Blueprint”). Blueprint assigns each of the State’s 58 counties into four color-coded tiers - purple, red, orange and yellow - in descending order of severity, based on the number of new daily cases of COVID-19 and the percentage of positive tests. Counties must remain in a tier for at

least three weeks before advancing to the next one. To move forward, a county must meet the next tier's criteria for two consecutive weeks. If a county's case rate and positivity rate fall into different tiers, the county remains in the stricter tier. Schools can reopen for limited in-person instruction once their county has been in the red tier (daily new cases of 4-7 per 100,000 people and 5-8% positive tests) for at least two weeks. Implementation of the Blueprint as part of a phased reopening will depend on local conditions, including the level of COVID-19 infections and hospitalization rates for a minimum of 14 days, testing resources of the Participants and County, and preparedness of the County's healthcare system. Counties in the purple tier can reopen schools if the local health department provides a waiver. The Participants are currently operating the 2020-21 school year through distance learning consistent with State guidance and legislation.

On December 3, 2020, the California Department of Health announced a Regional Stay at Home Order (the "Regional Stay at Home Order"), as supplemented on December 6, 2020, which superseded and modified the four-tier color coded classification. The supplemental order clarified retail operations and went into effect immediately. The Regional Stay at Home Order prohibited private gatherings of any size, closed sector operations except for critical infrastructure and retail, and required 100% masking (with certain exceptions as indicated within guidance for use of face coverings) and physical distancing in all others. The Regional Stay at Home Order was triggered and went into effect for a given region at 11:59 PM the day after such region announced that its Intensive Care Unit ("ICU") capacity dropped below 15%. State health officials tracked the state by five regions: Northern California, Bay Area, Greater Sacramento, San Joaquin Valley and Southern California. Regions remained in the Regional Stay at Home Order status for at least three weeks once triggered. Counties were eligible to come off the Regional Stay at Home Order after three weeks if their hospital ICU capacity projected four weeks out reached 15%. The Regional Stay at Home Order did not modify existing state guidance regarding K-12 schools. The Regional Stay at Home Order ended on January 25, 2021. Counties have returned to their appropriate color-coded tier under the Blueprint.

On March 5, 2021, the Governor signed into law Assembly Bill 86 ("AB 86") as urgency legislation effective immediately, which provides approximately \$6.6 billion to accelerate the return of in-person school instruction and expand student support. AB 86 includes \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic's impact on learning. Funding will be allocated proportionally on the basis of LCFF funding entitlements, determined as of the Fiscal Year 2020-21 second principal apportionment certification. The \$2 billion in incentives are to be utilized by school districts to reopen schools for in-person instruction for its most high needs students before April 1, losing 1% of eligible funds for every day thereafter if they do not, and risk forfeiting eligibility for funding if they do not resume in-person instruction by May 15, 2021. School districts in the purple tier must offer at least partial in-person instruction in transitional kindergarten through second grade. School districts that reopen must stay open unless ordered to close by the State or local health officer. The \$4.6 billion is allocated for supplemental instruction and support for social and emotional well-being. School districts will also receive an additional \$1,000 for each homeless pupil enrolled in Fiscal Year 2020-21. As a condition, school districts must implement a learning recovery program to provide supplemental instruction and support for high-need pupils, including meals. AB 86 also requires county departments of public health to make COVID-19 vaccinations available to employees at schools offering in-person instruction.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, the economic impacts and actions that may be taken by governmental authorities to contain the outbreak or to treat its impacts are uncertain and cannot be predicted. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: the Governor's office (<http://www.gov.ca.gov>) and the California Department of Public Health

(<https://covid19.ca.gov/>). *The Participants have not incorporated by reference the information on such websites, and the Participants do not assume any responsibility for the accuracy of the information on such websites.*

Impacts on the Participants. The Participants are currently receiving guidance on COVID-19 from County health officials, the Los Angeles County Office of Education (the “Office of Education”) and the California Department of Education (“CDE”) which is monitoring the COVID-19 situation in accordance with COVID-19 guidelines for schools published by the Centers for Disease Control and Prevention.

In accordance with the Governor’s announcement on August 20, 2020, the Participants may not reopen for in-person classroom instruction if the County appears on the State’s COVID-19 watch list for 14 consecutive days. The County is assigned the purple tier under the Blueprint. As a result, the Participants opened the 2020-21 school year instruction through distance learning. The Participants may not reopen for in-person learning until such time as the County is out of the purple tier for two weeks. The Participants will continue to evaluate the State’s school reopening guidelines and will consult with local health officials and the State’s school reopening guidelines in implementing the Participants’ plans for the 2020-21 academic year. The Participants are unable to predict at this time whether new proposals will be enacted or in what form they may take, or whether any new requirements related to reducing the spread of COVID-19 will further impact their finances or operations. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on Federal, State and local government websites, including but not limited to the CDC (<https://www.cdc.gov>), the Governor’s office (<http://www.gov.ca.gov>), the California Department of Public Health (<http://cdph.ca.gov>). *The Participants have not incorporated by reference the information on such websites and do not assume any responsibility for the accuracy of the information on such websites.*

As discussed herein under “PARTICIPANT FINANCES—K-12 School Districts—Local Control Funding Formula (LCFF)” and “PARTICIPANT FINANCES—Community College Districts—Student Centered Funding Formula,” the Participants receive much of their revenues from either LCFF or SCFF sources which are comprised of local property taxes and State moneys. As the State experiences a decline in revenue as a consequence of the impacts of COVID-19, there will be a resulting decline in revenue available for funding school districts. In addition, there may be unknown consequences of the COVID-19 emergency, which the Participants are unable to forecast. The Participants cannot predict the extent or duration of the outbreak, the overall impact it may have on the Participants’ financial condition, operations, nor the impact of COVID-19 on the assessed values of property within the boundaries of the Participants and the economy in general. Any financial information, including projections, forecasts and budgets presented herein may not account for the potential or wide-ranging effects of COVID-19.

THE TRANSACTION

It is intended that on the date of issuance of the Notes and the execution and delivery of the Certificates (the “Closing Date”), pursuant to the related Trust Agreements, the following transactions shall occur simultaneously: (a) the County, acting through the County Treasurer and Tax Collector (the “Treasurer”), shall purchase the Notes and, simultaneously with such purchase, the Notes shall be assigned to and deposited with the Certificate Agent which shall hold the Series C-1 Certificates in trust until December 30, 2021 (the “Series C-1 Maturity Date”), the Series C-2 Certificates in trust until December 30, 2021 (the “Series C-2 Maturity Date”), and the Series C-3 Certificates Notes in trust until December 30, 2021 (the “Series C-3 Maturity Date” and along with the Series C-1 Maturity Date and the Series C-2 Maturity Date, the “Maturity Dates”); (b) the Certificate Agent shall sell the Certificates to, and such Certificates shall be purchased by, RBC Capital Markets, LLC (the “Underwriter”) pursuant to a Purchase Contract by and between the Treasurer and the Underwriter; and (c) pursuant to the related Trust

Agreements, the Certificate Agent shall execute and deliver the Certificates (in authorized denominations) to, and shall cause such Certificates to be registered in the name of, The Depository Trust Company (“DTC”), or its nominee, for the benefit of the beneficial owners of interests in the Certificates described herein (“Beneficial Owners”).

The purchase price for the Notes shall be derived solely from the proceeds received from the sale of the Certificates, which shall be an amount equal to the principal amount of all of the Notes, less any discount, plus any premium. The Certificates shall represent undivided, proportionate interests in the Notes and the debt service payments to be made by the Participants under such Notes. Debt service payments made by the Participants with respect to their Notes, taking into consideration anticipated investment earnings thereon to the maturity date of the Notes, shall be remitted by the Treasurer by wire transfer to DTC or its nominee, which in turn will remit such payments to participants in DTC (“DTC Participants”) for subsequent disbursement to the Beneficial Owners. See “DESCRIPTION OF THE CERTIFICATES — Book-Entry System” herein. The Certificate Agent agrees to hold the Notes until their maturity for the benefit of the Beneficial Owners. Neither the Treasurer nor the Certificate Agent shall have any further liability with respect to payments of principal and interest with respect to the Certificates or any fiduciary responsibility to the Certificate owners or the Beneficial Owners except as expressly set forth in the related Trust Agreement or the terms of the Certificates. See “THE TRUST AGREEMENTS” herein.

Each Participant expects to apply all the proceeds of its Note during Fiscal Year 2020-21 for operating expenses incurred in such fiscal year. However, it is possible that a Participant may be able to use restricted funds on a temporary basis to pay such operating expenses. Such restricted funds, if used, will be required to be repaid by the Participant out of Note proceeds or other available funds.

THE PARTICIPANTS

The school districts participating in the financing herein described and the principal amounts of their respective Notes are set forth below:

Series C-1 Certificates:

<u>Series C-1 Participants</u>	<u>Principal Amount</u>
Long Beach Community College District	\$ 8,000,000
Redondo Beach Unified School District	6,280,000
South Pasadena Unified School District	<u>4,000,000</u>
Total:	\$18,280,000

Series C-2 Certificates:

<u>Series C-2 Participants</u>	<u>Principal Amount</u>
El Monte Union High School District	\$12,000,000
Keppel Union School District	5,000,000
Little Lake City School District	5,000,000
San Gabriel Unified School District	6,870,000
Temple City Unified School District	6,060,000
West Covina Unified School District	5,000,000
Westside Union School District	6,000,000
Whittier City School District	<u>10,150,000</u>
Total:	\$56,080,000

Series C-3 Certificates:

<u>Series C-3 Participants</u>	<u>Principal Amount</u>
Bassett Unified School District	\$ 5,000,000
Compton Unified School District	24,380,000
Mountain View School District	<u>9,570,000</u>
Total:	\$38,950,000

DESCRIPTION OF THE CERTIFICATES

The Certificates

The Series C-1 Certificates will be executed and delivered as fully registered certificates in the aggregate principal amount of \$18,280,000, the Series C-2 Certificates will be executed and delivered as fully registered certificates in the aggregate principal amount of \$56,080,000, and the Series C-3 Certificates will be executed and delivered as fully registered certificates in the aggregate principal amount of \$38,950,000. The Certificates will be dated, will mature and will have an interest component calculated at the rates per annum, all as shown on the inside cover page hereof. Principal and interest with respect to the Certificates will be payable on the Maturity Date. Principal and interest due with respect to the Certificates will be payable by the Certificate Agent from amounts on deposit in the related Repayment Fund (the "Repayment Fund") (to DTC, which will in turn remit such principal and interest to the DTC Participants. It is the responsibility of the DTC Participants to remit such principal and interest to the Beneficial Owners. The Certificates and the Notes evidenced thereby are not subject to prepayment prior to their maturity.

Book-Entry System

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security Certificate will be issued in the aggregate principal amount of each series of the Notes, and will be deposited with DTC.

DTC 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 rating of AA+ assigned by S&P (as defined herein). The DTC Rules applicable to its Direct and Indirect Participants (collectively, the "DTC Participants") are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("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 Certificates are to be accomplished by entries made on the books of DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates 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 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by DTC 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 the Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as defaults and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Participants (or the Certificate Agent on behalf thereof) 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 Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments with respect to the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Participants or Certificate Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by DTC 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 DTC Participant and not of DTC, the Certificate Agent, or the Participants, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Participants or Certificate 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 DTC Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the Participants or Certificate Agent. Under such circumstances, in the event that a successor depository is not obtained, Certificates are required to be printed and delivered.

The Participants may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Certificates will be printed and delivered to DTC.

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

SOURCES OF PAYMENT FOR THE CERTIFICATES

The Notes

The Certificates of each series evidence and represent proportionate and undivided interests in the Notes of such series and in debt service payments to be made thereon by the related Participants.

The Notes are general obligations of the respective Participants and, to the extent not paid from the Pledged Revenues (as defined herein) of the related Participant, shall be paid from any other moneys of such Participants lawfully available therefor. See “PARTICIPANT FINANCES” herein. However, except for the Pledged Revenues, the Participants are not prohibited from pledging, encumbering and utilizing other moneys for other purposes and there can be no assurance that such other moneys will be available for the payment of the principal and interest with respect to the Certificates and the Notes evidenced thereby. **No Participant has any obligation to pay the principal of or interest on the Note of any other Participant.**

Assignment of Notes

Pursuant to each Trust Agreement, the Notes and all right, title and interest therein and to all payments thereon, are irrevocably assigned, pledged and transferred to the Certificate Agent for the benefit of the registered owners of the related Certificates (the “Owners”). The debt service payments on the Notes shall be deposited into the related Repayment Fund and, together with anticipated investment earnings thereon, shall be used for the payment of the interest on and principal of the Certificates, and the Notes will not be pledged to or used for any other purpose while any of the Certificates remain outstanding. The assignment, transfer and pledge of the Notes to the Certificate Agent pursuant to the related Trust Agreement shall constitute a first and exclusive lien on the principal and interest payments of and all other rights under the Notes in accordance with the related Trust Agreement.

All principal and interest payments on the Notes shall be paid directly by each Participant to the Treasurer for deposit into such Participant’s Repayment Fund and reinvested through the Maturity Date of such Participant’s Note. All money in the Repayment Funds shall be held in trust for the benefit and security of the Registered Owners of the related series of Certificates. If the amount on deposit in a Participant’s Repayment Fund is in excess of the amounts required to pay the principal of and interest due on such Participant’s Note on the Maturity Date therefor, such excess amounts shall remain in such Participant’s Repayment Fund and, subject to any rebate requirements as specified in the Tax Certificate of each Participant dated the date of delivery, shall be transferred to the general fund of such Participant following payment of the amount of Certificates corresponding to such Participant’s Note. To the extent Note repayments are received from a Participant that are less than the amounts required to pay the principal of and interest due on such Participant’s Note on the Maturity Date, the Certificate Agent shall apply the moneys received in the following order of priority: first, to pay interest on such Note; and second, to pay the principal of such Note.

Pledged Revenues

As security for the Notes, the Participants have each pledged certain Unrestricted moneys (the “Pledged Revenues”), and the principal of the Notes and the interest thereon shall constitute a first lien on and charge against the Pledged Revenues. “Unrestricted moneys” means taxes, income, revenue, cash receipts and other moneys attributable to Fiscal Year 2020-21 and intended as receipts for the general funds of the Participants and which are generally available for the payment of current expenses and other obligations of the Participants.

The respective amounts of Pledged Revenues specified as security for each Participant’s Note pursuant to the related Participant Resolution and expressed as the principal amount set-aside of each Participant’s Note are reflected in the tables attached to Appendix B, together with the months during which such Pledged Revenues are expected to be deposited in the related Repayment Fund, with the deposits during each Pledge Month required to be made on or before the last business day of that month. See APPENDIX B – “PROJECTED COVERAGE AND DEBT SET ASIDE TABLE” herein.

Each Participant shall cause the debt service payments on its Note to be deposited in a separate fund for such Participant to be held by the Treasurer until the amount on deposit in such fund, taking into consideration anticipated investment earnings thereon to be received by the Maturity Date of the related Note, is equal in the respective repayment months to the percentages of the principal and interest due on such Note at maturity as set forth above for that Participant. The amounts deposited therein shall be applied solely to the payment of the Note and the related Certificates at the times and in the manner set forth in the Resolutions and the related Trust Agreement. See "Repayment Funds" herein.

Intercept Procedure

In the State of California, school district revenues are received and deposited by the county in which such school district is located. Pursuant to its Participant resolution, each Participant has directed the Auditor-Controller of the County (the "Auditor-Controller") to intercept Pledged Revenues and place them on deposit with the Treasurer. The County has covenanted to intercept the Pledged Revenues of such Participants.

Under this procedure, the Auditor-Controller will deposit Pledged Revenues directly in the respective Repayment Fund. Upon such deposit, such amounts will be invested in the Los Angeles County Treasury Pool (the "Treasury Pool") or in such other Permitted Investments and will not be available for the respective Participant. See "- Repayment Funds" herein.

Repayment Funds

In accordance with the provisions of the Resolutions, there will be established a repayment fund for each such Participant (each, a "Repayment Fund" and collectively, the "Repayment Funds"), into which amounts sufficient to pay principal of and interest on the Note issued by such Participant will be deposited. All moneys deposited in the Repayment Funds are required to remain on deposit until the simultaneous maturity date of the applicable series of Notes and the Certificates, at which time they will be applied, along with the investment earnings thereon, to the extent necessary, to pay the principal of and interest due on the Notes. On the respective Maturity Date of a series of the Certificates, debt service payments on the Notes shall be applied to the payment of principal and interest due with respect to the related series of Certificates. Amounts on deposit in the Repayment Funds may not be used for any other purpose; however, they may be invested in certain investments as described below under the sub-caption "Investment of Note Proceeds and Repayment Fund," provided such investments mature in sufficient time to permit the timely payments from the Repayment Funds of principal and interest with respect to the Notes and the Certificates. All investment income shall accrue to and become part of the Repayment Funds. When the aggregate amount in the Repayment Funds is sufficient to pay the principal of and interest on the Notes and the Certificates when due, any excess amounts may be transferred to the general funds of the Participants, as applicable, and applied by the respective Participant for any lawful purpose. In the event that there are insufficient funds in a Repayment Fund of a Participant on the third business day prior to the last business day of a Pledge Month, the Treasurer shall direct the Auditor-Controller to draw from the Unrestricted money of such Participant held by the Treasurer and attributable to such Participant for the purpose repaying such Participant's Note. **No Participant's Repayment Fund will be available to make up a deficiency in the Repayment Fund of another Participant or for payment of the principal of or interest on any other Participant's Note.**

Investment of Note Proceeds and Repayment Funds

The Trust Agreements provide that Note proceeds and amounts in the Repayment Funds are permitted to be invested at the direction of the Treasurer in the following investments; provided, however, that amounts shall not be invested in investments with the respective maturity dates later than when funds

are needed to make necessary payments of principal and interest with respect to the applicable Certificates and in no event later than the Maturity Date of the Certificates.

1. Obligations of, or guaranteed as to principal and interest by, the United States of America, or by any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America;
2. Obligations of instrumentalities or agencies of the United States of America limited to the following: (a) the Federal Home Loan Bank Board (FHLB); (b) the Federal Home Loan Mortgage Corporation (FHLMC) comprised of participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) and senior obligations; (c) the Federal National Mortgage Association (FNMA) comprised of senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts); (d) Federal Farm Credit Bank (FFCB); (e) Student Loan Marketing Association (Sallie Mae) comprised of senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date);
3. Commercial paper having original maturities of not more than 270 days, payable in the United States of America rated “A-1+” by S&P and “Prime-1” by Moody’s Investors Service (“Moody’s”) and issued by corporations that are organized and operating in the United States with total assets in excess of \$500 million and having “A” or better rating for the issuer’s debt, other than commercial paper, as provided by Moody’s or S&P. The maximum total par value may be up to 15% of the total amount held by the Certificate Agent in accordance with the related Trust Agreement;
4. The Treasury Pool (see the caption, “THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS” herein);
5. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, having original maturities of not more than 30 days, with a maximum par value of 30% of the total amount held by the Certificate Agent in accordance with the related Trust Agreement. The institution must have a minimum short-term rating of “A-1” and “P-1” by S&P and Moody’s respectively, and a long-term rating of no less and “A”;
6. Shares of beneficial interest issued by diversified management companies that are money market funds (including funds of the Certificate Agent and/or its affiliates) registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1, *et seq.*), limited to investments in obligations of the United States Government and its agencies and instrumentalities, whose fund has received the highest possible rating from at least two nationally recognized statistical rating organizations, with one such rating being at least “Aam-G” from S&P. The maximum par value may be up to 15% of the total amount held by the Certificate Agent in accordance with the related Trust Agreement;
7. Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state-licensed branch of a foreign bank, in each case which has obligations outstanding having a rating of “A-1+” and “P-1” or better from Moody’s and S&P, respectively;
8. Repurchase agreements may have a maximum maturity of 30 days and must be fully secured at or greater than 102% of their market value, plus accrued interest by obligations of the

United States Government, its agencies and instrumentalities, in accordance with number 2 above, the provider of which must have a minimum short-term rating of at least “A-1+” from S&P; and

9. Investment agreements and guaranteed investment contracts rated at least “Aa3” by Moody’s and “AA-” by S&P.

All of the Note proceeds will be invested in the Treasury Pool.

THE TRUST AGREEMENTS

Pursuant to the Trust Agreement for each series of Certificates, The Bank of New York Mellon Trust Company, N.A. is appointed to act as Certificate Agent with respect to the Certificates, with the duty to hold the Notes in trust until maturity for the benefit of the Beneficial Owners of the Certificates. The Certificate Agent is further appointed to act as Registrar for the Certificates and, in such capacity, to keep and maintain books and records as to the ownership, transfer and exchange of the Certificates.

A portion of the net proceeds from the sale of the Certificates of each series will be deposited with, and disbursed by, the Certificate Agent for the payment of certain costs of issuance. The Treasurer, in its capacity as Certificate Agent, shall make payments with respect to the Certificates when duly presented at the Maturity Date.

Each Participant has covenanted in its respective Participant Resolution to cause its Repayment Fund to be maintained by the Treasurer, who shall cause the application of the amounts deposited therein solely to the payment of the Notes and the Certificates at the times and in the manner set forth in such Participant Resolution (each, a “Repayment Date”). In each of the Trust Agreements, the Certificate Agent has covenanted that it will duly and punctually pay or cause to be paid interest with respect to the Certificates from the payments of interest on the Notes on deposit in the Repayment Funds, payable on the maturity date thereof, the principal and interest with respect to the Certificates, that it will not pledge, assign, subject to any lien, or otherwise encumber the debt service payments received from any Participant, and that it shall apply such payments solely to the payment of the principal and interest due with respect to the Certificates. The County covenants in each of the Trust Agreements that it will duly and punctually cause the payments of principal and interest with respect to the Certificates from the payments of principal and interest on the Notes; *provided, however* that the County shall not be required to expend any funds other than moneys paid by the Participants as and for payments of principal of and interest on the Notes, including Pledged Revenues and amounts deposited into the Repayment Funds and any other moneys lawfully available therefor pursuant to the Participant Resolutions. The Certificate Agent covenants in the Trust Agreements that in no event shall the Certificate Agent be required to expend any of its own funds or incur any personal liability. The Certificate Agent further covenants in each Trust Agreement that it will faithfully observe and perform all of the conditions, covenants and requirements of such Trust Agreement, that it will not pledge, assign, subject to any lien, or otherwise encumber the related Notes or any interest therein other than as contemplated by such Trust Agreement and that it will hold the related Notes for the sole benefit of the Owners until the related Maturity Date therefor.

Except as expressly provided in each Trust Agreement, neither the Treasurer nor the Certificate Agent shall have any obligation or liability to the Beneficial Owners of the Certificates with respect to payment of principal of or interest on the Notes or the observance or performance by any Participant of any obligations or agreements or the exercise of any rights under the Resolutions.

The Participants have each covenanted in their respective Participant Resolutions to file notices of certain events listed therein (collectively, the “Listed Events”) with either the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access System (“EMMA”) or as otherwise required by the MSRB or the Securities and Exchange Commission. See “CONTINUING DISCLOSURE” herein for a description of the specific nature of the notices of Listed Events. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

LIMITATIONS ON REMEDIES

The primary source of repayment of each series of the Certificates is scheduled payments of principal and interest from the Notes. However, pursuant to the Government Code, each Participant’s Note is a general obligation of such Participant. Accordingly, a Participant is liable on its Note (even in the event that such Note becomes a defaulted Note) to the extent of its lawfully available revenues. If such lawfully available revenues are not sufficient to pay its Note or Defaulted Note, as the case may be, such Participant is not obligated to pay such Note or Defaulted Note from any other sources.

No Joint Obligation

The obligation of a Participant to make payments on its Note is a several and not a joint obligation and is strictly limited to such Participant’s repayment obligation under the related Participant Resolution and its Note.

Limitation on Remedies

The rights of the Owners of the Certificates are subject to certain limitations. Enforceability of the rights and remedies of the Owners of the Certificates, and the obligations incurred by the Participants may become subject to the Federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor’s rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against school and community college districts in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the Owners of the Certificates to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

Under Chapter 9 of the Federal Bankruptcy Code (Title 11, United States Code), which governs the bankruptcy proceedings for public agencies such as the Participants, there are no involuntary petitions in bankruptcy. If a Participant were to file a petition under Chapter 9 of the Bankruptcy Code, the Owners, the Certificate Agent and the Participants could be prohibited from taking certain steps to enforce their rights under the Trust Agreement. In a decision dated March 8, 1995, the United States Bankruptcy Court for the Central District of California ruled that a pledge granted by Orange County pursuant to a resolution adopted by that county in connection with the issuance of tax and revenue anticipation notes (“TRANS”) was not effective with respect to general revenues accruing to Orange County after the filing of a petition in bankruptcy. The resolution obligated Orange County to set aside a specified amount of revenues in certain months in order to secure the payment of its TRANS. On July 12, 1995, the United States District Court for the Central District of California reversed the order of the Bankruptcy Court and determined that the obligation created under the resolution adopted by Orange

County is a statutory lien which survived the filing of Orange County’s bankruptcy petition. The parties subsequently negotiated a settlement. No assurance can be made that future allegations would not be raised in another bankruptcy proceeding.

THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS

The following information concerning the Los Angeles County Treasury Pool has been provided by the Treasurer and has not been confirmed or verified by either the Participants or the Underwriter. Moreover, neither the Participants nor the Underwriter make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date.

The Treasurer and Tax Collector (the “Treasurer”) of Los Angeles County has the delegated authority to invest funds on deposit in the County Treasury (the “Treasury Pool”). As of January 31, 2021, investments in the Treasury Pool were held for local agencies including school districts, community college districts, special districts and discretionary depositors such as cities and independent districts in the following amounts:

<u>Local Agency</u>	<u>Invested Funds (in billions)</u>
County of Los Angeles and Special Districts	\$17.252
Schools and Community Colleges	17.828
Discretionary Participants	<u>3.912</u>
Total	\$38.992

The Treasury pool participation composition is as follows:

Non-discretionary Participants	89.97%
Discretionary Participants	
Independent Public Agencies	9.12%
County Bond Proceeds and Repayment Funds	<u>0.91%</u>
Total	100.00%

Decisions on the investment of funds in the Treasury Pool are made by the County Investment Officer in accordance with established policy, with certain transactions requiring the Treasurer’s prior approval. In Los Angeles County, investment decisions are governed by Chapter 4 (commencing with Section 53600) of Part 1 of Division 2 of Title 5 of the California Government Code, which governs legal investments by local agencies in the State of California, and by a more restrictive Investment Policy (the “Investment Policy”) developed by the Treasurer and adopted by the Los Angeles County Board of Supervisors (the “Board of Supervisors”) on an annual basis. The Investment Policy adopted on March 31, 2020, reaffirmed the following criteria and order of priority for selecting investments:

1. Safety of Principal
2. Liquidity
3. Return on Investment

The Treasurer prepares a monthly Report of Investments (the “Investment Report”) summarizing the status of the Treasury Pool, including the current market value of all investments. This report is submitted monthly to the Board of Supervisors. According to the Investment Report dated February 26,

2021, the January 31, 2021 book value of the Treasury Pool was approximately \$38.992 billion and the corresponding market value was approximately \$38.899 billion.

An internal controls system for monitoring cash accounting and investment practices is in place. The Treasurer's Compliance Auditor, who operates independently from the Investment Officer, reconciles cash and investments to fund balances daily. The Compliance Auditor's Staff also reviews each investment trade for accuracy and compliance with the Board adopted Investment Policy. On a quarterly basis, the County's outside independent auditor (the "External Auditor") reviews the cash and investment reconciliations for completeness and accuracy. Additionally, the External Auditor reviews investment transactions on a quarterly basis for conformance with the approved Investment Policy and annually accounts for all investments.

The following table identifies the types of securities held by the Treasury Pool as of January 31, 2021.

<u>Type of Investment</u>	<u>% of Pool</u>
Certificates of Deposit	7.82
U.S. Government and Agency Obligations	59.52
Bankers Acceptances	0.00
Commercial Paper	32.39
Municipal Obligations	0.08
Corporate Notes & Deposit Notes	0.19
Repurchase Agreements	0.00
Asset Backed Instruments	0.00
Other	<u>0.00</u>
Total	100.00

The Treasury Pool is highly liquid. As of January 31, 2021, approximately 46% of the investments mature within 60 days, with an average of 975 days to maturity for the entire portfolio.

Neither the Participants nor the Underwriter have made an independent investigation of the investments in the Treasury Pool and have made no assessment of the current County investment policy. The value of the various investments in the Treasury Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer, with the consent of the County Board of Supervisors, may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Treasury Pool will not vary significantly from the values described herein.

INVESTMENT OF PARTICIPANT FUNDS

Pursuant to the Education Code, all funds which comprise the general fund of a school district are deposited in the Treasury Pool. The Treasurer allocates such amounts to the credit of the proper fund or account of each school district. The Education Code permits the governing board of any school district which has funds in a special reserve fund of such school district or any surplus moneys not required for the immediate necessities of the school district to invest all or any part of the funds in investments specified in Sections 16430 or 53601 of the Government Code. However, pursuant to the current policies of Treasurer, all school districts are deemed to be involuntary depositors and all funds thereof are deposited in the Treasury Pool.

The Treasurer believes that the Treasury Pool has sufficient liquidity to permit the payment of current expenses and other obligations of school districts in the County, including the Participants. See “THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS” herein.

PARTICIPANT FINANCES

General

Appendix A hereto contains a general description of each Participant, its employees, retirement programs and enrollment history and projections. Also set forth are tables for each Participant showing summaries of assessed value, recent audited results, actual and projected cash flow schedules and current budget information. The estimates and timing of receipts and disbursements in such cash flow analyses are based on certain assumptions and should not be construed as statements of fact. The cash flow projections represent the current best estimate of the Participants, based on information available as of the date of the projections. However, due to the uncertainties inherent in the State budgeting process (See “PARTICIPANT FINANCES – State Assistance”), these projections are subject to change and may vary considerably from actual cash flows experienced by the Participants.

The information regarding the Participants has been taken or constructed from the official records of the Participants. Such information has been reviewed by an authorized representative of each Participant acting in his or her official capacity. Such representative has determined that as of the date hereof the information contained herein is, to the best of his or her knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact, or omit to state a material fact, necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Payment of State assistance in the amounts anticipated depends on the State’s adhering to its current budget, including the appropriations therein provided for local assistance. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Proposition 98” below. Also, see “– Major Revenues” and “PARTICIPANT FINANCES – State Assistance – 2020-21 State Budget” and “– Governor’s Proposed 2021-22 State Budget” below for information concerning the Local Control Funding Formula (defined herein) included in the 2020-21 State Budget and Governor’s Proposed 2021-22 State Budget (defined herein).

Major Revenues

The Treasurer manages, in accordance with California Government Code Section 53600 *et seq.*, funds deposited with the Treasurer by County school and community college districts, various special districts and some cities. State law generally requires that all moneys of the County, school districts and certain special districts be held in the County’s Treasury Pool. See “INVESTMENT OF PARTICIPANT

FUNDS” and “THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS.” The composition and value of investments under management in the Treasury Pool vary from time to time, depending on cash flow needs of the County and the other public agencies invested in the Treasury Pool, the maturity or sale of investments, purchase of new securities and fluctuations in interest rates generally.

K-12 School Districts

The operating income of school districts in California is comprised of two components: a State portion funded from the State’s general fund and a local portion derived from the Participants’ share of the 1% local *ad valorem* tax authorized by the State Constitution. School districts may also be eligible for special categorical funding from State and federal government programs.

Local Control Funding Formula. As part of the 2013-14 State budget, State Assembly Bill 97 (Stats. 2013, Chapter 47) (“AB 97”) was enacted to establish a new system for funding school districts, charter schools and county offices of education by the implementation of the Local Control Funding Formula (the “Local Control Funding Formula” or “LCFF”) to replace the revenue limit funding system for determining State apportionments and the majority of categorical program funding. Subsequently, AB 97 was amended and clarified by Senate Bill 91 (Stats. 2013, Chapter 49). The LCFF consists primarily of base grant, supplemental grant and concentration grant funding that focuses resources based on a school’s student demographics. Each school district and charter school will receive a per pupil base grant to support the basic costs of instruction and operations. The implementation of the LCFF began in Fiscal Year 2013-14 and is expected to be fully phased in by Fiscal Year 2020-21. The sum of a school district’s adjusted base, supplemental and concentration grants will be multiplied by such district’s P-2 ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with any applicable ERT (defined herein) or categorical block grant add-ons, will yield a district’s total LCFF allocation. The State will calculate an annual transition adjustment for each school district, equal to such district’s proportionate share of appropriations included in the 2013-14 State Budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. As a result, decreases in State revenues may significantly affect appropriations made by the State Legislature to school districts. Most school districts are expected to have the same proportion of their respective funding gaps closed in each year, with funding amount that vary in accordance with the size of each district’s funding gap.

The LCFF includes the following components:

- A base grant for each local education agency equivalent to \$7,643 per unit of ADA. This amount includes an adjustment of 10.4% to the base grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in high schools. Unless otherwise collectively bargained for, following full implementation of the LCFF, school districts with students in grades K-3 must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site so as to continue receiving its adjustment to the K-3 base grant. Such school districts must also make progress towards this class size reduction goal in proportion to the growth in their funding over the implementation period. Additional add-ons are also provided to school districts that received categorical block grant funding pursuant to the Targeted Instructional Improvement and Home-to-School Transportation programs during Fiscal Year 2012-13.
- A 20% supplemental grant for students classified as English learners (“EL”), those eligible to receive a free or reduced price meal (“FRPM”) and foster youth, to reflect increased costs associated with educating those students.

- An additional concentration grant of up to 22.5% of an LEA's (defined herein) base grant, based on the number of EL, FRPM, and foster youth served by a local education agency, which provides additional funding for districts with unduplicated counts greater than 55%, with an additional 50% of the base grant multiplied by the unduplicated count in excess of 55%.
- An economic recovery target ("ERT") to ensure that almost every LEA receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF. This ERT payment is based on the difference between the amount a school would have received under the old funding system and the amount a district would receive under the LCFF in Fiscal Year 2020–21. To determine this difference, assumptions for the old funding system include: (i) Fiscal Year 2012–13 unduplicated revenue limits, or block grant funding for charter schools, with cost-of-living adjustments of 1.57% in 2013–14 and 1.94% each year from Fiscal Year 2014–15 through Fiscal Year 2020–21; and categorical program funding levels restored to the Fiscal Year 2007–08 level. The ERT add-on will be paid incrementally over the eight-year implementing period of the LCFF.

Of the more than \$25 billion in funding to be invested through the LCFF through Fiscal Year 2020-21, the vast majority of new funding will be provided for base grants. Specifically, under current law, of every dollar invested through the LCFF, 84 cents is expected to go to base grants, 10 cents is expected to go to supplemental grants, and 6 cents is expected to go to concentration grants. In the State Budget for the Fiscal Year 2013-14, the average base grant was \$7,643, which was an increase of \$2,375 from the current average revenue limit. Base grants are to be adjusted for cost-of-living increases by applying the implicit price deflator for government goods and services. Following full implementation of the LCFF, the provision of COLAs will be subject to appropriation for such adjustment in the annual State budget. The differences among base grants are linked to differentials in Statewide average revenue limit rates by district type, and are intended to recognize the generally higher costs of education at higher grade levels.

LCFF includes a "hold harmless" provision which provides that a school district or charter school will maintain total revenue limit and categorical funding at its 2012-13 level, unadjusted for changes in ADA, or cost of living adjustments.

A summary of the target LCFF funding amounts for California school districts and charter schools based on grade levels and targeted students classified as EL, FRPM, foster youth, or any combination of these factors ("unduplicated" count) is shown below:

**California School Districts and Charter Schools
Grade Span Funding at Full LCFF Implementation**

Grade Span	Base Grant	K–3 Class Size Reduction and Grades 9–12 Adjustments	Average Assuming 0% Unduplicated FRPM, EL, Foster Youth	Average Assuming 25% Unduplicated FRPM, EL, Foster Youth	Average Assuming 50% Unduplicated FRPM, EL, Foster Youth	Average Assuming 100% Unduplicated FRPM, EL, Foster Youth
K–3	\$6,845	\$712	\$7,557	\$7,935	\$8,313	\$10,769
4–6	6,947	N/A	6,947	7,294	7,642	9,899
7–8	7,154	N/A	7,154	7,512	7,869	10,194
9–12	8,289	216	8,505	8,930	9,355	12,119

Source: California Department of Education

Local Control and Accountability Plan (“LCAP”). As part of the LCFF, school districts, county offices of education, and charter schools are required to develop, adopt and annually update a three-year Local Control and Accountability Plan or “LCAP,” beginning on July 1, 2014, using a template adopted by the California State Board of Education (“SBE”). The SBE is required to adopt evaluation rubrics to assist school districts and oversight entities in evaluation strengths, weaknesses, areas that require improvement, technical assistance needs, and where interventions are warranted on or before October 1, 2015. Subsequent revisions to the template or evaluation rubrics are required to be approved by the SBE by January 31 before the fiscal year when the template or rubric would be used. The LCAP is required to identify goals and measure progress for student subgroups across multiple performance indicators.

Community College Districts

Student Centered Funding Formula. Assembly Bill 1809 (“AB 1809”), the higher education trailer bill passed as part of the State budget for fiscal year 2018-19, implemented a new funding mechanism for community college districts referred to as the “Student Centered Funding Formula,” (the “SCFF”). The SCFF includes three components: (1) a base allocation (the “Base Allocation”) driven primarily by enrollment, (2) a supplemental allocation (the “Supplemental Allocation”) based on the number of certain types of low-income students, and (3) a student success allocation (the “Student Success Allocation”) calculated using various performance-based metrics.

The SCFF includes several provisions to provide districts greater financial stability in transitioning to the new formula: (i) for fiscal years 2018-19 through 2021-22,* community college districts will receive no less in total apportionment funding than they received in 2017-18, adjusted for COLAs; (ii) for fiscal year 2022-23 and onward, districts will receive no less in apportionment funding per-student than they received in fiscal year 2017-18; and (iii) beginning in fiscal year 2018-19, districts will receive the greater of the amount calculated by the SCFF for the current or prior year (excluding amounts districts receive pursuant to the provision summarized in (i) above).

The 2020-21 State Budget extends the formula’s existing hold harmless (minimum revenue) provision by two years, through 2023-24. Under this provision, the districts will earn at least their 2017-18 total computational revenue, adjusted by COLA each year, in years without base reductions.

Base Allocation. The Base Allocation is composed of (1) the Basic Allocation, determined consistent with the prior funding formula, and (2) funding for credit, non-credit and CDCP FTES. The Base Allocation is expected to constitute approximately 70% of Statewide funding for community college districts in fiscal year 2018-19 and in fiscal year 2019-20. The 2019 Budget Act tasked the Chancellor’s Office with determining the formula’s final 2019-20 funding rates based on total computational revenue of \$7.43 billion as determined by the Department of Finance. Beginning in 2020-21, these funding rates are to be adjusted by COLA and other base adjustments, and the distribution of funds across the three allocations (base, supplemental, and student success) is to be determined by changes in the underlying factors.

The SCFF provides minimum funding levels for credit FTES for the first fiscal year at \$3,727 for fiscal year 2018-19. For fiscal year 2019-20 the 2019-20 State Budget recalculates funding rates in the base, supplemental and student success allocations so that 70% of SCFF funds would be allocated to the base allocation. Beginning in 2020-21 those funding rates are codified in trailer bill language and are to

* The 2020-21 State Budget extends the formula’s existing hold harmless (minimum revenue) provision by two years, through 2023-24. Under this provision, districts will earn at least their 2017-18 total computational revenue, adjusted by COLA each year, in years without base reductions.

be adjusted by COLA. Notwithstanding the foregoing, the SCFF provides higher credit FTES funding rates for certain districts that were entitled to higher funding rates under the prior funding formula. Beginning in fiscal year 2021-22, the provision of COLAs and other adjustments will be subject to appropriation therefor in the annual State budget. Total funding for credit FTES will be based on a rolling three-year average of the funded credit FTES from the current fiscal year and the two immediately preceding fiscal years. Credit FTES associated with enrollment growth proposed in the annual budget act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average. In computing the three-year average, credit FTES generated by incarcerated and special admit students shall be excluded and funded consistent with the prior funding formula.

Funding levels for non-credit and career development and college preparation FTES are determined consistent with the prior funding formula. Total funding for these categories will be based on actual non-credit and career development and college preparation FTES for the most recent fiscal year.

Supplemental Allocation. The Supplemental Allocation, accounting for approximately 20% of Statewide funding, will be distributed to districts based on their headcounts of students that receive Federal Pell Grants, a student who is granted an exemption from nonresident tuition pursuant to Section 68130.5 (AB540), and student fee waivers under California Education Code 76300 (California College Promise Grant). The SCFF provides \$919 per qualifying student for fiscal year 2018-19. Beginning in fiscal year 2019-20, the 2019-20 State Budget recalculates funding rates for supplemental allocation so that in 2019-20, 20% of the SCFF funds would be allocated for the supplemental allocation. The final SCFF rate per qualifying student as calculated in the 2020 Budget Act is \$948. Beginning in 2020-21 those rates would be adjusted by COLA. Headcounts are not unduplicated, such that districts will receive twice or three times as much supplemental funding for a student that falls into more than one of the aforementioned categories.

Student Success Allocation. The Student Success Allocation will be distributed to districts based on their performance in a various student outcome metrics, including obtaining various degrees and certificates, completing transfer-level math and English courses within a student's first year, and having students obtain a regional living wage within a year of completing community college. The Student Success Allocation is expected to account for 10% of statewide funding for community college districts in fiscal year 2018-19, 10% in fiscal year 2019-20 and is expected to 15% in fiscal year 2020-21, and to 20% in fiscal year 2021-22; however, such increases in future fiscal years' are subject to change. Each metric is assigned a point value, with some metrics are weighted more than others. A single student outcome with more points will generate more funding. Outcome metrics for students that qualify for Federal Pell Grants and California College Promise Grants are eligible for additional funding.

Beginning in fiscal year 2019-20 the student success allocation will count only the highest of all awards a student earned in the same year and will only count the award if the student was enrolled in the district in the year the award was granted. The student success allocation will also calculate based on the three-year rolling average of each metric. Outcome metrics for students that qualify for Federal Pell Grants, AB 540 and California College Promise Grants are eligible for additional funding.

Ad Valorem Property Taxes

Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a "floating lien date"). For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed property

secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of “situs” growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts. In addition, the County levies and collects additional approved property taxes and assessments on behalf of any taxing agency within the County.

Property taxes on the secured roll are due in semi-annual installments, on November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a ten percent penalty attaches to any delinquent payment. In addition, property on the secured roll secured by the assessee’s fee ownership of land with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Those properties on the secured roll that become tax-defaulted on June 30 of the fiscal year that are not secured by the assessee’s fee ownership of land are transferred to the unsecured roll and are then subject to the Treasurer’s enforcement procedures (*i.e.*, seizures of money and property, liens and judgments). Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of one and one-half percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the Treasurer.

Property taxes on the unsecured roll are currently due as of the January 1 lien date prior to the commencement of the fiscal year and become delinquent, if unpaid, on August 31 (or June 30). A ten percent penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of one and one-half percent per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation 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, bank accounts or possessory interests belonging or assessed to the taxpayer.

Proposition 98

General. In 1988, California voters approved Proposition 98, an initiative that amended Article XVI of the State Constitution and provided specific procedures to determine a minimum guarantee for annual K-14 funding. The constitutional provision links the K-14 funding formulas to growth factors that are also used to compute the State appropriations limit. Proposition 111 (Senate Constitutional Amendment 1), adopted in June 1990, among other things, changed some earlier school funding provisions of Proposition 98 relating to the treatment of revenues in excess of the State spending limit and added a third funding “test” to calculate the annual funding guarantee. This third calculation is operative in years in which general fund tax revenue growth is weak. The amendment also specified that under Test 2 (see below), the annual COLA for the minimum guarantee would be the change in California’s per-capita personal income, which is the same COLA used to make annual adjustments to the State appropriations limit (Article XIII B). See “-- State Assistance – 2020-21 State Budget” and “-Governor’s Proposed 2021-22 State Budget” below.

Calculating Minimum Funding Guarantee. There are currently three tests which determine the minimum level of K-14 funding. Test 1 guarantees that K-14 education will receive at least the same funding share of the State general fund budget it received in 1986-87. Initially, that share was just over 40%. Because of the major shifts of property tax from local government to community colleges and K-12 which began in 1992-93 and increased in 1993-94, the percentage dropped to 33.0%.

Since 1989, each segment of public education (K-12 districts, community college districts, and direct elementary and secondary level instructional services provided by the State of California) has separately calculated amounts under the Proposition 98 tests. The base year for the separate calculations is 1989-90. Each year, each segment is entitled to the greater of the amounts separately computed for each under Test 1 or 2. Should the calculated amount of Proposition 98 guarantee (K-14 aggregated) be less than the sum of the separate calculations, then the Proposition 98 guarantee amount shall be prorated to the three segments in proportion to the amount calculated for each. From 1992-93 to 2007-08 this statutory split was suspended.

Test 2 provides that K-14 education will receive as a minimum, its prior-year total funding (including State general fund and local revenues) adjusted for enrollment growth (ADA) and per-capita personal income COLA.

A third formula, established pursuant to Proposition 111 as "Test 3," provides an alternative calculation of the funding base in years in which State per-capita general fund revenues grow more slowly than per-capita personal income. When this condition exists, K-14 minimum funding is determined based on the prior-year funding level, adjusted for changes in enrollment and COLA where the COLA is measured by the annual increase in per-capita general fund revenues, instead of the higher per-capita personal income factor. The total allocation, however, is increased by an amount equal to one-half of one percent of the prior-year funding level as a funding supplement.

In order to make up for the lower funding level under Test 3, in subsequent years K-14 education receives a maintenance allowance equal to the difference between what should have been provided if the revenue conditions had not been weak and what was actually received under the Test 3 formula. This maintenance allowance is paid in subsequent years when the growth in per-capita State tax revenue outpaces the growth in per-capita personal income.

The enabling legislation to Proposition 111, Chapter 60, Statutes of 1990, (SB 98, Garamendi), further provides that K-14 education shall receive a supplemental appropriation in a Test 3 year if the annual growth rate in non-Proposition 98 per-capita appropriations exceeds the annual growth rate in per-pupil total spending.

State Assistance

The Participants' principal funding formulas and revenue sources are derived from the budget of the State of California. **The following information concerning the State of California's budgets has been obtained from publicly available information which the Participants believe to be reliable; however, the State has not entered into any contractual commitment with the Participants, the County, the Underwriter, Bond Counsel, Underwriter's Counsel nor the owners of the Certificates to provide State budget information to the Participants or the owners of the Certificates. Although they believe the State sources of information listed above are reliable, none of the Participants, the County, Bond Counsel, Disclosure Counsel, Underwriter's Counsel nor the Underwriter assume any responsibility for the accuracy of the State budget information set forth or referred to herein or incorporated by reference herein. Additional information regarding State budgets is available at**

various State-maintained websites including www.dof.ca.gov, which website is not incorporated herein by reference.

Proposition 30. The passage of the Governor’s November Tax Initiative (“Proposition 30”) on the November 6, 2012 ballot resulted in an increase in the State sales tax by a quarter-cent for four years and, for seven years, raising taxes on individuals after their first \$250,000 in income and on couples after their first \$500,000 in earnings. These increased tax rates affect approximately 1% of California personal income tax filers and went into effect starting in the 2012 tax year, ending at the conclusion of the 2018 tax year. The Legislative Analyst’s Office (the “LAO”) estimates that, as a result of Proposition 30, additional state tax revenues of about \$6 billion annually from Fiscal Years 2012–13 through 2016–17 will be received by the State with lesser amounts of additional revenue available in Fiscal Years 2011–12, 2017–18, and 2018–19. These additional monies were available to fund programs in the 2012-13 State Budget and prevented certain “trigger cuts” included in the 2012-13 State Budget. Proposition 30 also placed into the State Constitution certain requirements related to the transfer of certain State program responsibilities to local governments, mostly counties, including incarcerating certain adult offenders, supervising parolees, and providing substance abuse treatment services.

New revenues generated from Proposition 30 are deposited into a newly created State account called the Education Protection Account (“EPA”). Local education agencies, comprised of school districts, county offices of education, and charter schools (“LEAs”) will receive funds from the EPA based on their proportionate share of the Statewide revenue limit amount. A corresponding reduction is made to an LEA’s revenue limit equal to the amount of their EPA entitlement. LEAs began to receive EPA payments quarterly beginning with Fiscal Year 2013-14.

The California Children’s Education and Health Care Protection Act of 2016, also known as Proposition 55, is a constitutional amendment approved by the voters of the State on November 8, 2016. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030. Tax revenue received under Proposition 55 is allocated 89% to K-12 schools and 11% to community colleges. Proposition 55 did not extend the sales tax rate increase enacted under Proposition 30.

For further information on Proposition 30, see “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Proposition 30.”

Limitations on School District Reserves. The 2014-15 State Budget included the Education Budget Trailer Bill (“SB 858”) which amended Education Code section 42127 to provide that, beginning in Fiscal Year 2015-16, if a school district’s proposed budget includes a local reserve above the minimum recommended level, the governing board must provide the following information for review at the annual public hearing on its proposed budget: (i) the minimum recommended reserve adopted by the State Board of Education; (ii) the school district’s fund balance in excess of the recommended reserve; and (iii) a statement substantiating the need for the excess reserve level. This information is to be included in the school district’s budgetary submission to its county superintendent of schools and was effective commencing the 2015-16 school year.

A second provision of SB 858 adds section 42127.01 to the Education Code that voters approved in November 2014. This provision provides that in any fiscal year immediately after a fiscal year in which a transfer is made by the State to the “rainy day fund,” a school district may not adopt a budget that contains a reserve in excess of twice the applicable minimum reserve amount. A county superintendent may grant a school district an exemption from the limitation on reserves for up to two consecutive fiscal years if the school district provides documentation indicating that “extraordinary fiscal circumstances”

substantiate the need for a higher ending balance. Section 42127.01 became operative on December 15, 2014.

In any fiscal year following a year in which the State has made a transfer into the Public School System Stabilization Account (the “PSSSA”) and all other applicable conditions have been satisfied, the combined unassigned and assigned ending fund balance in any budget adopted or revised by a school district may not be (i) more than two times the amount of the minimum recommended reserve specified under the Education Code for school districts with an ADA of less than 400,000 or (ii) more than three times the amount of the minimum recommended reserve specified under the Education Code for school districts with an ADA of 400,000 or greater. Further, a county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive fiscal years within a three-year period if certain extraordinary fiscal circumstances exist.

Each of the Participants is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

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

2020-21 State Budget. On June 29, 2020 Governor Newsom signed into law the Fiscal Year 2020-21 State Budget (the “2020-21 State Budget”), closing a \$54.3 billion gap in Fiscal Year 2020-21 and reducing the State’s structural deficit, balancing the State’s budget by drawing \$8.8 billion in reserves from the Rainy Day Fund (\$7.8 billion), the Safety Net Reserve (\$450 million), and all of the funds in the Public School System Stabilization Account. The 2020-21 State Budget (i) includes \$11.1 billion in reductions and deferrals that will be restored if at least \$14 billion in federal funds are received by October 15, 2020; (ii) relies on \$10.1 billion in federal funds that provide General Fund relief, including \$8.1 billion already received; (iii) temporarily suspends the use of net operating losses for medium and large businesses and temporarily limits to \$5 million the amount of business incentive credits a taxpayer can use in any given tax year (generating \$4.4 billion in additional revenues in Fiscal Year 2020-21); and (iv) relies on \$9.3 billion in special fund borrowing and transfers, as well as other deferrals for K-14 schools.

In addition, the 2020-21 State Budget reflects estimated spending of \$5.7 billion to respond directly to the COVID-19 pandemic, including personal protective equipment, hospital surge preparation, and other expenditures to support populations at greater risk of contracting COVID-19. Of the \$9.5 billion in Coronavirus Relief Fund received by the State, \$4.5 billion is allocated to local school districts, \$1.3 billion is allocated to counties, and \$500 million to cities. The 2020-21 State Budget also includes \$750 million General Fund to provide support for counties experiencing revenue losses due to the pandemic. (See “INTRODUCTION--Risks Related to COVID-19”). The 2020-21 State Budget also temporarily suspends for three years net operating loss tax deductions for medium and large businesses and limits business tax credits, with an estimated increase in tax revenues of \$4.3 billion in fiscal year 2020-21.

For Fiscal Year 2019-20, the 2020-21 State Budget projects total general fund revenues and transfers of \$137.6 billion and authorizes expenditures of \$146.9 billion and the State is projected to end

Fiscal Year 2019-20 with total available general fund reserves of \$17 billion, including \$16.1 billion in the BSA and \$900 million in the Safety Net Reserve Fund. For Fiscal Year 2020-21, the 2020-21 State Budget projects total general fund revenues and transfers of \$137.7 billion and authorizes expenditures of \$133.9 billion. The State is projected to end the Fiscal Year 2020-21 with total available general fund reserves of \$11.4 billion, including \$2.6 billion in the traditional general fund reserve (of which \$716 million is earmarked for COVID-related responses), \$8.3 billion in the BSA and \$450 million in the Safety Net Reserve Fund.

K-12 Education. The 2020-21 State Budget includes total funding of \$98.8 billion (\$48.1 billion General Fund and \$50.7 billion other funds) for all K-12 education programs and provides for \$1.9 billion of LCFF apportionment deferrals in Fiscal Year 2019-20, increasing to \$11 billion LCFF apportionment deferrals in Fiscal Year 2020-21 to allow LCFF funding to remain at Fiscal Year 2019-20 levels in both fiscal years. The 2020-21 State Budget suspends the statutory LCFF cost-of-living adjustment in Fiscal Year 2020-21. Of the total LCFF deferrals, \$5.8 billion will be triggered off in Fiscal Year 2020-21 if the federal government provides sufficient funding that can be used for this purpose.

Proposition 98 Guarantee. As a result of declining State revenue, the 2020-21 State Budget states that the constitutional Proposition 98 guarantee level of \$70.9 billion is more than \$10 billion below the minimum guarantee at the 2019 Budget Act, a loss which is offset by the 2020-21 State Budget and defers \$12.9 billion in payments to preserve programs and to provide K-12 schools, as well as California community colleges, the resources necessary to safely reopen. In addition, the 2020-21 State Budget commits to making supplemental appropriations above the Proposition 98 guarantee for several years starting in Fiscal Year 2021-22, which will accelerate General Fund support for schools over the multi-year forecast period.

Learning Loss Mitigation (COVID-19). The 2020-21 State Budget includes a one-time investment of \$5.3 billion (\$4.4 billion federal Coronavirus Relief Fund, \$539.9 million Proposition 98 General Fund, and \$355.2 million federal Governor's Emergency Education Relief Fund) to local educational agencies to address learning loss related to COVID-19 school closures, especially for students most heavily impacted by those closures. These funds are to be allocated to local educational agencies on an equity basis, with an emphasis on ensuring the greatest resources are available to local educational agencies serving students with the greatest needs, and are intended to track and mitigate the inequitable impact that the COVID-19 pandemic has had on different student populations, including low-income students and students with disabilities. Specifically, funds will be allocated in the following manner: (i) \$2.9 billion based on the LCFF supplemental and concentration grant allocation; (ii) \$1.5 billion based on number of students with exceptional needs; and (iii) \$979.8 million based on total LCFF allocation. These funds may be used for purposes including the following: learning supports that begin prior to the start of the school year, and the continuing intensive instruction and supports into the school year; extending the instructional school year, including an earlier start date, by increasing the number of instructional minutes or days; providing additional academic services for pupils, including diagnostic assessments of student learning needs, intensive instruction for addressing gaps in core academic skills, additional instructional materials or supports, or devices and connectivity for the provision of in-classroom and distance learning; and also providing integrated student supports to address other barriers to learning, such as the provision of health, counseling or mental health services; professional development opportunities to help teachers and parents support pupils in distance-learning contexts; access to school breakfast and lunch programs; or programs to address student trauma and social-emotional learning.

Supplemental Appropriations. The 2020-21 State Budget provides for a new, multi-year payment obligation to supplement K-14 education funding. The total obligation would equal approximately \$12.4 billion, and reflects the administration's estimate of the additional funding K-14

school districts would have received in the absence of COVID-19-related reductions. Under this proposal the State will make annual payments toward this obligation beginning in Fiscal Year 2021-22. These payments would equal 1.5% of State general fund revenue. The 2020-21 State Budget also increases the share of State general fund revenue required to be spent on K-14 school districts from 38% to 40% by Fiscal Year 2023-24.

Revised CalPERS and CalSTRS Contributions. The 2020-21 State Budget redirects \$2.3 billion appropriated in the 2019 Budget Act to CalSTRS and CalPERS for long-term unfunded liabilities to reduce employer contribution rates in Fiscal Years 2020-21 and 2021-22. This reallocation will further reduce the CalSTRS employer rate from 18.41% to approximately 16.15% in Fiscal Year 2020-21 and from 17.9% to 16.02% in Fiscal Year 2021-22. The CalPERS Schools Pool employer contribution rate will be further reduced from 22.67% to 20.7% in Fiscal Year 2020-21 and from 24.6% to 22.84% in Fiscal Year 2021-22.

Allocation of Federal Funds. In addition to the federal Coronavirus Relief Fund and Governor's Emergency Education Relief Fund allocated to K-12 education, the 2020-2021 Budget appropriates \$1.6 billion in federal Elementary and Secondary School Emergency Relief funds that California was recently awarded. Of this amount, 90% (\$1.5 billion) will be allocated to local educational agencies in proportion to the amount of Title I-A funding they receive to be used for COVID-19 related costs. The remaining 10% (\$164.7 million) is available for COVID-19 related state-level activities, as follows: (i) \$112.2 million to provide up to \$0.75 per meal for local educational agencies participating in the National School Lunch Program, School Breakfast Program, Seamless Summer Option, or Summer Food Service Program and serving meals between March 2020 and August 2020 due to physical school closures caused by the COVID-19 pandemic; (ii) \$45 million for grants to local educational agencies, including county offices of education, to coordinate or expand community schools to increase access to health, mental health, and social service supports for high-needs students; and (iii) \$1.5 million for the Department of Education for State operations costs associated with the COVID-19 pandemic.

Average Daily Attendance. To help minimize additional learning loss related to COVID-19, the 2020-21 State Budget presumes that local educational agencies should transition back to providing in-classroom instruction in the 2020-21 school year, provided that if local or State public health official orders necessitate a school closure, local educational agencies will need flexibility to provide distance learning. The 2020-21 State Budget includes a hold harmless for the average daily attendance used to calculate school funding for all local educational agencies and requirements for distance learning to ensure that, when in-person instruction is not possible, students continue to receive access to a quality education via distance learning.

In this regard, the 2020-21 State Budget includes: (i) a hold-harmless for the purpose of calculating apportionment in Fiscal Year 2020-21; average daily attendance shall be based on the 2019-20 year, except for new charter schools commencing instruction in Fiscal Year 2020-21; (ii) an exemption for local educational agencies from the annual minimum instructional minutes requirement; (iii) requirements for distance learning services, including the provision of devices and connectivity and supports for students with exceptional needs, English language learner students, youth in foster care, and youth experiencing homelessness, as well as students in need of mental health supports; and (iv) distance learning attendance requirements, including documentation of daily student participation, weekly engagement records, and attendance reporting for purposes of chronic absenteeism tracking.

Employee Protections. The 2020-21 State Budget includes the suspension of the August 15, 2020, layoff window for teachers and other non-administrative certificated staff and suspension of layoffs for classified staff working in transportation, nutrition, and custodial services from July 1, 2020 through June 30, 2021. The 2020-21 State Budget also includes (i) the intent of the State Legislature that school

districts, community college districts, joint powers authorities, and county offices of education retain all classified employees in Fiscal Year 2020-21; and (ii) an increase of \$60 million Proposition 98 General Fund to provide a match of State funds for participating classified employees to be paid during the summer recess period.

Other significant features of the 2020-21 State Budget affecting K-12 schools include the following:

- *Special Education* – The 2020-21 State Budget increases special education base rates to \$625 per pupil, and provides \$100 million to increase funding for students with low-incidence disabilities.
- *Child Care* - Of the \$350.3 million received by California through the CARES Act for COVID-19 related child care activities, the 2020-21 State Budget applies \$144.3 million for State costs associated with SB 89 expenditures, family fee waivers, and provider payment protection; \$125 million for voucher provider hold harmless and stipends; and \$73 million to continue care for at-risk children and essential workers.
- *Learning Continuity and Attendance Plan* – To replaces the annual LCAP requirement with a Learning Continuity and Attendance Plan, with public stakeholder engagement, to outline local education agencies compliance with applicable provisions, including student participation and attendance reporting, device accessibility and instruction. The 2020-21 State Budget requires the State Superintendent to develop a template of this plan for use by local educational agencies which will include a description of how such agencies will provide continuity of learning during the COVID-19 pandemic, expenditures related to addressing the impacts of the pandemic, and how such agencies are increasing or improving services in proportion to concentration funding that is received under the LCFF.

California Community Colleges (“CCCs”). The 2020-21 State Budget enacts certain statutory changes in an effort to assist CCCs to recover from the impacts of the recession caused by the COVID-19 pandemic, including the following: (i) exempting direct COVID-19-related expenses incurred by community college districts (excluding revenue declines) from the “50 Percent Law” (which requires community college districts to spend at least half of their current expense of education in each fiscal year on salaries and benefits of classroom instructors); (ii) providing a hardship exemption for community college districts unable to meet their financial obligations due to the deferrals enacted in the 2020-21 State Budget; (iii) extending the Student-Centered Funding Formula hold harmless provisions for an additional two years, as well as authorizing the use of past-year data sources that have not been impacted by the COVID-19 pandemic for the calculation of the Student-Centered Funding Formula for Fiscal Year 2020-21; and (iv) encouraging and expediting the development of short-term career technical education courses to address the impacts of the COVID-19 pandemic.

Proposition 98 Guarantee. As a result of declining State revenue, the 2020-21 State Budget states that the constitutional Proposition 98 guarantee level of \$70.9 billion is more than \$10 billion below the minimum guarantee at the 2019 Budget Act, a loss which is offset by the 2020-21 State Budget and defers \$12.9 billion in payments to preserve programs and to provide K-12 schools and CCCs, the resources necessary to safely reopen. In addition, the 2020-21 State Budget commits to making supplemental appropriations above the Proposition 98 guarantee for several years starting in Fiscal Year 2021-22, which will accelerate General Fund support for schools over the multi-year forecast period.

Supplemental Appropriations – The 2020-21 State Budget provides for a new, multi-year payment obligation to supplement K-14 education funding. The total obligation would equal approximately \$12.4 billion, and reflects the administration’s estimate of the additional funding K-14 school districts would have received in the absence of COVID-19-related reductions. Under this proposal the State will make annual payments toward this obligation beginning in Fiscal Year 2021-22. These payments would equal 1.5% of State general fund revenue. The 2020-21 State Budget also increases the share of State general fund revenue required to be spent on K-14 school districts from 38% to 40% by Fiscal Year 2023-24.

Other significant features of the 2020-21 State Budget affecting CCCs include the following:

- ***Fiscal Year Deferrals.*** A deferral of approximately \$330.1 million Proposition 98 General Fund of community college apportionments from Fiscal Year 2019-20 to Fiscal Year 2020-21 and a deferral of approximately \$662.1 million Proposition 98 General Fund of community college apportionments from Fiscal Year 2020-21 to Fiscal Year 2021-22.
- ***Fiscal Year 2020-21 Deferrals Subject to Control Section 8.28.*** As a result of the COVID-19 Recession and absent the receipt of additional federal funds to assist the State with the fiscal crisis, reductions are necessary to balance the state budget. To the extent the federal government provides sufficient federal funds by October 15, 2020, which are eligible for purposes identified below, funds will be appropriated for the Fiscal Year 2020-21 as follows: a deferral of approximately \$791.1 million Proposition 98 General Fund of community college apportionments from Fiscal Year 2020-21 to Fiscal Year 2021-22.
- ***COVID-19 Response Block Grant for CCCs.*** A one-time increase of approximately \$120.2 million, which is comprised of approximately \$54 million from the Coronavirus Relief Fund (CARES Act) and approximately \$66.3 million Proposition 98 General Fund, for a COVID-19 Response Block Grant for the community colleges to support student learning and mitigate learning loss related to the COVID-19 pandemic.
- ***Dreamer Resource Liaisons.*** An increase of \$5.8 million Proposition 98 General Fund to fund Dreamer Resource Liaisons and student support services, for immigrant students including undocumented students in community colleges, pursuant to Chapter 788, Statutes of 2019 (AB 1645). These services provide an opportunity to address disparities and advance economic justice by supporting educational attainment, career pathways and economic mobility for students who may face barriers related to their immigration status.
- ***Legal Services.*** An increase of \$10 million ongoing Proposition 98 General Fund to provide legal services to immigrant students, faculty, and staff on community college campuses.
- ***Revised PERS/STRS Contributions.*** To provide local educational agencies and CCCs with increased fiscal relief, the Budget redirects \$2.3 billion appropriated in the 2019 Budget Act to STRS and PERS for long-term unfunded liabilities to further reduce employer contribution rates in Fiscal Years 2020-21 and 2021-22.
- ***CCC Facilities.*** An increase of general obligation bond funding of \$223.1 million, including \$28.4 million to start 25 new capital outlay projects and \$194.7 million for the construction phase of 15 projects anticipated to complete design by spring 2021. This

allocation represents the next installment of the \$2 billion available to CCCs under Proposition 51.

- **Local Property Tax Adjustment.** A decrease of \$60.9 million Proposition 98 General Fund as a result of increased offsetting local property tax revenues.
- **Employee Protections.** Includes the intent of the State Legislature that school districts, community college districts, joint powers authorities, and county offices of education retain all classified employees in Fiscal Year 2020-21.

Governor's Proposed 2021-22 State Budget. On January 8, 2021, Governor Newsom released California's Proposed Fiscal Year 2021-22 State Budget (the "Proposed 2021-22 State Budget"). The Proposed 2021-22 State Budget totals about \$227 billion, increasing only slightly over the 2020-21 State Budget. General Fund spending would increase by about \$8.6 billion (5.5%) to \$164.5 billion. The Proposed 2021-22 State Budget reflects an improved outlook since the 2020-21 State Budget, based on revenues that outperformed earlier projections following the COVID-19 pandemic. The State is projected to end the Fiscal Year 2020-21 with available general fund reserves that include: \$15.6 billion in the Budget Stabilization Account (the General Fund's "rainy-day" fund) for fiscal emergencies; \$450 million in the Safety Net Reserve (used to maintain benefits and services for CalWORKs and Medi-Cal participants during economic downturns) and \$3 billion in the Public School System Stabilization Account (the Proposition 98 "rainy-day" fund used to lessen the impact of state revenue volatility on K-14 schools). Despite some improvement over the prior year, expenditures are projected to grow faster than revenues, with a structural deficit of about \$7.6 billion projected for Fiscal Year 2022-23 that is forecast to grow to over \$11 billion by 2024-25.

Proposition 98 Guarantee. For K-12 public schools and community colleges, the Proposition 98 funding for Fiscal Year 2021-22 is approximately \$85.8 billion, a historic high. The Proposed 2021-22 State Budget proposes to eliminate the 2020-21 State Budget's commitment to making supplemental appropriations above the Proposition 98 guarantee for several years starting in Fiscal Year 2021-22. Last year's budget projections had anticipated a \$12.4 billion drop in Proposition 98 funding for Fiscal Years 2019-20 and 2020-21. But only about a \$500 million drop is now projected to materialize. In place of those multi-year supplemental payments, the Proposed 2021-22 State Budget instead proposes a one-time non-Proposition 98 supplemental payment of \$2.3 billion in Fiscal Year 2020-21.

Deferrals and COLA (K-12). The 2020-21 State Budget deferred LCFF apportionments of about \$1.9 billion for K-12 funding from Fiscal Year 2019-20 to July in Fiscal Year 2021-22 and about \$11 billion of more deferrals from Fiscal Year 2020-21 to Fiscal Year 2021-22. The Proposed 2021-22 State Budget proposes to pay down \$9.2 billion of scheduled K-12 LCFF deferrals, which effectively eliminates most of the deferrals for apportionments originally scheduled to begin in February 2022. However, this pay down does not eliminate the deferral of the June 2022 apportionment to July 2022, nor does such pay down impact the deferral of February 2021 through June 2021 apportionments. The repayment schedule for these deferrals remains as provided in the 2020-21 State Budget, with local educational agencies receiving those deferred apportionments from July through November 2021 instead. The proposed COLA for LCFF in Fiscal Year 2021-22 is 3.84% – a compounded amount that encompasses a 2.31% COLA for 2020-21 and an additional 1.5% for 2021-22 (translating to about \$2 billion) – and is applied to the LCFF base grants. The Proposed 2021-22 State Budget projects a net decline in ADA Statewide.

Significant features of the Proposed 2021-22 State Budget affecting K-12 public schools include the following:

- ***Support for Reopening for In-Person Instruction.*** A \$2 billion one-time Proposition 98 General Fund appropriation to augment resources for schools to offer in-person instruction safely, available on a per-pupil basis for all county schools, school districts and classroom-based charter schools that are open for in-person instruction by specified dates.
- ***Learning-Loss Interventions.*** To address learning loss due to the COVID-19 pandemic, a \$4.6 billion one-time Proposition 98 General Fund appropriation for targeted interventions that focus on students from low-income families, English language learners, youth in foster care and homeless youth, including an extended school year or summer school.
- ***Hold Harmless.*** The Proposed 2021-22 State Budget does not include a new ADA hold-harmless provision in 2021-22. However, because of the ADA hold-harmless provision in the 2020-21 State Budget, local education agencies that experience enrollment declines in 2021-22 will retain the ability to receive apportionment based on the higher of their 2019-20 or 2020-21 ADA, under existing statutes.
- ***Special Education Funding.*** A \$300 million ongoing Proposition 98 General Fund appropriation for the Special Education Early Intervention Grant to increase evidence-based services for infants, toddlers, and preschoolers. A \$5 million one-time Proposition 98 General Fund appropriation to establish professional learning networks.
- ***Community Schools.*** A \$264.9 million one-time Proposition 98 General Fund appropriation to enable local education agencies to expand existing networks of community schools and establish new community schools, and to coordinate services to these schools with priority given to high-poverty communities.
- ***Student Mental Health.*** A \$400 million one-time appropriation of a mix of federal funds and General Fund, available over multiple years, to implement an incentive program through Medi-Cal Managed Care Plans, administered by county behavioral health departments and schools, to increase the number of students receiving preventive care and early intervention behavioral health services from schools, providers in schools and school-based health centers.
- ***Early Education.*** A \$250 million one-time Proposition 98 General Fund appropriation, available over multiple years, to encourage expansion of transitional kindergarten to younger children.
- ***Pension Costs.*** The 2020-21 State Budget redirected \$2.3 billion of funds previously designated for a long-term buy-down of pension liabilities, and instead used them to reduce local school employer pension contributions in 2020-21 and 2021-22. The Proposed 2021-22 State Budget proposes, for 2021-22, CalSTRS apply \$820 million to reduce the employer contribution rate from 18.1% to about 15.92%, and CalPERS apply \$330 million to reduce the CalPERS School Pool employer contribution rate from 24.9% to 23%.

Deferrals and COLA (CCCs). The 2020-21 State Budget deferred apportionments of about \$1.45 billion for CCC funding from Fiscal Year 2020-21 to Fiscal Year 2021-22. The Proposed 2021-22 State Budget proposes to reduce deferred apportionments for SCFF by about \$1.13 billion, reducing deferrals to \$326.5 million. The proposed COLA for SCFF is 1.5% (translating to about \$111.1 million).

Proposed 2021-22 State Budget projects an increase of \$23.1 million (or 0.5%) enrollment growth for SCFF. An additional \$120.9 million of funding increase is proposed based on SCFF base adjustments.

Significant features of the Proposed 2021-22 State Budget affecting CCCs include the following:

- ***Emergency Financial Assistance.*** A \$250 million one-time Proposition 98 General Fund appropriation for emergency financial assistance for full-time, low-income community college students and other students who were previously working full-time.
- ***Student Basic Needs.*** A \$100 million one-time Proposition 98 General Fund appropriation to address students' basic needs related to food and housing insecurity.
- ***Student Retention and Enrollment.*** A \$20 million one-time Proposition 98 General Fund appropriation to support efforts to bolster CCC student retention rates and enrollment, primarily targeting students who withdrew due to impacts of the COVID-19 pandemic.
- ***Student Technology Access.*** A \$20 million ongoing Proposition 98 General Fund appropriation to support student access to electronic devices and high-speed Internet connectivity, as well as to increase student mental health resources.
- ***Apprenticeship Investments; Work-Based Learning.*** A \$15 million ongoing Proposition 98 General Fund appropriation to augment the California Apprenticeship Initiative, which supports the creation of apprenticeship opportunities in priority and emerging industry sectors; a \$20 million one-time Proposition 98 General Fund appropriation to expand work-based learning models and programs at CCCs, including working with faculty and employers to incorporate work-based learning into curriculum.
- ***Online Education Infrastructure.*** An increase of \$10.6 million ongoing Proposition 98 General Fund appropriation to support continuity of education and distance learning.
- ***Instructional Materials.*** An increase of \$2.5 million one-time Proposition 98 General Fund appropriation for CCCs to provide instructional materials for dual enrollment students. An increase of \$15 million one-time Proposition 98 General Fund appropriation for CCCs to develop and implement zero-textbook-cost degrees using open education resources.
- ***CCC Facilities.*** An increase of general obligation bond funding of \$355.8 million for 18 capital outlay projects, representing the next installment of the \$2 billion available to CCCs under Proposition 51.
- ***Pension Costs.*** The 2020-21 State Budget redirected funds previously designated for a long-term buy-down of pension liabilities, and instead used them to reduce local school employer pension contributions in 2020-21 and 2021-22 by about 2% in each year. The Proposed 2021-22 State Budget does not propose further buy-downs but continues implementation of the 2021-22 employer contribution reduction. As a result, the CalSTRS employer contribution declines from 17.1% in 2019-20 to 15.92% in 2021-22. The proposal also mitigates increases to the CalPERS estimated employer contribution rate of 24.9%, providing for a rate of 23% in 2021-22.

The Participants cannot predict how State income or State education funding will vary over the term of the Certificates, and the Participants take no responsibility for informing owners of the Certificates as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget" or www.ebudget.ca.gov. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the Participants, and the Participants can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

The State Constitution requires that from all State revenues there will first be set apart the moneys to be applied by the State for support of the public school system and public institutions of higher education. As discussed herein, school districts in the State receive a significant portion of their funding from State appropriations. Accordingly, the State's economic condition can significantly affect the economic condition of California school districts.

LAO Overview of Proposed 2021-22 State Budget. On January 10, 2021, California's Legislative Analyst's Office ("LAO") issued a nonpartisan analysis (the "LAO Report") of the Proposed 2021-22 State Budget. The LAO Report notes the State's improved fiscal picture amidst the ongoing COVID-19 pandemic. Despite the overall expected increase in reserves under the Proposed 2021-22 State Budget, the LAO observes that the State will face large multiyear operating deficits if the State legislature adopts the Proposed 2021-22 State Budget. In particular, the LAO warns that the State would experience an operating deficit of \$7.60 billion in fiscal year 2022-23 that would grow to \$11.30 billion in fiscal year 2024-25. The LAO recommends that the State Legislature begin to consider the ways in which the State might address the multi-year structural deficit, including, for example, by considering the use of discretionary spending to make supplemental pension payments.

The LAO estimates that the Governor had a \$15.50 billion surplus to allocate in the Proposed 2021-22 State Budget, and that the Governor allocated approximately \$8.10 billion to one-time or temporary spending, approximately \$2.90 billion to the Special Fund for Economic Uncertainties ("SFEU"), approximately \$2.50 billion to revenue reductions, approximately \$1.30 billion to ongoing spending (the costs of which the LAO estimates will grow slightly over time to \$1.40 billion by fiscal year 2024-25), and approximately \$700 million to repay State debts and liabilities. The LAO comments that the Proposed 2021-22 State Budget provides a reasonable mix of one-time and ongoing spending.

The LAO Report observes that, of the new public school and community college spending specifically attributable to Fiscal Year 2021-22, the Proposed 2021-22 State Budget allocates \$2.6 billion for ongoing commitments and \$2.9 billion for one-time activities. This one-time spending, combined with a \$2.4 billion one-time deposit into the Public School System Stabilization Account, creates a budget cushion of \$5.3 billion. The LAO Report asserts that this cushion will help protect ongoing programs from volatility in the Proposition 98 minimum guarantee. Moreover, the LAO Report observes, \$2.3 billion of the total Proposition 98 funding allocated to schools in Fiscal Year 2021-22 is supported with a one-time supplemental payment (the Proposed 2021-22 State Budget assumes no such additional payments are provided after Fiscal Year 2021-22).

Regarding the Governor's proposed plan for reopening in-person instruction, the LAO Report expresses concern that the proposal for offering in-person instruction is likely unfeasible and could discourage school district participation, given the short time frame and significant steps schools would be required to take. To be open by February 16, 2021, schools would only have a few weeks to complete

their reopening plans, arrange routine testing, and develop collective bargaining agreements with their labor unions. It is also unclear whether the State and local health departments have the capacity to provide the support and technical assistance necessary to help schools implement their reopening plans in such a short time frame. The LAO Report suggests that the Legislature could modify the proposal to address these concerns.

The LAO Report recommends allocating a greater share of funding to paying down deferrals and addressing pension cost increases. Recent federal legislation—approved shortly before the release of the Proposed 2021-22 State Budget—is likely to provide one-time funding in Fiscal Year 2021-22 in amounts similar to the \$7 billion in State and federal funds to address COVID-19-related costs and mitigate learning loss contemplated in the Proposed 2021-22 State Budget. Although some additional State funding directed toward academic support and reopening schools might be warranted, the LAO Report suggests additional budget resources be directed to making more progress on (1) paying down deferrals or (2) mitigating future cost increases related to pensions.

The LAO Report is available on the LAO website at www.lao.ca.gov. The Participants 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.

Future State Budgets. Under State law, the State Legislature is required to adopt its budget by June 15 of each year for the upcoming fiscal year, with approval by the Governor to occur on June 30. Following the implementation of Proposition 25 (permitting State budget passage with a simple majority and mandating forfeiture of Legislators' daily salaries until the budget bill passes), the Governor signed the 2011-12 Budget in a timely manner on June 30, 2011. While the fiscal years 2016-17 through 2020-21 State Budgets were timely adopted, in the past, budgets have been adopted and signed after this date. Accordingly, the Participants cannot anticipate future delays in State budget adoption or their impact. In any year where the State budget lags adoption of each Participant's budget, it will be necessary for each Participant's staff to review the consequences of the changes, if any, at the State level from the proposals in the Governor's May Revision for that year, and determine whether such Participant's budget will have to be revised. In addition, the Participants cannot predict the effect that the general economic conditions within the State and the State's budgetary problems may have in the future on the Participants' budgets or operations.

Federal Revenues

The federal government provides funding for several programs of the Participants, including programs that benefit educationally disadvantaged students and students with limited English skills, and that provide other specialized services to students and administration. The Participants are unable to predict variations in the amount and types of federal funding for such programs during any fiscal year.

Financial Statements and Accounting Practices

The Participants' financial statements are prepared on a modified accrual basis of accounting in accordance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board.

Funds and Account Groups used by the Participants are categorized as follows:

Government Funds

General Funds

Special Revenue Funds

Debt Service Funds

Proprietary Funds

Internal Service Funds

Enterprise Funds

Fiduciary Funds

Trust and Agency Funds

Account Groups

General Fixed Assets Account Group

General Long-Term Debt Account

Expenditures of Participants are accrued at the end of each Fiscal Year to reflect the receipt of goods and services in that Fiscal year. Generally, revenues 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. Taxes which are due but are not in fact received until after the Fiscal Year-end are recorded as accrued revenues. The State Department of Education establishes expenditure categories for all California school districts and boards of education.

The general fund of each Participant, as shown in Appendix A, is a combined fund comprised of moneys which are unrestricted and available to finance the legally authorized activities of the Participant not financed by restricted funds and moneys which are restricted to specific types of programs or purposes. General fund revenues shown thereon are derived from such sources as taxes, aid from other government agencies, charges for current services and other revenue.

The financial statements included herein were prepared by the Participants using information from the Annual Financial Reports which are prepared by the Directors of Accounting for the Participants and audited by independent certified public accountants each year. Certain information, such as the General Fund Cash Flow Analyses, was developed by each Participant's staff for use in this Official Statement. The estimates and timing of receipts and disbursements in such Cash Flow Analyses are based on certain assumptions and should not be construed as statements of fact. The audited financial statements of the Participants for Fiscal Years 2016-17, 2017-18 and 2018-19 along with certain other information pertaining to each of the Participants is available at the following web address: <https://www.lacoe.edu/BusinessServices/BusinessAdvisoryServices/PooledFinancing/TRANS.aspx>, and are summarized in Appendix A.

Retirement Systems

The following information on CalPERS and CalSTRS (as defined below) has been obtained from publicly available sources and has not been independently verified by the Participants, is not guaranteed as to the accuracy or completeness of the information and is not to be construed as a representation by the Participants, the Underwriter or the Municipal Advisor. Furthermore, the summary data below should not be read as current or definitive, as recent losses on investments made by the retirement systems generally may have increased the unfunded actuarial accrued liabilities stated below.

The assets and liabilities of the funds administered by CalPERS and CalSTRS, as well as certain other retirement funds administered by the State, are included in the financial statements of the State for the year ended June 30, 2019, as fiduciary funds. Both CalPERS and CalSTRS have unfunded actuarial accrued liabilities in the tens of billions of dollars. The amount of unfunded actuarially accrued liability will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution.

CalSTRS and CalPERS each issue separate comprehensive annual financial reports that include financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, P.O. Box 15275, Sacramento, California 95851-0275 and copies of the CalPERS annual financial report and actuarial valuations may be obtained from the CalPERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information presented in these reports is not incorporated by reference in this Official Statement.

CalSTRS. The Participants participate in the California State Teachers' Retirement System ("CalSTRS"). CalSTRS is a defined benefit plan that covers all full-time certificated employees and some classified employees, which are employees employed in a position that does not require a teaching credential from the State. CalSTRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the "CalSTRS Defined Benefit Program"). The CalSTRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions are established by State legislation in accordance with the State Teachers' Retirement Law. CalSTRS is operated on a Statewide basis and, based on publicly available information, has substantial unfunded liabilities. Additional funding of CalSTRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282.

As part of the 2014-15 State Budget, the Legislature enacted AB 1469 (Chapter 47, Statutes of 2014) ("AB 1469"), a comprehensive funding solution intended to eliminate the projected CalSTRS unfunded liability on the CalSTRS Defined Benefit Program by 2046. Under AB 1469, the funding plan began in Fiscal Year 2014-15 and will be phased in over several years. The employer contribution rate increased by 1.85% of covered payroll annually beginning July 1, 2015 and will continue to increase until the employer contribution rate is 19.10% of covered payroll. Beginning in Fiscal Year 2021-22 through Fiscal Year 2045-46, AB 1469 authorizes the CalSTRS Board to adjust the employer contribution up or down 1 percentage point each year, but no higher than 20.25% total and no lower than 8.25%, to eliminate the remaining unfunded obligation that existed on July 1, 2014.

In addition, the CalSTRS Board is authorized to modify the percentages paid by employers and employees for Fiscal Year 2021-22 and each fiscal year thereafter in order to eliminate CalSTRS' unfunded liability by June 30, 2046 based upon actuarial recommendations. The CalSTRS Board would also have the authority to reduce employer and State contributions if they are no longer necessary.

The actuarial assumptions and methods adopted by the CalSTRS Board for funding the CalSTRS Defined Benefit Program include: the "Entry Age Normal Cost Method", with the actuarial gains/losses and the unfunded actuarial obligation amortized over a closed period ending June 30, 2046, an assumed 7.25% investment rate of return (net of investment and administrative expenses) for Fiscal Year 2015-16 and a 7.00% investment rate of return (net of investment and administrative expenses) for Fiscal Year 2016-17, an assumed 3.00% interest on member accounts (based on the CalSTRS Board's short-term interest crediting policy), projected 3.50% general wage growth, of which 2.75% is due to inflation and 0.75% is due to expected gains in productivity, and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases.

In May 2019, CalSTRS released an update on the financial position of the pension system, including estimates of the unfunded liability and contribution rates required for districts, employees and the State. The May funding update reflected an estimated unfunded liability of \$107.2 billion for the valuation period ending June 30, 2018.

Pursuant to Assembly Bill 1469, school districts' contribution rates will increase in accordance with the following schedule:

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

<u>Effective Date</u> ⁽¹⁾	<u>K-14 school districts</u>
July 1, 2017	14.43%
July 1, 2018	16.28
July 1, 2019	17.10
July 1, 2020	16.15

⁽¹⁾ The State's 2020-21 Budget redirected funds paid to CalSTRS towards long-term unfunded liabilities to further reduce employer contribution rates in fiscal years 2020-21 and 2021-22. This reallocation will reduce the CalSTRS employer contribution rates to approximately 16.15% in fiscal year 2020-21 and to 16.02% in fiscal year 2021-22. See "PARTICIPANT FINANCES – State Assistance –2020-21 State Budget."

Source: AB 1469.

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

Based on salary increases less than assumed, additional State contributions and actuarial asset gains recognized from the current and prior years, the 2019 STRS Program Actuarial Valuation reports that the unfunded actuarial obligation decreased by \$1.5 billion since the 2018 Actuarial Valuation and the funded ratio increased by 2.0% to 66.0% over such time period.

According to the 2019 CalSTRS Actuarial Valuation, the future revenues from contributions and appropriations for the CalSTRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.9%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990. AB 1469 provides no authority to the CalSTRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the CalSTRS Board, including a 7.00% investment rate of return assumption and includes the \$1.117 billion State contribution made in July 2019 pursuant to SB 90.

The actuary for the CalSTRS Defined Benefit Program notes in the 2019 STRS Actuarial Report that, since such report is dated as of June 30, 2019, the significant declines in the investment markets that have occurred in the first half the 2020 calendar year are not directly reflected in the 2019 STRS Actuarial Report. The actuary notes that such declines will almost certainly impact the future of the STRS Defined Benefit Program funding, and that, all things being equal, it is expected that the actuarial valuation for the fiscal year ending June 30, 2020 will show a greater increase in the projected State contribution rate (and possibly the employer rate) and a possible decline in the funded ratio.

To provide local educational agencies and California community colleges with increased fiscal relief, the 2020-21 State Budget redirects \$2.3 billion appropriated in the 2019 Budget Act to CalSTRS and PERS for long-term unfunded liabilities to further reduce employer contribution rates in Fiscal Years 2020-21 and 2021-22. See “PARTICIPANTS FINANCES – State Assistance - 2020-21 State Budget” herein.

CalPERS. The Participants also participate in the State Public Employees’ Retirement System (“CalPERS”). CalPERS is a defined benefit plan that covers classified personnel who work four or more hours per day. Benefit provisions are established by State legislation in accordance with the Public Employees’ Retirement Law. The contribution requirements of the plan members are established by State statute. The actuarial methods and assumptions used for determining the rates are based on those adopted by Board of Administration of CalPERS (the “CalPERS Board”).

Active plan miscellaneous members hired on or before December 31, 2012 are required to contribute 7.0% of their monthly salary and those hired on or after January 1, 2013 are required to contribute 6.5% of their monthly salary. The required contribution rate is the difference between the actuarially determined rate and the contribution rate of employees. The actuarial methods and assumptions used for determining the rates are based on those adopted by CalPERS Board. School districts are currently required to contribute to CalPERS at an actuarially determined rate, which was 11.847%, 13.888% and 15.531% of eligible salary expenditures for fiscal years 2015-16, 2016-17 and 2017-18 respectively, and 18.062% of eligible salary expenditures for fiscal year 2018-19 and 19.721% of eligible salary for fiscal year 2019-20. The Fiscal Year 2020-21 State Budget redirected State funding paid to CalPERS in fiscal year 2019-20 towards long-term unfunded liabilities to reduce employer contribution rates in fiscal years 2020-21 and 2021-22. As a result, the CalPERS employer contribution rate will be 20.7% in fiscal year 2020-21 and 23.00% in fiscal year 2021-22. The effect of the redirection of funding provided in the Fiscal Year 2020-21 State Budget is reflected in the 2019 CalPERS Schools Pool Actuarial Valuation (defined below).

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2019 (the “2019 CalPERS Schools Pool Actuarial Valuation”) is the most recent actuarial valuation for the CalPERS Schools Pool Plan, in which the Participants participate. The actuarial funding method used in the 2019 CalPERS Schools Pool Actuarial Valuation is the “Entry Age Normal Cost Method.” The 2019 CalPERS Schools Pool Actuarial Valuation assumes, among other things, 2.50% inflation and payroll growth of 2.75% compounded annually. The 2019 CalPERS Schools Pool Actuarial Valuation reflects a discount rate of 7.00% compounded annually (net of administrative expenses) as of June 30, 2019. The CalPERS Board adopted new demographic assumptions on December 19, 2017, including a reduction in the inflation assumption. The reduction in the inflation assumption results in decreases in both the normal cost and the accrued liabilities in the future. Based on the changes in the discount rate, inflation rate, payroll growth rate and demographic assumptions, along with expected reductions in normal cost due to the continuing transition of active members from those employees hired prior to January 1, 2013, to those hired after such date, the projected employer contribution (as a percentage of payroll) is 23.0% and 26.3% for fiscal year 2021-22 and fiscal year 2022-23, respectively. According to the 2019 CalPERS Schools Pool Actuarial Valuation as of June 30, 2019, the funded ratio is approximately 68.5% on a market value of assets basis, as compared to the funded ratio of 70.4% reported in the Actuarial Valuation as of June 30, 2018, mainly due to the reduction in the discount rate and investment return being lower than expected. The funded ratio, on a market value basis, as of June 30, 2018, June 30, 2017, June 30, 2016, June 30, 2015, and June 30, 2014 was 70.4%, 72.1%, 71.9%, 77.5%, and 86.6%. On December 21, 2016, the CalPERS Board voted to lower the CalPERS discount rate to 7.00% over the next three years in accordance with the following schedule: 7.375% in Fiscal Year 2017-18, 7.25% in Fiscal Year 2018-19 and 7.00% in Fiscal Year 2019-20. The discount rates went into effect July 1, 2017 for the State and went into effect July 1, 2018 for K-14 school districts and other public agencies.

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

California Public Employees' Pension Reform Act of 2013. The Governor signed the California Public Employee's Pension Reform Act of 2013 (the "Reform Act" or "PEPRA") into law on September 12, 2012. The Reform Act affects both CalSTRS and CalPERS, most substantially as they relate to new employees hired after January 1, 2013 (the "Implementation Date"). As it pertains to CalSTRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2% "age factor" (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety CalPERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to CalPERS and CalSTRS including the following: (a) all new participants enrolled in CalPERS and CalSTRS after the Implementation Date are required to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (b) CalSTRS and CalPERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for CalSTRS members who retire with 25 years of service), and (c) "pensionable compensation" is capped for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for CalSTRS and CalPERS members not participating in social security.

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

GASB Statement 75. In June 2015, the Governmental Accounting Standards Board issued Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions” (“GASB 75”), which revised and established new accounting and financial reporting requirements for state and local governments, such as the Participants that offer other post-employment benefits (“OPEB”) to employees. Pursuant to GASB 75, net OPEB liabilities are required to be recognized in the financial statements for such state and local governments. In addition, GASB 75 provides additional guidance with respect to recognizing and measuring liabilities, deferred outflows and inflows of resources, and expense/expenditures. GASB 75 directs the use of “entry age normal” as the actuarial cost allocation method to be used and the various procedures, assumptions and discount rates to be used in connection with the calculation of liabilities. In connection therewith, states and local governments that do not pre-fund their respective OPEB obligations may report increased liabilities. GASB 75, among other things, requires additional note disclosures and the presentation of required supplementary information in financial statements.

Reports and Certifications

General. The Education Code of the State of California (Section 42133 *et seq.*) requires each school district to certify twice during the fiscal year whether or not it is able to meet its financial obligations for the remainder of such fiscal year, and, based on current forecasts, for the subsequent fiscal year. The first report covers the period ending October 31 and the second report covers the period ending January 31. Such certifications are based on the governing board’s assessment based on standards and criteria for fiscal stability adopted by the State Board of Education and the State Superintendent of Public Instruction. Each certification is required to be classified as positive, qualified, or negative on the basis of a review of the respective report against such criteria, but may include additional financial information known by the governing board to exist at the time of each certification. Such certifications are to be filed with the Los Angeles County Superintendent of Schools (“County Superintendent”) within forty-five days after the close of the period being reported and, in the event of a negative or qualified certification, to the State Controller and the State Superintendent of Public Instruction. A qualified certification is to be assigned to any school district that based upon then current projections may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

A negative certification is to be assigned to any school district that likely will be unable to meet its financial obligations for the remainder of the fiscal year or for which existing expenditure practices jeopardize the ability of the district to meet its multi-year financial commitments.

In connection with each interim report, each school district submits a multi-year projection for the current fiscal year and the following two fiscal years to its respective county office of education and the SDE. The projections are based upon guidelines established by their respective county offices of education and information available to such school district as of the date the projection is submitted.

A qualified certification is to be assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years based upon then current projections. A negative certification is to be assigned to any school district that likely will be unable to meet its financial obligations for the current fiscal year or the following fiscal year. Any school district or 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 County Superintendent determines that the school district’s repayment of indebtedness is probable.

Copies of the reports and certifications of the Participants may be obtained upon request from such Participants at the addresses set forth in Appendix A hereto. The Participants may impose charges for copying, mailing and handling these reports and certifications.

Fiscal Year 2019-20 First and Second Interim Report Certifications and Fiscal Year 2020-21 First Interim Report. Bassett Unified School District (“Bassett”) was assigned a qualified certification to its 2019-20 First and Second Interim Reports and its 2020-21 First Interim Report. Compton Unified School District (“Compton”) was assigned a qualified certification to its 2020-21 First and Second Interim Reports.

Any school district that has a qualified or negative certification in any Fiscal Year may not issue tax and revenue anticipation notes, certificates of participation or any other debt instruments that do not require voter approval, unless the County Superintendent of Schools determines that the district’s repayment is probable. On March 22, 2021, the County Superintendent issued letters to the Bassett and Compton stating that in accordance with California Education Code sections 42131 and 42133(a), and the California Department of Education’s Management Advisory No. 92-04 dated June 17, 1992, the County Superintendent has reviewed the Bassett’s and Compton’s financial condition, cash flow projections and projected budget for Fiscal Year 2020-21 as they relate to the Notes and has determined that the repayment of principal and interest on the Notes is probable.

Other than described above, each of the Participants was assigned a positive certification with respect to its respective Fiscal Year 2019-20 First and Second Interim Reports, and its Fiscal Year 2020-21 First Interim Report.

Budgets of Participants

The fiscal year of the Participants begins on the first day of July of each year and ends on the 30th day of June of the following year. The Participants adopt on or before July 1 of each year a fiscal line-item budget setting forth expenditures in priority sequence so that appropriations during the fiscal year can be adjusted if revenues do not meet projections.

The Participants are required by provisions of the Education Code to maintain a balanced budget each year, where the sum of expenditures plus the ending fund balance cannot exceed the revenues plus the carry-over fund balance from the previous year. The California State Department of Education imposes a uniform budgeting format for each school district in the State, and the Board of Governors of the California Community Colleges imposes a uniform budgeting format for each community college district in the State.

State Emergency Loan Program

The Education Code provides that a governing board of any county board of education or school district which determines during a fiscal year that its revenues are less than the amount necessary to meet its current year expenditure obligations may request an emergency apportionment from the State through the State Superintendent of Public Instruction (the “State Superintendent”).

As a condition to the making of any such emergency apportionment, the following requirements must be met:

- (a) The district requesting the apportionment must submit to the county superintendent of schools having jurisdiction over the district a report issued by an independent auditor approved by the county superintendent of schools on the financial conditions and budgetary controls of the

district, a written management review conducted by a qualified management consultant approved by the county superintendent of schools and a fiscal plan adopted by the governing board to resolve the financial problems of the district.

(b) The county superintendent of schools must review, and provide written comment on, the independent auditor's report, the management review and the district plan. If the county superintendent disapproves the plan, the governing board must revise the district plan to respond to the concerns expressed by the county superintendent.

(c) Upon his or her approval of the district plan, the county superintendent must submit copies of the report, review, plan and written comments to the State Superintendent, the Auditor General, the Joint Legislative Budget Committee, the Director of Finance and the Controller.

(d) The State Superintendent must review the reports and comments submitted to him or her by the county superintendent and must certify to the Director of Finance that the action taken to correct the financial problems of the district is realistic and will result in placing the district on a sound financial basis.

(e) The district must develop a schedule to repay the emergency loan and submit it to the county superintendent of schools, who after reviewing and commenting on it submits it to the State Superintendent for approval or disapproval. Upon the approval of the repayment schedule and of the other reports, reviews, plans and the appointment of the trustee (as described below), the State Superintendent must request the State Controller to disburse the proceeds of the emergency loan to the district.

(f) The district requesting the apportionment must reimburse the county superintendent of schools for the costs incurred by the superintendent in performing such duties.

In addition, the acceptance by the district of the apportionments made pursuant to the Education Code constitutes the agreement by the district to the following conditions:

(i) The State Superintendent shall appoint a trustee who shall have recognized expertise in management and finance. The State Superintendent shall establish the terms and conditions of the employment, including the remuneration of the trustee and the trustee shall serve at the pleasure of, and report directly to, the State Superintendent until the loan is repaid and the district has adequate fiscal systems and controls in place. Before the district repays its loan, the recipient of the loan shall select an auditor from a list established by the State Superintendent and the Controller to conduct an audit of its fiscal systems. If the fiscal systems are deemed to be inadequate, the State Superintendent may retain the trustee until the deficiencies are corrected.

(ii) The trustee appointed by the State Superintendent shall monitor and review the operation of the district. During the period of his or her service, the trustee may stay or rescind any action of the local district governing board that, in the judgment of the trustee, may affect the financial condition of the district. The trustee shall approve or reject all reports and other materials required from the district as a condition of receiving the apportionment.

On or before October 31 of the year following receipt of an emergency apportionment, and each year thereafter, until the emergency apportionment is repaid, the governing board of the district shall prepare under the review and with the approval of the trustee, a report on the financial condition of the district which shall be transmitted to the county superintendent of schools, the State Superintendent and the State Controller. The report shall include all of the following information: (i) specific actions taken

to reduce expenditures or increase income, and the cost savings and increased income resulting from those actions; (ii) a copy of the adopted budget for the current fiscal year; (iii) reserves for economic uncertainties; (iv) status of employee contracts; and (v) obstacles to the implementation of the adopted recovery plan.

The emergency apportionment is required to be repaid to the State over a five-year period, or less, together with interest at a rate determined in accordance with the Education Code.

The State Legislature expressly provides that these provisions of the Education Code are not intended to authorize emergency loans to school districts for the purpose of meeting cash-flow requirements pending the receipt of local taxes and other funds. Furthermore, no such emergency apportionment be made unless funds have been specifically appropriated therefor by the Legislature.

None of the Participants are currently participating in the State emergency loan program.

State Lottery

The State Lottery generates net revenues (gross revenue less prizes and administration expenses) which are used to supplement State assistance provided to public education, including K-14. State Lottery funds may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities or the financing of research. State Lottery revenues are allocated by computing an amount per total ADA or full-time equivalent Students ("FTES"), *i.e.*, by dividing the total net revenues figures by the total ADA for grades K-12 and CCCs, and by the total FTES for each University of California system and California State University and College system. Each entity receives an amount equal to its total ADA or FTE, as applicable, multiplied by the per ADA or FTES figure; however, the exact allocation formula may vary from year to year. At this time, the amount of additional revenues that may be generated by the State Lottery in any given year cannot be predicted.

Insurance

Each Participant maintains insurance or self-insurance in such amounts and with such retentions and other terms providing coverages for property damage, fire and theft, general public liability and worker's compensation, as are adequate, customary and comparable with such insurance maintained by similarly situated educational agencies. In addition, based upon prior claims experience, each Participant believes that the recorded liabilities for self-insured claims are adequate.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Article XIII A of the California Constitution

Article XIII A of the California Constitution limits the amount of any *ad valorem* tax on real property, to one percent of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and on 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. Section 1 of Article XIII A, Section 18 of Article XVI of the California Constitution and Section 47614 of the California Education Code allows an alternative means of seeking voter approval for bonded indebtedness by 55% of the vote (see the sub-caption "-- Proposition 39" below). 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.” The full cash value may be increased at a rate not to exceed two percent 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.

Other amendments to the California Constitution have implemented and modified limits on reassessment of property value upon transfers. Most recently, Proposition 19 limits people who inherit family properties from keeping a low property tax base resulting from the 2% restriction on increases, unless they use the home as their primary residence, but it also allows homeowners who are over 55 years of age, disabled, or victims of a wildfire or natural disaster to transfer their assessed value of their primary home to a newly purchased or newly constructed replacement primary residence up to three times.

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 one percent 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 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the two percent annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at full market value on the tax rolls, with tax rates expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the California Constitution

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

Unitary Property

AB 454 (Chapter 921, Statutes of 1986) now Section 100 of the California Revenue and Taxation Code provides that revenues derived from most utility property assessed by the State Board of Equalization (“Unitary Property”), commencing with the 1988-89 fiscal year, will be allocated as follows:

(1) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (2) if county-wide revenues generated from Unitary Property are less than the previous year's revenues or greater than 102% of the previous year's revenues, each jurisdiction will share the burden of the shortfall or excess revenues by a specified formula. This provision applies to all Unitary Property except railroads, whose valuation will continue to be allocated to individual tax rate areas.

The provisions of AB 454 do not constitute an elimination of the assessment of any State-assessed properties nor a revision of the methods of assessing utilities by the State Board of Equalization. Generally, AB 454 allows valuation growth or decline of Unitary Property to be shared by all jurisdictions in a county.

Proposition 39

On November 7, 2000, California voters approved Proposition 39, called the "Smaller Classes, Safer Schools and Financial Accountability Act" (the "Smaller Classes Act") which amends Section 1 of Article XIII A, Section 18 of Article XVI of the California Constitution and Section 47614 of the California Education Code and allows an alternative means of seeking voter approval for bonded indebtedness by 55% of the vote, rather than the two-thirds majority required under Section 18 of Article XVI of the Constitution. The local school jurisdictions affected by this proposition are K-12 school districts, community college districts, including the Participants, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1% of the value of property, such that property taxes could exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to buy or improve real property that receive two-thirds voter approval after July 1, 1978. The 55% voter requirement applies only if the bond measure submitted to the voters includes, among other items: (1) a restriction that the proceeds of the bonds may be used for "the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities," (2) a list of projects to be funded and a certification that the school district board has evaluated "safety, class size reduction, and information technology needs in developing that list" and (3) that annual, independent performance and financial audits will be conducted regarding the expenditure and use of the bond proceeds.

The Legislature enacted AB 1908, Chapter 44 ("AB 1908"), which became effective upon passage of Proposition 39 and amends various sections of the Education Code. Under amendments to Section 15268 and 15270 of the Education Code, the following limits on *ad valorem* taxes apply to any bond proposition: (1) for a school district, indebtedness shall not exceed \$30 per \$100,000 of taxable property, (2) for a unified school district, indebtedness shall not exceed \$60 per \$100,000 of taxable property, and (3) for a community college district, indebtedness shall not exceed \$25 per \$100,000 of taxable property. Finally, AB 1908 requires that a citizens' oversight committee be appointed to review the use of the bond funds and inform the public about their proper usage.

Proposition 46

On June 3, 1986, California voters approved Proposition 46, which added an additional exemption to the 1% tax limitation imposed by Article XIII A. Under this amendment to Article XIII A, local governments and school and community college districts may increase the property tax rate above 1% for the period necessary to retire new, general obligation bonds, if two-thirds of those voting in a local election approve the issuance of such bonds and the money raised through the sale of the bonds is used exclusively to purchase or improve real property.

Proposition 218

On November 5, 1996, an initiative to amend the California Constitution known as the “Right to Vote on Taxes Act” (“Proposition 218”) was approved by a majority of California voters. Proposition 218 requires majority voter approval for the imposition, extension or increase of general taxes and 2/3 voter approval for the imposition, extension or increase of special taxes by a local government, which is defined in Proposition 218 to include counties. Proposition 218 also provides that any general tax imposed, extended or increased without voter approval by any local government on or after January 1, 1995, and prior to November 6, 1996 shall continue to be imposed only if approved by a majority vote in an election held within two years following November 6, 1996. All local taxes and benefit assessments which may be imposed by public agencies will be defined as “general taxes” (defined as those used for general governmental purposes) or “special taxes” (defined as taxes for a specific purpose even if the revenues flow through the local government’s general fund) both of which would require a popular vote. New general taxes require a majority vote and new special taxes require a two-thirds vote. In addition, Proposition 218 limits the application of assessments, fees and charges and requires them to be submitted to property owners for approval or rejection, after notice and public hearing.

The Participants have no power to impose taxes except property taxes associated with a general obligation bond election, following approval by 2/3 of such Participant’s voters. Under previous law, the Participants could apply provisions of the Landscape and Lighting Act of 1972 to create an assessment district for specified purposes, based on the absence of a majority protest. Proposition 218 significantly reduces the ability of the Participants to create such special assessment districts. Any assessments, fees or charges levied or imposed by any assessment district created by the Participants will become subject to the election requirements of Proposition 218 as described above, a more elaborate notice and balloting process and other requirements.

Proposition 218 also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed, and reduces the number of signatures required for the initiative process. This extension of the initiative power to some extent constitutionalizes the March 6, 1995 State Supreme Court decision in *Rossi v. Brown*, which upheld an initiative that repealed a local tax and held that the State constitution does not preclude the repeal, including the prospective repeal, of a tax ordinance by an initiative, as contrasted with the State constitutional prohibition on referendum powers regarding statutes and ordinances which impose a tax. Generally, the initiative process enables California voters to enact legislation upon obtaining requisite voter approval at a general election. Proposition 218 extends the authority stated in *Rossi v. Brown* by expanding the initiative power to include reducing or repealing assessments, fees and charges, which had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Proposition 218 to fees imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. Such legal authority could include the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution.

Proposition 218 has no effect upon the Participants’ ability to pursue voter approval of a general obligation bond issue or a Mello-Roos Community Facilities District bond issue in the future, both of which are already subject to a 2/3 vote, although certain procedures and burdens of proof may be altered slightly. Proposition 218, by its terms, is inapplicable to short-term notes such as the Notes. The Participants are unable to predict the nature of any future challenges to Proposition 218 or the extent to which, if any, Proposition 218 may be held to be unconstitutional.

Proposition 1A

Proposition 1A (SCA 4), proposed by the Legislature in connection with the 2004-05 Budget Act and approved by the voters in November 2004, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the State Legislature. Proposition 1A provides, however, that beginning in Fiscal Year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses of the State Legislature and certain other conditions are met. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the Vehicle License Fee rate below 0.65% of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A required the State, beginning March 1, 2006, to suspend State mandates affecting cities, counties and special districts, schools or community colleges, excepting mandates relating to employee rights, in any year that the State does not fully reimburse local governments for their costs of compliance with such mandates.

Proposition 30 and Proposition 55

The passage of the Governor's November Tax Initiative ("Proposition 30") on November 6, 2012 ballot resulted in an increase in the State sales tax by a quarter-cent for four years and, for seven years, raising taxes on individuals after their first \$250,000 in income and on couples after their first \$500,000 in earnings. These increased tax rates affect approximately 1% of California personal income tax filers and went into effect starting in the 2012 tax year, ending at the conclusion of the 2018 tax year. The LAO estimated that, as a result of Proposition 30, additional state tax revenues of about \$6 billion annually from Fiscal Years 2012-13 through 2016-17 would be received by the State with lesser amounts of additional revenue available in Fiscal Years 2017-18, and 2018-19. These additional monies prevented certain "trigger cuts" included in the 2012-13 State Budget. Proposition 30 also placed into the State Constitution certain requirements related to the transfer of certain State program responsibilities to local governments, mostly counties, including incarcerating certain adult offenders, supervising parolees, and providing substance abuse treatment services.

Among other things, Proposition 30 provides for additional tax revenues aimed at balancing the State's budget through Fiscal Year 2018-19, providing several billion dollars annually through Fiscal Year 2018-19 available for purposes including funding existing State programs, ending K-14 education payment delays, and paying other State debts. Future actions of the State Legislature and the Governor will determine the use of these funds. According to the LAO, revenues raised by Proposition 30 could be subject to multibillion-dollar swings, above or below the revenues projections, due to the majority of the additional revenue coming from the personal income tax rate increases on upper-income taxpayers. These fluctuations in incomes of upper-income taxpayers could impact potential State revenue and complicate State budgeting in future years. After the proposed tax increases expire, the loss of the associated tax revenues could also create additional budget pressure in subsequent years.

New revenues generated from Proposition 30 are deposited into a newly created State account called the Education Protection Account ("EPA"). School districts, county offices of education, and charter schools ("LEAs") will receive funds from the EPA based on their proportionate share of the

Statewide revenue limit amount. A corresponding reduction is made to an LEA's revenue limit equal to the amount of their EPA entitlement. LEAs receive EPA payments quarterly, which began with the 2013-14 Fiscal Year. Beginning Fiscal Year 2013-14, the California Department of Education will allocate EPA revenues on a quarterly basis through the Fiscal Year 2018-19. Payments will equal 25% of the annual EPA entitlement and future payments may be adjusted for ADA changes and previous over and under payments of EPA funds.

The California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55, is a constitutional amendment approved by the voters of the State on November 8, 2016. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030. Tax revenue received under Proposition 55 is allocated 89% to K-12 schools and 11% to community colleges. Proposition 55 did not extend the sales tax rate increase enacted under Proposition 30.

Proposition 2

Proposition 2, also known as The Rainy Day Budget Stabilization Fund Act ("Proposition 2") was approved by California voters on November 4, 2014. Proposition 2 provides for changes to State budgeting practices, including revisions to certain conditions under which transfers are made into and from the State's Budget Stabilization Account (the "Stabilization Account") established by the California Balanced Budget Act of 2004 (also known as Proposition 58). Commencing in Fiscal Year 2015-16 and for each fiscal year thereafter, the State is required to make an annual transfer to the Stabilization Account in an amount equal to 1.5% of estimated State general fund revenues (the "Annual Stabilization Account Transfer"). For a fiscal year in which the estimated State general fund revenues allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues, supplemental transfers to the Stabilization Account (a "Supplemental Stabilization Account Transfer") are also required. Such excess capital gains taxes, which are net of any portion thereof owed to K-14 school districts pursuant to Proposition 98, are required to be transferred to the Stabilization Account.

In addition, for each fiscal year, Proposition 2 increases the maximum size of the Stabilization Account to 10% of estimated State general fund revenues. Such excess amounts are to be expended on State infrastructure, including deferred maintenance, in any Fiscal Year in which a required transfer to the Stabilization Account would result in an amount in excess of the 10% threshold. For the period from Fiscal Year 2015-16 through Fiscal Year 2029-30, Proposition 2 requires that half of any such transfer to the Stabilization Account (annual or supplemental), shall be appropriated to reduce certain State liabilities, including repaying State interfund borrowing, reimbursing local governments for State mandated services, making certain payments owed to K-14 school districts, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. After Fiscal Year 2029-30, the Governor and the Legislature are given discretion to apply up to half of any required transfer to the Stabilization Account to the reduction of such State liabilities and any amount not so applied shall be transferred to the Stabilization Account or applied to infrastructure, as set forth above.

Accordingly, the conditions under which the Governor and the Legislature may draw upon or reduce transfers to the Stabilization Account are impacted by Proposition 2. Unilateral discretion to suspend transfers to the Stabilization Account are not retained by the Governor. Neither does the Legislature retain discretion to transfer funds from the Stabilization Account for any reason, as was previously provided by law. Instead, the Governor must declare a "budget emergency" (defined as an emergency within the meaning of Article XIIB of the Constitution) or a determination that estimated resources are inadequate to fund State general fund expenditure, for the current or ensuing Fiscal Year, at a level equal to the highest level of State spending within the three immediately preceding Fiscal Years, and any such declaration must be followed by a legislative bill providing for a reduction or transfer.

Draws on the Stabilization Account are limited to the amount necessary to address the budget emergency, and no draw in any Fiscal Year may exceed 50% of the funds on deposit in the Stabilization Account, unless a budget emergency was declared in the preceding Fiscal Year.

Proposition 2 also provides for the creation of a Public School System Stabilization Account (the “Public School System Stabilization Account”) into which transfers will be made in any Fiscal Year in which a Supplemental Stabilization Account Transfer is required, requiring that such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. Transfers to the Public School System Stabilization Account are only to be made if certain additional conditions are met, including that: (i) the minimum funding guarantee was not suspended in the immediately preceding Fiscal Year, (ii) the operative Proposition 98 formula for the Fiscal Year in which a Public School System Stabilization Account transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the Fiscal Year in which a Public School System Stabilization Account transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the Fiscal Year in which a Public School System Stabilization Account transfer might be made is higher than the immediately preceding Fiscal Year, as adjusted for ADA growth and cost of living.

Under Proposition 2, the size of the Public School System Stabilization Account is capped at 10% of the estimated minimum guarantee in any Fiscal Year, and any excess funds must be paid to K-14 school districts. Any reductions to a required transfer to, or draws upon, the Public School System Stabilization Account, are subject to the budget emergency requirements as described above. However, in any Fiscal Year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living, Proposition 2 also mandates draws on the Public School System Stabilization Account.

Proposition 22

Under Proposition 1A, the State no longer has the authority to permanently shift city, county, and special district property tax revenues to schools, or take certain other actions that affect local governments. In addition, Proposition 1A restricts the State’s ability to borrow state gasoline sales tax revenues. These provisions in the Constitution, however, do not eliminate the State’s authority to temporarily borrow or redirect some city, county, and special district funds or the State’s authority to redirect local redevelopment agency revenues. However, Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, reduces or eliminates the State’s authority: (1) to use State fuel tax revenues to pay debt service on state transportation bonds; (2) to borrow or change the distribution of state fuel tax revenues; (3) to direct redevelopment agency property taxes to any other local government; (4) to temporarily shift property taxes from cities, counties, and special districts to schools; (5) and to use vehicle license fee revenues to reimburse local governments for state mandated costs. As a result, Proposition 22 impacts resources in the State’s general fund and transportation funds, the State’s main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. The longer-term effect of Proposition 22, according to the LAO analysis, will be an increase in the State’s general fund costs by approximately \$1 billion annually for several decades.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 8, 2016.

Proposition 51 authorizes the sale and issuance of \$9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

K-12 School Facilities. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school district lacks sufficient local funding, it may apply for additional State grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school (\$500 million) and technical education (\$500 million) facilities. Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, schools that cannot cover their local share for these two types of projects may apply for State loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, State grants are capped at \$3 million for a new facility and \$1.5 million for a modernized facility. Charter schools must be deemed financially sound before project approval.

Future Initiatives

Article XIII A, Article XIII B and Propositions 1A, 2, 22, 30, 39, 46, 51, 55, 98, 111 and 218 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, further affecting Participants' revenues or their ability to expend revenues.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Participants, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Notes designated as and comprising interest with respect to the Certificates is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Notes designated as and comprising interest with respect to the Certificates is not treated as a preference item in calculating the alternative minimum tax under the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by each Participant and others in connection with the Notes, and Bond Counsel has assumed compliance by each Participant with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Notes designated as and comprising interest with respect to the Certificates from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Participants, under existing statutes, interest on the Notes designated as and comprising interest with respect to the Certificates is exempt from personal income taxes imposed by the State of California.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Notes or the Certificates, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the date of execution and delivery, and assumes no obligation to update, revise or supplement its opinion after the date of execution and delivery to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or in interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the

events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including without limitation, exclusion from gross income for federal income tax purposes of interest on the Notes designated as and comprising interest with respect to the Certificates.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance of the Notes and execution and delivery of the Certificates in order that interest on the Notes designated as and comprising interest with respect to the Certificates be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Notes and Certificates, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Notes and the Certificates to become included in gross income for federal income tax purposes retroactive to their date of execution and delivery, irrespective of the date on which such noncompliance occurs or is discovered. Each of the Participants has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Notes which is designated as and comprises interest with respect to the Certificates from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Certificates. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Certificate. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Certificates.

Prospective owners of the Certificates should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Notes designated as and comprising interest with respect to the Certificates may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Bond Premium

In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable with respect to the bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that bond (a “Premium Certificate”). In general, under Section 171 of the Code, an owner of a Premium Certificate must amortize the bond premium over the remaining term of the Premium Certificate, based on the owner’s yield over the remaining term of the Premium Certificate, determined based on constant yield principles (in certain cases involving a Premium Certificate callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that

results in the lowest yield on such Certificate). An owner of a Premium Certificate must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Certificate, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Certificate may realize a taxable gain upon disposition of the Premium Certificate even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Certificates should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Certificates.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Certificates. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Certificate through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest with respect to the Certificates from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Notes designated as and comprising interest with respect to the Certificates under federal or state law or otherwise prevent beneficial owners of the Notes designated as and comprising interest with respect to the Certificates from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Certificates.

Prospective purchasers of the Certificates should consult their own tax advisors regarding the foregoing matters.

CONTINUING DISCLOSURE

Continuing Disclosure. Each Participant has covenanted in its respective Participant Resolution to file with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system notices of the following events for so long as the Certificates are outstanding:

1. principal and interest payment delinquencies.

2. non-payment related defaults, if material.
3. modifications to rights of holders, if material.
4. Bond calls, if material and tender offers.
5. defeasances.
6. rating changes with respect to the related Series of Participation Certificates.
7. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (Internal Revenue Service Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes and the related Series of Participation Certificates, or other material events affecting the tax status of the Notes and the related Series of Participation Certificates.
8. unscheduled draws on the debt service reserves reflecting financial difficulties.
9. unscheduled draws on the credit enhancements reflecting financial difficulties.
10. release, substitution or sale of property securing repayment of the Notes and the related Series of Participation Certificates, if material.
11. bankruptcy, insolvency, receivership or similar event of the respective Participant (such event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the respective Participant in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the respective Participant, 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 respective Participant);
12. substitution of credit or liquidity providers, or their failure to perform with respect to its Note and the related Series of Participation Certificates;
13. the consummation of a merger, consolidation, or acquisition involving the respective Participant or the sale of all or substantially all of the assets of the respective Participant, 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 Certificate Agent or the change of name of a Certificate Agent, if material;
15. incurrence of a Financial Obligation of the respective Participant, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the respective Participant, any of which affect Note holders, if material; and

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

“Financial Obligation” means “financial obligation” as such term is defined in 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.

There are currently no debt service reserves or liquidity providers in place with respect to the payment of principal and interest with respect to the Certificates, and the Certificates are not subject to prepayment prior to their Maturity Dates in accordance with their terms. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. Each Participant’s continuing disclosure obligations under its respective Participant Resolution shall terminate upon payment in full of its respective Note. If such termination occurs or is deemed to occur prior to the final maturity of the Certificates, the Participant shall give notice of such termination in the same manner as for a Notice Event.

Within the past five years, Bassett did not timely file its Audited Financial Statement for Fiscal Year 2015-16, as required by its existing continuing disclosure obligations.

Within the past five years, West Covina Unified School District (“West Covina”) failed to file a portion of its Annual Report for Fiscal Year 2015-16, as required by its existing continuing disclosure obligations. In addition, West Covina failed to file insurer’s rating change, an enumerated event, as required by its existing continuing disclosure obligations.

Within the past five years, Westside Union School District (“Westside Union”) did not timely file its Annual Report and Audited Financial Statements for Fiscal Year 2015-16, as required by its existing continuing disclosure obligations.

Within the past five years, Whittier City School District (“Whittier City”) failed to file insurer’s rating changes, an enumerated event, as required by its existing continuing disclosure obligations.

Other Reports. Each Participant regularly prepares a variety of reports, including audits, budgets and related documents. Any owner of a Certificate may obtain a copy of any such report, as available, from any such Participant at its respective address designated in Appendix A hereto. Additional information regarding this Official Statement may be obtained by contacting: the Los Angeles County Office of Education, 9300 Imperial Highway, Downey, California 90242-2890; Attention, Assistant Director.

CYBER INCIDENTS

In early April 2018, Long Beach Community College District (“LBCC”) experienced a cyber incident that encrypted commonly accessed files on the majority of LBCC’s servers and workstations, rendering most computers unusable. Although business functionality was repaired and restored in approximately one week, individual servers and workstations required additional time in order to bring them back online. These systems were reimaged and, where possible, data and files were restored from back-ups. The majority of LBCC’s servers and workstations were restored within the first two months.

In order to better protect its systems from future incidents, LBCC has focused on implementing the top-six basic critical security controls as outlined and developed by the Center for Internet Security (“CIS”), as well as implementing tools and services offered by the California Community Colleges

Information Security Center. Additionally, LBCC has procured and implemented software and tools designed to support the CIS controls. No ransom was requested or paid in connection with the incident. To date, LBCC has not suffered any material financial consequences as a result of such incident. There can be no assurance that the LBCC's additional security measures will be successful in thwarting future breaches.

LITIGATION

No Litigation. There is no litigation now pending or threatened (i) to restrain or enjoin the issuance or sale of the Notes or the execution and delivery of the Certificates; (ii) questioning or affecting the validity of the Notes, the Certificates or the Resolutions; or (iii) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution or delivery of the Notes or the Certificates.

There are a number of lawsuits and claims pending against certain of the Participants. The aggregate amount of uninsured liabilities of the Participants which may result from such suits and claims, as determined by the Participants, will not, in the opinion of each Participant (as to its own uninsured liabilities only), materially affect the Participants' finances or impair their ability to pay amounts sufficient to pay principal of and interest on the Notes as evidenced and represented by the Certificates.

RATINGS

The Series C-1 Certificates, the Series C-2 Certificates, and the Series C-3 Certificates have each been assigned the ratings of "SP-1+" by S&P Global Ratings ("S&P"). The ratings reflect only the views of S&P, and the Participants make no representation as to the appropriateness of the ratings. An explanation of the significance of such rating may be obtained at the following address: Standard & Poor's, 55 Water Street, New York, New York 10041, tel. (212) 438-2474. Further, there is no assurance that such ratings will continue for any given period of time or that it will not be revised or withdrawn entirely if, in the sole judgment of S&P, circumstances so warrant. Any downward revision or withdrawal of the ratings may have an adverse effect on the trading value and the market price of the Certificates.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Certificates and the Notes will be subject to the final approving opinion of Hawkins Delafield & Wood LLP, Los Angeles, California, Bond Counsel, the proposed form of which is attached hereto as Appendix C. Certain legal matters will be passed upon for the Underwriter by its counsel, Norton Rose Fulbright US LLP, Los Angeles, California.

MUNICIPAL ADVISOR

Montague DeRose and Associates, LLC is employed as Municipal Advisor to the Participants in connection with the issuance of the Certificates. The Municipal Advisor's compensation for services rendered with respect to the sale of the Certificates is contingent upon the issuance and delivery of the Certificates. Montague DeRose and Associates, LLC, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal income tax status of the Certificates or the possible impact of any present, pending, or future actions taken by any legislative or judicial bodies. The Municipal Advisor to the Participants has provided the following sentence for inclusion in this Official Statement: The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Participants and, as applicable, to investors under the federal securities laws

as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

UNDERWRITING

The Certificates are being purchased by the Underwriter. Pursuant to the Purchase Contract, dated March 31, 2021, by and between the Treasurer and the Underwriter (the “Purchase Contract”), the Underwriter has agreed to purchase the Certificates at a price of \$ 114,665,617.40, which represents the aggregate principal amount of the Notes evidenced and represented by the Certificates in the amount of \$ 113,310,000.00, plus a premium in the amount of \$ 1,487,057.00 and less an Underwriter’s discount of \$ 131,439.60. The Purchase Contract provides that the Underwriter will purchase all of the Certificates, if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Contract, the approval of certain legal matters by Underwriter’s Counsel and certain other conditions.

The Underwriter may offer and sell the Certificates to certain dealers and others at a price lower than the initial public offering price. The offering price may be changed from time to time by the Underwriter.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of either the County or the Participants. The Underwriter and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the either the County or the Participants.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement between the Participants and the purchasers or owners of any of the Certificates. This Official Statement speaks only as of its date, and the information contained herein is subject to change. Neither the County nor the Participants have entered into any contractual arrangement to provide information on a continuing basis to investors or any other party. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. 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, create any implication that there has been no change in the affairs of the Participants since the date hereof. The delivery of this Official Statement has been duly authorized by the Participants.

APPENDIX A

PARTICIPANT INFORMATION AND CASH FLOW STATEMENTS

Unless otherwise indicated, the following information has been provided by the Participants concerning their operations. Additional information concerning the Participants and copies of their most recent (as well as subsequent) audited financial statements may be obtained by contacting a Participant at the address set forth for such Participant in this Appendix A. Capitalized terms used herein but not otherwise defined shall have the respective meanings set forth in the forepart of this Official Statement.

The cash flow projections in the following pages represent the current best estimate of the respective Participant, based on information available as of the date of the projections. However, due to the uncertainties inherent in the State of California budgeting process (see “PARTICIPANT FINANCES – State Assistance”), these projections are subject to change and may vary considerably from actual cash flows experienced by the respective Participants during the Fiscal Year 2020-21 and for the Fiscal Year 2021-22. The audited financial statements of the Participants for Fiscal Years 2017-18, 2018-19 and 2019-20, if available, along with certain other information pertaining to the Participants is available at <https://www.lacoe.edu/BusinessServices/BusinessAdvisoryServices/PooledFinancing/TRANS.aspx>. If a Participant has not yet adopted their audited financial statements for Fiscal Year 2019-20, then the unaudited financial statements of that Participant have been posted at such link. The cashflows have been posted on the above link and will be available through December 30, 2021, the final maturity of the Certificates, and also contains cash flow information pertaining to each Participant in Excel Spreadsheet format. Please note, however, that the material included in the referenced link is accurate only as of its date and should not in any way be deemed to otherwise update any other portions of the Official Statement. The website referred to is maintained by the Los Angeles County Office of Education (“LACOE”) and not by the Participants or the Underwriters, and neither the Participants nor the Underwriters take any responsibility for the continued accuracy of this internet addresses or for the completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

The economic and demographic data contained in this Appendix are the latest available, but may be as of dates and for periods before the economic impact of the COVID-19 pandemic and the measures instituted to slow it. Accordingly, the information may not necessarily be indicative of the current financial condition or future economic prospects of the Participants.

TABLE OF CONTENTS

Bassett Unified School District.....	A-3
Compton Unified School District	A-14
El Monte Union High School District.....	A-25
Keppel Union School District.....	A-36
Little Lake City School District.....	A-47
Long Beach Community College District.....	A-58
Mountain View School District	A-69
Redondo Beach Unified School District.....	A-80
San Gabriel Unified School District	A-91
South Pasadena Unified School District	A-102
Temple City Unified School District	A-113
West Covina Unified School District.....	A-125
Westside Union School District.....	A-136
Whittier City School District	A-147

BASSETT UNIFIED SCHOOL DISTRICT

Bassett Unified School District
904 N. Willow Avenue
La Puente, CA 91746
Attn: Interim Superintendent

General

The Bassett Unified School District (the “District”) was first established in 1898. The District is located in Los Angeles County, California, and is comprised of approximately eight square miles. The District serves the cities of La Puente and Industry and a small, adjacent portion of Baldwin Park. The District includes three elementary schools, one middle school, one magnet school academy, one comprehensive high school, one adult school and one continuation high school.

Organization

The governing board of the District is the Board of Education of the Bassett Unified School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable	\$69,080,733
Capital leases	1,479,384
Other general long-term debt	1,088,556
Compensated Absences	532,607
Total OPEB Liability	5,625,426
Net pension liability	55,028,674
TOTAL LONG-TERM OBLIGATIONS	\$132,835,380

Source: District’s Fiscal Year 2019-20 Unaudited Actuals.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Bassett Teachers Association (“BTA”) for Fiscal Year 2019-20. The new agreement with BTA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The agreement was presented to the governing board of the District and approved on October 20, 2020

The District’s agreement with the California School Employees Association (“CSEA”) expired on June 30, 2020. Negotiations are scheduled to begin in April 2021. The District and the classified bargaining unit have agreed to continue to work under the terms of their expired agreement until a new agreement has been made.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

BASSETT UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	\$3,897	\$10,041
2016-17 ⁽¹⁾	3,700	10,598
2017-18 ⁽¹⁾	3,512	10,870
2018-19 ⁽¹⁾	3,410	11,499
2019-20 ⁽¹⁾	3,312	11,780
2020-21 ⁽²⁾	3,175	11,942

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

BASSETT UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

Fiscal Year	Local Secured	Utility	Unsecured	Total
2016-17	\$1,889,626,674	\$100,180	\$209,550,323	\$2,099,277,177
2017-18	1,981,518,395	100,180	217,520,343	2,199,138,918
2018-19	2,174,869,941	100,180	219,960,065	2,394,930,186
2019-20	2,279,151,208	100,180	189,815,100	2,469,066,488
2020-21	2,384,560,379	60,108	185,742,850	2,570,363,337

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$2,391,863
2017-18 ⁽¹⁾	2,962,367
2018-19 ⁽¹⁾	3,299,932
2019-20 ⁽²⁾	3,241,726
2020-21 ⁽³⁾	3,267,591

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Unaudited Actuals.

⁽³⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$1,372,978
2017-18 ⁽¹⁾	1,555,569
2018-19 ⁽¹⁾	1,819,044
2019-20 ⁽²⁾	1,900,886
2020-21 ⁽³⁾	2,371,538

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Unaudited Actuals.

⁽³⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$5,625,426	\$5,625,426	\$145,895

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Unaudited Actuals.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u> <u>June 30, 2020</u>	<u>Projected Balance</u> <u>as of June 30, 2021</u>	<u>Projected Balance</u> <u>as of June 30, 2022</u>
Special Reserve/No Capital Outlay	\$275,011	\$275,011	\$275,011
Capital Facilities Fund	581,868	581,868	581,868
Adult Education Fund	2,308,829	2,064,299	2,000,000
Deferred Maintenance Fund	971,750	971,750	971,750
County School Facilities Fund	1,123,954	1,123,954	1,123,954
Special Reserve for Capital Outlay	773,362	773,362	773,362
Tax Override Fund	83,277	83,277	83,277
Foundation Trust & Scholarship			
Fund	<u>205,979</u>	<u>205,979</u>	<u>205,979</u>
Total	\$6,324,030	\$6,079,500	\$6,015,201

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20 (Unaudited Actuals).

**BASSETT UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 UNAUDITED ACTUALS
BEGINNING FUND BALANCE	\$7,467,658	\$4,737,923	\$6,610,875
Total Revenues	48,044,415	51,132,893	46,333,594
Total Beginning Fund Balance and Revenues	55,512,073	55,870,816	52,944,469
Total Expenditures	(50,774,150)	(49,059,813)	(43,292,322)
Other Financing Sources (Uses)	0	(194,670)	(1,246,750)
ENDING FUND BALANCE	<u>\$4,737,923</u>	<u>\$6,616,333</u>	<u>\$8,405,396</u>

Source: District's Audited Financial Statements for Fiscal Years 2017-18 and 2018-19; Fiscal Year 2019-20 Unaudited Actuals.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**BASSETT UNIFIED SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$6,610,875	\$8,405,396
Total Revenues	46,990,113	40,803,596
Total Beginning Fund Balance and Revenues	53,600,988	49,208,992
Total Expenditures	(50,782,083)	(43,500,571)
Other Financing Sources (Uses)	-	-
ENDING FUND BALANCE	<u>\$2,818,905</u>	<u>\$5,708,421</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20 (Unaudited Actuals).

**BASSETT UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 UNAUDITED ACTUALS
Total Assets	\$10,502,661	\$11,491,467	\$16,697,564
Total Liabilities	5,764,738	4,875,134	8,292,169
Fund Balance			
Nonspendable	38,778	38,778	38,778
Restricted	2,294,685	1,421,874	812,118
Assigned	17	1,350,030	6,255,730
Unassigned	2,404,443	3,805,651	1,298,770
Total Fund Balance	4,737,923	6,616,333	8,405,396
Total Liabilities and Fund Balance	<u>\$10,502,661</u>	<u>\$11,491,467</u>	<u>\$16,697,565</u>

Source: District's Audited Financial Statements for Fiscal Years 2017-18 and 2018-19; Fiscal Year 2019-20 Unaudited Actuals.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**BASSETT UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$4,306,085	\$61,283	1.42%
2016-17	4,450,306	53,021	1.19
2017-18	4,690,074	58,424	1.25
2018-19	5,086,470	69,681	1.37
2019-20	5,267,567	119,060	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$2,806,651	\$35,666	1.27%
2016-17	3,133,669	38,486	1.23
2017-18	3,423,091	40,141	1.17
2018-19	3,672,290	35,616	0.97
2019-20	3,213,708	46,123	1.44

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

BASSETT UNIFIED SCHOOL DISTRICT LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	MCP Socal Industrial Kellwood	Industrial	\$51,897,462	2.18%
2.	Rexford Industrial Realty LP	Industrial	42,646,200	1.79
3.	Jacmar Companies	Industrial	32,101,016	1.35
4.	Bit Investment Eighty Three LLC	Industrial	30,775,030	1.29
5.	Intex Realty Corp.	Industrial	<u>29,533,068</u>	<u>1.24</u>
			\$186,952,776	7.84%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$2,384,560,379.

Source: California Municipal Statistic, Inc.

District Fiscal Year 2019-20 Audit

The District expects to present audited financial statements for the fiscal year ended June 30, 2020 to its Governing Board on or about April 27, 2021, which will then be posted at <https://www.lacoe.edu/BusinessServices/BusinessAdvisoryServices/PooledFinancing/TRANS.aspx>. District officials anticipate the audit to be in-line with the unaudited information presented in the Official Statement and do not expect that the audit will contain any information that would materially or adversely affect the District's financial condition.

**BASSETT UNIFIED SCHOOL DISTRICT
CASH FLOWS**

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Bassett Unified**

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,380,165	1,380,165	3,894,937	2,484,297	2,484,297	3,894,937	2,484,297	2,322,597	3,697,617	2,322,597	2,322,597	360,165	2,032,148	31,060,816
Property Taxes	81,910	195,843	7,538	-	123,390	2,164,800	546,912	289,191	43,227	1,546,865	971,896	1,642,406	319,940	7,933,919
Miscellaneous Funds	-	-	-	-	32,429	-	11,704	-	-	-	-	8,004	-	52,137
Federal Revenue	9,277	26,904	28,539	11,677	908,198	154,638	816,546	162	1,281,467	(1,163,340)	62,775	86,511	(189,394)	2,033,960
Other State Revenue	770	153,888	248,320	164,891	490,507	472,438	(68,296)	-	201,689	468,800	104,415	317,602	(245,695)	2,309,329
Other Local Revenue	142	410,177	41,028	58,802	99,600	67,105	102,958	184,788	27,859	(36,639)	160,568	1,726,073	100,972	2,943,432
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,472,264	2,166,977	4,220,362	2,719,666	4,138,421	6,753,918	3,894,121	2,796,738	5,251,860	3,138,283	3,622,251	4,140,761	2,017,971	46,333,594
EXPENDITURES														
Certificated Salaries	-	228,690	1,459,421	1,543,990	1,574,710	1,571,987	1,537,879	1,504,459	1,568,146	1,531,788	1,469,866	3,095,599	1,214	17,087,748
Classified Salaries	297,533	564,539	693,800	667,098	685,247	736,069	662,416	838,539	626,678	636,678	605,292	792,096	8,810	7,814,795
Employee Benefits	97,796	337,985	792,226	795,607	802,728	866,202	822,539	833,348	797,992	805,352	780,982	1,020,077	(740)	8,752,093
Books and Supplies	2,666	121,497	97,420	86,392	97,154	20,943	155,125	21,189	41,446	58,692	44,818	183,647	60,234	991,225
Services	454,709	250,795	767,680	349,002	401,360	595,946	295,436	748,345	428,390	139,070	88,710	1,433,359	261,160	6,213,962
Capital Outlay	-	-	-	-	-	-	-	236,559	-	-	149,732	316,206	950	703,447
Other Outgo	141,150	-	3,980	-	-	-	141,150	6,731	6,731	(175,315)	6,731	1,672,033	(74,139)	1,729,052
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	1,246,750	1,246,750
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	993,854	1,503,506	3,814,527	3,442,089	3,561,200	3,791,147	3,614,546	4,189,170	3,469,383	2,996,265	3,146,130	8,513,018	1,504,239	44,539,072
REVENUES MINUS EXPENDITURES	478,410	663,471	405,835	(722,422)	577,222	2,962,771	279,575	(1,392,431)	1,782,477	142,017	476,122	(4,372,256)	513,732	1,794,522
BALANCE SHEET TRANSACTIONS														
Total Current Assets	-	170,517	17,325	1,714	(8,803)	7,542	878,017	14,672	5,617	1,315,134	(17,060)	(46,880)	(4,900,095)	(2,562,299)
Total Current Liabilities	(3,254,560)	(325,964)	204,701	75,425	101,181	437,968	(456,278)	474,841	146,792	8,841	37,808	2,794,296	3,171,983	3,417,034
TOTAL BALANCE SHEET TRANS.	(3,254,560)	(155,447)	222,027	77,139	92,377	445,510	421,739	489,513	152,409	1,323,976	20,749	2,747,416	(1,728,112)	854,736
BEG. CASH BALANCE, BEFORE TRAN	8,896,473	6,120,322	6,628,347	7,256,208	6,610,925	7,280,524	10,688,805	11,390,119	10,487,201	12,422,087	13,888,080	14,384,951	12,760,110	
NET CHANGE IN CASH	(2,776,150)	508,024	627,862	(645,283)	669,599	3,408,281	701,314	(902,918)	1,934,886	1,465,993	496,870	(1,624,841)	(1,214,380)	2,649,257
END. CASH BALANCE, BEFORE TRAN	6,120,322	6,628,347	7,256,208	6,610,925	7,280,524	10,688,805	11,390,119	10,487,201	12,422,087	13,888,080	14,384,951	12,760,110	11,545,730	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	8,896,473	6,120,322	6,628,347	7,256,208	6,610,925	7,280,524	10,688,805	11,390,119	10,487,201	12,422,087	13,888,080	14,384,951	12,760,110	
NET CHANGE IN CASH	(2,776,150)	508,024	627,862	(645,283)	669,599	3,408,281	701,314	(902,918)	1,934,886	1,465,993	496,870	(1,624,841)	(1,214,380)	2,649,257
END. CASH BALANCE, AFTER TRAN	6,120,322	6,628,347	7,256,208	6,610,925	7,280,524	10,688,805	11,390,119	10,487,201	12,422,087	13,888,080	14,384,951	12,760,110	11,545,730	

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Bassett Unified**

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	
REVENUES														
LCFF Sources														
Principal Apportionment (1)	509,866	1,238,949	3,822,175	2,230,108	2,230,108	3,822,175	2,230,108	1,048,151	1,993,486	401,419	401,419	1,592,067	8,898,131	30,418,163
Property Taxes	57,588	224,054	10,157	1,345,081	126,660	363,969	8,103	601,539	1,503,846	760,893	526,346	526,346	1,464,650	7,519,232
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	169	5,147,327	(689,928)	71,186	81,642	995,997	-	1,613,618	-	751,218	-	1,210,143	9,181,373
Other State Revenue	64,470	51,683	487,035	107,261	127,068	151,420	490,507	-	418,985	-	397,842	-	356,008	2,652,279
Other Local Revenue	85,376	42,001	55,946	(26,544)	190,328	29,588	17,155	292,000	292,000	292,000	292,000	292,000	447,831	2,301,681
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	717,300	1,556,856	9,522,640	2,965,978	2,745,350	4,448,794	3,741,871	1,941,690	5,821,936	1,454,312	2,368,825	2,410,413	12,376,763	52,072,727
EXPENDITURES														
Certificated Salaries	1,626	202,852	1,377,733	1,398,464	1,435,796	1,422,932	1,425,079	1,500,000	1,500,000	1,500,000	1,574,921	3,000,000	1,535,301	17,874,704
Classified Salaries	334,405	471,418	571,888	562,394	560,132	544,116	671,000	671,000	671,000	671,000	671,000	698,620	701,084	7,799,057
Employee Benefits	108,246	301,223	711,556	739,152	754,841	734,236	850,000	850,000	850,000	850,000	850,000	1,715,764	646,395	9,961,413
Books and Supplies	315	114,025	897,821	202,913	158,234	367,528	1,568,125	1,121,481	1,041,446	1,058,692	44,818	183,647	-	6,759,046
Services	123,293	55,539	834,063	442,475	299,748	355,863	1,400,000	1,400,000	1,700,000	400,000	750,000	1,500,000	(37,792)	9,223,189
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	7,170	1,624	1,972	2,922	2,922	26,947	-	-	-	-	-	1,600,000	98,105	1,741,662
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	575,055	1,146,681	4,395,032	3,348,320	3,211,673	3,451,622	5,914,204	5,542,481	5,762,446	4,479,692	3,890,739	8,698,031	2,943,093	53,359,071
REVENUES MINUS EXPENDITURES	142,245	410,175	5,127,608	(382,342)	(466,323)	997,172	(2,172,333)	(3,600,792)	59,489	(3,025,380)	(1,521,914)	(6,287,618)	9,433,670	(1,286,343)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	2,806,937	12,319	-	887,426	11,942	-	-	250,845	-	-	-	-	(12,376,763)	(8,407,294)
Total Current Liabilities	(3,312,952)	(310,177)	(157,960)	(1,462,453)	(172,532)	(138,591)	(1,018,551)	(100,000)	(75,000)	(100,000)	(300,000)	(100,000)	2,943,093	(4,305,122)
TOTAL BALANCE SHEET TRANS.	(506,015)	(297,857)	(157,960)	(575,027)	(160,590)	(138,591)	(1,018,551)	150,845	(75,000)	(100,000)	(300,000)	(100,000)	(9,433,670)	(12,712,416)
BEG. CASH BALANCE, BEFORE TRAN	11,545,730	11,181,959	11,294,277	16,263,925	15,306,556	14,679,643	15,538,224	12,347,340	8,897,393	8,881,883	5,756,503	3,934,588	(2,453,030)	
NET CHANGE IN CASH	(363,770)	112,318	4,969,648	(957,369)	(626,913)	858,581	(3,190,884)	(3,449,947)	(15,511)	(3,125,380)	(1,821,914)	(6,387,618)	-	(13,998,759)
END. CASH BALANCE, BEFORE TRAN	11,181,959	11,294,277	16,263,925	15,306,556	14,679,643	15,538,224	12,347,340	8,897,393	8,881,883	5,756,503	3,934,588	(2,453,030)	(2,453,030)	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	5,000,000	-	-	-	5,000,000
BEG. CASH BALANCE, AFTER TRAN	11,545,730	11,181,959	11,294,277	16,263,925	15,306,556	14,679,643	15,538,224	12,347,340	8,897,393	8,881,883	10,756,503	8,934,588	2,546,970	
NET CHANGE IN CASH	(363,770)	112,318	4,969,648	(957,369)	(626,913)	858,581	(3,190,884)	(3,449,947)	(15,511)	1,874,620	(1,821,914)	(6,387,618)	-	(8,998,759)
END. CASH BALANCE, AFTER TRAN	11,181,959	11,294,277	16,263,925	15,306,556	14,679,643	15,538,224	12,347,340	8,897,393	8,881,883	10,756,503	8,934,588	2,546,970	2,546,970	
Princ. Apportionment Deferrals (1)								(1,181,957)	(1,828,689)	(1,828,689)	(1,828,689)	(2,230,108)	(8,898,131)	

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Bassett Unified**

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,493,155	1,494,276	3,358,638	2,561,436	2,403,687	3,199,767	2,466,787	1,112,861	1,139,098	343,018	343,018	796,080	9,696,125	30,407,945
Property Taxes	-	451,154	902,308	601,539	601,539	601,539	601,539	601,539	1,052,692	526,346	526,346	526,346	526,346	7,519,233
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	169	-	55,421	-	-	1,000,000	-	1,168,627	-	-	-	-	2,224,217
Other State Revenue	-	-	-	-	-	-	750,000	-	750,000	-	533,931	-	-	2,033,931
Other Local Revenue	-	-	-	-	500,000	-	500,000	-	500,000	-	530,000	-	-	2,030,000
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,493,155	1,945,599	4,260,946	3,218,396	3,505,226	3,801,306	5,318,326	1,714,400	4,610,417	869,364	1,933,295	1,322,426	10,222,471	44,215,326
EXPENDITURES														
Certificated Salaries	-	202,852	1,377,733	1,398,464	1,426,143	1,526,413	1,526,413	1,526,413	1,526,413	1,526,413	1,526,413	1,784,000	2,139,676	17,487,346
Classified Salaries	-	471,418	571,888	562,394	571,000	671,000	671,000	671,000	671,000	-	671,000	671,000	1,750,129	7,952,829
Employee Benefits	-	301,223	711,556	739,152	461,881	706,583	706,583	706,583	806,583	655,283	806,583	1,158,100	1,800,197	9,560,304
Books and Supplies	-	114,025	497,821	202,913	20,627	20,000	25,375	55,000	20,000	190,375	90,000	290,375	608,465	2,134,976
Services	-	55,539	834,063	442,475	177,053	500,000	400,000	800,000	500,000	750,000	-	1,500,000	798,483	6,757,613
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	1,441,378	1,441,378
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	1,145,057	3,993,060	3,345,398	2,656,704	3,423,996	3,329,371	3,758,996	3,523,996	3,122,071	3,093,996	5,403,475	8,538,328	45,334,445
REVENUES MINUS EXPENDITURES	1,493,155	800,542	267,886	(127,002)	848,522	377,310	1,988,955	(2,044,595)	1,086,421	(2,252,707)	(1,160,701)	(4,081,049)	1,684,142	(1,119,119)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	4,230,108	3,228,689	1,906,689	1,828,689	1,181,957	-	-	-	-	-	-	-	(10,222,471)	2,153,660
Total Current Liabilities	(3,500,000)	(1,000,000)	(500,000)	(500,000)	(500,000)	(150,000)	(800,000)	(500,000)	(1,200,000)	(600,000)	(500,000)	(1,516,442)	8,538,328	(2,728,114)
TOTAL BALANCE SHEET TRANS.	730,108	2,228,689	1,406,689	1,328,689	681,957	(150,000)	(800,000)	(500,000)	(1,200,000)	(600,000)	(500,000)	(1,516,442)	(1,684,142)	(574,453)
BEG. CASH BALANCE, BEFORE TRAN	2,546,970	4,770,233	7,799,464	9,474,039	10,675,725	12,206,205	12,433,515	13,622,471	11,077,875	10,964,297	8,111,590	6,450,889	853,398	
NET CHANGE IN CASH	2,223,263	3,029,230	1,674,575	1,201,687	1,530,480	227,310	1,188,955	(2,544,595)	(113,579)	(2,852,707)	(1,660,701)	(5,597,491)	-	(1,693,573)
END. CASH BALANCE, BEFORE TRAN	4,770,233	7,799,464	9,474,039	10,675,725	12,206,205	12,433,515	13,622,471	11,077,875	10,964,297	8,111,590	6,450,889	853,398	853,398	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,253,133)	(1,027,569)	(1,027,569)	(1,027,569)	(664,160)	-	-	-	-	-	-	-	-	(5,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	5,000,000	-	-	-	5,000,000
BEG. CASH BALANCE, AFTER TRAN	2,546,970	3,517,101	5,518,762	6,165,768	6,339,886	7,206,205	7,433,515	8,622,471	6,077,875	5,964,297	8,111,590	6,450,889	853,398	
NET CHANGE IN CASH	970,130	2,001,662	647,006	174,118	866,319	227,310	1,188,955	(2,544,595)	(113,579)	2,147,293	(1,660,701)	(5,597,491)	-	(1,693,573)
END. CASH BALANCE, AFTER TRAN	3,517,101	5,518,762	6,165,768	6,339,886	7,206,205	7,433,515	8,622,471	6,077,875	5,964,297	8,111,590	6,450,889	853,398	853,398	
Princ. Apportionment Repayment (2)	2,230,108	1,828,689	1,828,689	1,828,689	1,181,957									8,898,131

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

COMPTON UNIFIED SCHOOL DISTRICT

Compton Unified School District
501 S. Santa Fe Avenue
Compton, CA 90221
Attn: Senior Director of Fiscal Services

General

The Compton Unified School District (the “District”) was first established in 1970. The District is located in Los Angeles County, California, and is comprised of approximately 30 square miles. The District has boundaries contiguous with the City of Compton and portions of the cities of Carson and Los Angeles. The District includes 21 elementary schools, seven middle schools, three comprehensive high schools, one early college high school, three alternative education satellites, and an adult school.

Organization

The governing board of the District is the Board of Education of the Compton Unified School District (the “Board”). The Board consists of seven members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$283,901,824
General obligation bonds, accreted interest	35,437,027
Net pension liability	236,287,643
Compensated Absences	1,804,363
Capital leases	-
OPEB obligation – net	39,790,529
TOTAL LONG-TERM OBLIGATIONS	<u>\$597,221,389</u>

Source: District’s Fiscal Year 2019-20 Unaudited Actuals.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Compton Education Association (“CEA”), for Fiscal Year 2019-20. The new agreement with the CEA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The agreement was presented to the governing board of the District for approval on January 12, 2021. The District and the classified bargaining unit have agreed to continue to work under the terms of their expired agreement until a new agreement has been made.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

COMPTON UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	22,645	\$9,759
2016-17 ⁽¹⁾	21,667	10,378
2017-18 ⁽¹⁾	21,073	10,729
2018-19 ⁽¹⁾	20,765	11,635
2019-20 ⁽¹⁾	19,559	11,797
2020-21 ⁽²⁾	19,419	12,267

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

COMPTON UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

Fiscal Year	Local Secured	Utility	Unsecured	Total
2016-17	\$9,807,331,824	\$1,928,158	\$800,582,428	\$10,609,842,410
2017-18	10,254,529,688	2,923,504	819,323,142	11,076,776,334
2018-19	10,852,808,500	2,923,504	949,619,355	11,805,351,359
2019-20	11,583,545,929	2,923,504	927,068,393	12,513,537,826
2020-21	12,437,037,036	3,235,859	927,173,733	13,367,446,628

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$11,699,892
2017-18 ⁽¹⁾	15,922,435
2018-19 ⁽¹⁾	17,901,646
2019-20 ⁽²⁾	33,506,970
2020-21 ⁽³⁾	29,305,830

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Unaudited Actuals.

⁽³⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$5,543,200
2017-18 ⁽¹⁾	6,348,967
2018-19 ⁽¹⁾	7,325,023
2019-20 ⁽²⁾	8,139,280
2020-21 ⁽³⁾	10,055,532

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Unaudited Actuals.

⁽³⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$44,000,476	\$40,542,284	\$3,661,610

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Actuarial Study dated October 1, 2020.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Capital Facilities	\$ 2,540,931	\$ 2,693,094	\$ 2,793,094

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20 (Unaudited Actuals).

**COMPTON UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 UNAUDITED ACTUALS
BEGINNING FUND BALANCE	\$60,700,559	\$51,990,840	\$60,022,049
Total Revenues	276,022,290	312,916,026	303,795,153
Total Beginning Fund Balance and Revenues	336,722,849	364,906,866	363,817,202
Total Expenditures	284,732,009	299,484,816	310,640,193
Other Financing Sources (Uses)	-	600,000	600,000
ENDING FUND BALANCE	<u>\$51,990,840</u>	<u>\$66,022,050</u>	<u>\$59,777,008</u>

Source: District's Audited Financial Statements for Fiscal Years 2017-18 and 2018-19; Fiscal Year 2019-20 Unaudited Actuals.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**COMPTON UNIFIED SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$52,914,180	\$81,382,222
Total Revenues	295,436,980	278,022,026
Total Beginning Fund Balance and Revenues	348,351,160	359,404,248
Total Expenditures	293,531,363	282,027,654
Other Financing Sources (Uses)	(3,139,784)	(3,177,182)
ENDING FUND BALANCE	<u>\$51,680,013</u>	<u>\$74,199,412</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20 (Unaudited Actuals).

**COMPTON UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 UNAUDITED ACTUALS
Total Assets	\$112,942,019	\$131,810,674	\$131,159,122
Total Liabilities	60,951,179	65,788,624	71,382,114
Fund Balance			
Nonspendable	2,208,123	1,354,184	1,292,727
Restricted	11,007,688	25,591,894	24,890,728
Assigned	28,492,216	28,124,172	29,032,704
Unassigned	10,282,813	10,951,800	4,560,849
Total Fund Balance	51,990,840	66,022,050	59,777,008
Total Liabilities and Fund Balance	112,942,019	131,810,674	131,159,122

Source: District's Audited Financial Statements for Fiscal Years 2017-18 and 2018-19; Fiscal Year 2019-20 Unaudited Actuals..

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**COMPTON UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$20,730,911	\$290,859	1.40%
2016-17	21,819,949	256,511	1.18
2017-18	22,897,049	281,613	1.23
2018-19	24,347,328	329,460	1.35
2019-20	25,878,778	578,140	2.23

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$6,675,767	\$129,856	1.95%
2016-17	12,241,906	218,571	1.79
2017-18	12,548,992	194,831	1.55
2018-19	13,014,859	324,476	2.49
2019-20	12,955,897	276,764	2.14

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

COMPTON UNIFIED SCHOOL DISTRICT LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Prologis LP	Industrial	\$333,830,979	2.68%
2.	AMB Property LP	Industrial	169,527,394	1.36
3.	Carson Dominguez Properties LP	Industrial	169,366,427	1.36
4.	MLK-LA Healthcare Corp.	Medical Buildings	137,850,919	1.11
5.	Watson Partners LP	Industrial	<u>136,532,471</u>	<u>1.10</u>
			\$947,108,190	7.62%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$12,437,037,036.
Source: California Municipal Statistic, Inc.

District Fiscal Year 2019-20 Audit

The District expects to present audited financial statements for the fiscal year ended June 30, 2020 to its Governing Board on or about April 13, 2021, which will then be posted at <https://www.lacoe.edu/BusinessServices/BusinessAdvisoryServices/PooledFinancing/TRANS.aspx>. District officials anticipate the audit to be in-line with the unaudited information presented in the Official Statement and do not expect that the audit will contain any information that would materially or adversely affect the District's financial condition.

**COMPTON UNIFIED SCHOOL DISTRICT
CASH FLOWS**

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Compton Unified**

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	
REVENUES														
LCFF Sources														
Principal Apportionment	9,236,730	9,236,730	25,329,276	16,698,261	16,626,114	25,329,276	16,672,991	14,157,274	21,926,179	14,157,274	14,157,274	22,664,281	(1,989,120)	204,202,540
Property Taxes	361,772	665,391	48,072	-	452,194	8,546,465	2,304,597	1,309,928	232,471	5,151,267	5,866,381	11,289,507	(40,795)	36,187,248
Miscellaneous Funds	-	175,411	-	-	(2,111)	(986,776)	223,749	(176,692)	-	24,551	-	(2,227,576)	-	(2,969,444)
Federal Revenue	632,467	(90,682)	2,183	5,700,053	419,222	(4,069,793)	15,503,044	25,726	1,001,899	653,134	(1,658,744)	473,911	5,282,445	23,874,865
Other State Revenue	43,943	652,046	1,908,866	1,091,659	2,266,943	1,018,365	68,442	2,048,345	3,574,557	4,281,331	2,048,345	2,269,734	14,073,378	35,345,955
Other Local Revenue	2,060	186,188	189,659	275,874	785,395	135,066	1,424,444	388,696	335,491	16,796	1,015,237	2,153,947	245,136	7,153,989
Transfers In	-	-	-	-	-	-	-	-	600,000	-	-	-	-	600,000
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	10,276,972	10,825,084	27,478,056	23,765,847	20,547,757	29,972,603	36,197,266	17,753,277	27,670,596	24,284,354	21,428,493	36,623,804	17,571,044	304,395,153
EXPENDITURES														
Certificated Salaries	66,711	2,214,466	10,113,034	9,729,747	13,765,780	10,242,637	9,800,766	9,890,111	10,017,260	9,682,553	9,608,806	22,358,797	-	117,490,668
Classified Salaries	43,700	2,191,744	2,710,348	3,278,174	3,333,267	3,613,948	3,295,134	3,489,041	3,304,059	3,323,277	3,178,417	6,216,339	1,377,354	39,354,802
Employee Benefits	277,095	1,462,900	3,891,937	5,304,570	6,315,837	5,562,229	5,602,510	5,571,821	5,422,050	5,325,057	5,251,893	11,868,378	14,304,025	76,160,301
Books and Supplies	3,712	640,859	669,409	759,140	508,767	522,951	798,054	1,551,258	797,665	960,304	2,071,255	8,406,831	2,068,637	19,758,843
Services	2,525,891	2,536,636	3,225,291	5,437,431	4,079,482	3,862,042	3,475,447	3,840,060	2,469,646	4,635,118	3,699,006	8,868,660	(1,774,817)	46,879,894
Capital Outlay	-	-	83,256	33,494	507,144	149,637	-	881,140	266,822	988,123	349,133	618,192	(5,475)	3,871,465
Other Outgo	-	-	(4,386)	-	388,375	-	-	15,600	15,600	15,600	3,169,665	-	(216,017)	3,384,437
Transfers Out	-	-	-	-	-	-	-	-	3,739,784	-	-	-	-	3,739,784
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	2,917,110	9,046,605	20,688,890	24,542,555	28,898,652	23,953,444	22,971,911	25,239,031	26,032,885	24,930,031	27,328,175	58,337,197	15,753,709	310,640,194
REVENUES MINUS EXPENDITURES	7,359,862	1,778,479	6,789,165	(776,708)	(8,350,895)	6,019,159	13,225,355	(7,485,753)	1,637,711	(645,678)	(5,899,681)	(21,713,393)	1,817,335	(6,245,041)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	158,677	(22,563)	764,484	8,750,111	(160,860)	6,264,239	(398,749)	234,024	119,216	23,809	1,560,710	(24,067,107)	(4,791,382)	(11,565,390)
Total Current Liabilities	(19,672,920)	(5,856,628)	(905,903)	1,378,343	589,291	3,067,076	(279,180)	1,433,774	(4,519,227)	(1,860,439)	104,397	32,881,064	(766,158)	5,593,490
TOTAL BALANCE SHEET TRANS.	(19,514,243)	(5,879,191)	(141,419)	10,128,454	428,431	9,331,316	(677,929)	1,667,798	(4,400,011)	(1,836,630)	1,665,106	8,813,957	(5,557,540)	(5,971,900)
BEG. CASH BALANCE, BEFORE TRAN	101,443,332	89,288,952	85,188,240	91,835,986	101,187,732	93,265,268	108,615,743	121,163,170	115,345,215	112,582,915	110,100,608	105,866,033	92,966,597	
NET CHANGE IN CASH	(12,154,381)	(4,100,712)	6,647,746	9,351,746	(7,922,464)	15,350,475	12,547,427	(5,817,955)	(2,762,300)	(2,482,307)	(4,234,575)	(12,899,436)	(3,740,205)	(12,216,941)
END. CASH BALANCE, BEFORE TRAN	89,288,952	85,188,240	91,835,986	101,187,732	93,265,268	108,615,743	121,163,170	115,345,215	112,582,915	110,100,608	105,866,033	92,966,597	89,226,392	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	101,443,332	89,288,952	85,188,240	91,835,986	101,187,732	93,265,268	108,615,743	121,163,170	115,345,215	112,582,915	110,100,608	105,866,033	92,966,597	
NET CHANGE IN CASH	(12,154,381)	(4,100,712)	6,647,746	9,351,746	(7,922,464)	15,350,475	12,547,427	(5,817,955)	(2,762,300)	(2,482,307)	(4,234,575)	(12,899,436)	(3,740,205)	(12,216,941)
END. CASH BALANCE, AFTER TRAN	89,288,952	85,188,240	91,835,986	101,187,732	93,265,268	108,615,743	121,163,170	115,345,215	112,582,915	110,100,608	105,866,033	92,966,597	89,226,392	

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Compton Unified**

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	Total
	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	
REVENUES														
LCFF Sources														
Principal Apportionment (1)	8,193,959	8,193,959	24,274,953	14,749,127	14,749,127	24,274,953	14,749,127	7,293,964	12,319,259	2,793,433	2,793,433	9,525,826	62,201,998	206,113,119
Property Taxes	318,893	643,161	64,199	-	361,664	9,178,700	2,855,761	1,234,536	219,091	-	-	10,601,297	10,383,532	35,860,833
Miscellaneous Funds	-	964,727	-	(1,022,976)	-	22,119	792,504	(335,589)	-	46,630	-	(4,230,823)	-	(3,763,408)
Federal Revenue	34,597	-	27,380,242	4,189,246	384,553	10,711,010	2,778,914	6,159,156	964,536	164,996	4,125,686	1,237,652	52,299,482	110,430,070
Other State Revenue	796,390	893,049	3,822,951	1,430,672	1,927,984	4,341,586	1,150,812	551,654	211,272	-	-	-	19,705,244	34,831,614
Other Local Revenue	7,203	475,313	125,151	700,889	564,721	250,989	1,306,437	59,823	(262,723)	2,585	156,252	897,588	603,175	4,887,402
Transfers In	-	-	-	-	-	-	-	-	-	-	-	600,000	-	600,000
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	9,351,041	11,170,209	55,667,495	20,046,958	17,988,049	48,779,357	23,633,555	14,963,544	13,451,435	3,007,644	7,075,371	18,631,540	145,193,431	388,959,630
EXPENDITURES														
Certificated Salaries	381,383	2,305,983	9,035,481	9,744,478	11,907,283	9,168,013	8,940,799	11,507,181	11,655,118	11,265,686	11,179,881	12,843,554	13,170,989	123,105,828
Classified Salaries	328,299	1,974,286	2,403,892	3,038,203	3,039,586	2,818,966	2,832,385	4,527,203	4,287,180	4,312,116	4,124,154	4,925,251	4,927,944	43,539,465
Employee Benefits	566,060	1,423,673	3,372,549	5,127,851	5,368,061	4,958,049	5,160,493	6,984,985	6,837,548	6,742,066	6,670,042	7,264,508	12,500,000	72,975,886
Books and Supplies	128,205	2,932,668	671,086	1,151,118	807,164	2,134,304	585,940	1,373,813	706,422	850,457	834,329	3,138,602	7,138,602	22,452,710
Services	2,648,445	2,274,973	2,943,046	5,381,759	1,729,935	13,107,103	(1,517,820)	8,789,013	5,652,451	10,608,717	5,466,174	4,118,088	15,118,086	76,319,970
Capital Outlay	135,950	205,631	1,550,103	1,461,239	203,643	737,662	133,824	697,008	211,064	781,635	276,174	484,677	-	6,878,610
Other Outgo	15,051	3,688	6,639	6,639	715,819	6,639	6,639	-	-	-	-	2,320,226	-	3,081,340
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	3,777,182	-	3,777,182
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	4,203,394	11,120,901	19,982,797	25,911,287	23,771,491	32,930,736	16,142,260	33,879,203	29,349,783	34,560,677	28,550,754	38,872,088	52,855,621	352,130,991
REVENUES MINUS EXPENDITURES	5,147,648	49,308	35,684,698	(5,864,329)	(5,783,442)	15,848,621	7,491,295	(18,915,659)	(15,898,348)	(31,553,033)	(21,475,383)	(20,240,548)	92,337,810	36,828,639
BALANCE SHEET TRANSACTIONS														
Total Current Assets	24,700,470	165,570	932,515	70,364	95,577	4,870	128,290	2,927,416	2,986,604	3,034,160	2,228,278	7,366,897	(149,155,906)	(104,514,896)
Total Current Liabilities	(24,515,198)	(7,892,003)	(202,107)	1,569,596	(719,484)	2,247,851	(4,250,400)	(8,809,920)	(8,981,898)	(8,979,270)	(8,975,488)	(1,780,433)	54,229,166	(17,059,588)
TOTAL BALANCE SHEET TRANS.	185,272	(7,726,432)	730,408	1,639,960	(623,908)	2,252,721	(4,122,110)	(5,882,504)	(5,995,294)	(5,945,110)	(6,747,210)	5,586,464	(94,926,740)	(121,574,484)
BEG. CASH BALANCE, BEFORE TRAN	89,226,392	94,559,311	86,882,187	123,297,294	119,072,925	112,665,575	130,766,917	134,136,102	109,337,939	87,444,297	49,946,154	21,723,561	7,069,477	
NET CHANGE IN CASH	5,332,919	(7,677,124)	36,415,107	(4,224,369)	(6,407,350)	18,101,342	3,369,185	(24,798,163)	(21,893,642)	(37,498,143)	(28,222,593)	(14,654,084)	(2,588,930)	(84,745,844)
END. CASH BALANCE, BEFORE TRAN	94,559,311	86,882,187	123,297,294	119,072,925	112,665,575	130,766,917	134,136,102	109,337,939	87,444,297	49,946,154	21,723,561	7,069,477	4,480,547	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	24,380,000	-	-	-	24,380,000
BEG. CASH BALANCE, AFTER TRAN	89,226,392	94,559,311	86,882,187	123,297,294	119,072,925	112,665,575	130,766,917	134,136,102	109,337,939	87,444,297	74,326,154	46,103,561	31,449,477	
NET CHANGE IN CASH	5,332,919	(7,677,124)	36,415,107	(4,224,369)	(6,407,350)	18,101,342	3,369,185	(24,798,163)	(21,893,642)	(13,118,143)	(28,222,593)	(14,654,084)	(2,588,930)	(60,365,844)
END. CASH BALANCE, AFTER TRAN	94,559,311	86,882,187	123,297,294	119,072,925	112,665,575	130,766,917	134,136,102	109,337,939	87,444,297	74,326,154	46,103,561	31,449,477	28,860,547	
Princ. Apportionment Deferrals (1)								(8,225,109)	(12,725,640)	(12,725,640)	(12,725,640)	(15,799,970)	(62,201,998)	

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Compton Unified**

	FY 2021-22 Cash Flows														
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	Total	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments		
REVENUES															
LCFF Sources															
Principal Apportionment	8,862,718	8,862,718	25,478,718	15,952,892	15,952,892	25,478,718	15,952,892	7,497,859	12,397,347	2,871,521	2,871,521	9,525,826	63,652,039	215,357,660	
Property Taxes	358,508	659,389	47,638	-	448,115	8,469,374	2,283,809	1,298,112	230,374	(3,452,823)	(3,930,720)	11,147,247	18,301,810	35,860,833	
Miscellaneous Funds	-	222,504	-	-	(2,678)	(1,251,699)	283,819	(224,128)	-	31,142	-	(2,825,619)	-	(3,766,659)	
Federal Revenue	-	6,316,982	54,843	579,366	1,316,922	-	72,599	2,088,748	986,443	69,208	6,406,385	2,220,700	1,806,988	21,919,184	
Other State Revenue	578,144	527,318	1,429,587	1,800,504	949,173	1,088,923	1,707,143	550,911	196,003	928,821	(699,950)	1,425,484	22,038,733	32,520,794	
Other Local Revenue	22,292	65,229	172,688	201,867	222,392	809,062	489,068	109,085	85,985	10,932	370,339	1,413,947	351,442	4,324,328	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	600,000	-	600,000	
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	9,821,662	16,654,140	27,183,474	18,534,629	18,886,816	34,594,378	20,789,330	11,320,587	13,896,152	458,801	5,017,575	23,507,585	106,151,012	306,816,140	
EXPENDITURES															
Certificated Salaries	70,603	2,343,673	10,703,100	10,708,949	10,668,973	10,745,265	10,751,611	10,757,170	10,791,737	10,804,502	10,819,451	10,663,291	14,517,577	124,345,902	
Classified Salaries	2,682,163	2,882,381	3,061,868	3,096,355	3,107,915	3,176,546	3,281,973	3,398,643	3,491,945	3,543,419	3,551,554	3,800,170	4,900,002	43,974,934	
Employee Benefits	268,257	1,416,241	3,767,805	4,335,382	4,014,494	4,264,823	4,252,819	4,273,109	4,323,215	4,355,216	4,284,385	4,717,640	29,457,800	73,731,186	
Books and Supplies	3,018	521,005	544,216	617,165	413,617	425,148	648,802	1,261,141	648,485	780,708	1,683,887	8,286,190	230,150	16,063,532	
Services	3,678,159	3,693,805	4,696,613	7,917,893	5,940,472	5,623,839	5,060,885	5,591,828	3,596,256	6,749,578	5,386,429	10,109,933	220,000	68,265,690	
Capital Outlay	-	-	105,012	42,246	639,665	188,739	-	1,111,389	336,545	1,246,328	411,429	801,759	-	4,883,112	
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	3,031,298	-	3,031,298	
Transfers Out	-	-	-	-	-	-	-	-	-	-	3,800,601	-	-	3,800,601	
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	6,702,200	10,857,105	22,878,614	26,717,990	24,785,136	24,424,360	23,996,090	26,393,280	23,188,183	27,479,750	29,937,736	41,410,281	49,325,529	338,096,253	
REVENUES MINUS EXPENDITURES	3,119,462	5,797,035	4,304,860	(8,183,361)	(5,898,320)	10,170,018	(3,206,760)	(15,072,693)	(9,292,031)	(27,020,949)	(24,920,161)	(17,902,696)	56,825,483	(31,280,113)	
BALANCE SHEET TRANSACTIONS															
Total Current Assets (2)	24,107,953	15,383,260	15,502,562	15,320,913	15,708,461	11,896,308	1,529,088	10,161,485	5,467,838	5,198,417	4,429,993	6,472,922	(106,151,012)	25,028,187	
Total Current Liabilities	(12,896,355)	(8,857,959)	(8,438,579)	(4,538,558)	(4,020,695)	(4,030,694)	(2,518,195)	(2,628,196)	(2,818,530)	(2,807,860)	(700,000)	1,984,849	50,800,076	(1,470,696)	
TOTAL BALANCE SHEET TRANS.	11,211,598	6,525,301	7,063,983	10,782,355	11,687,766	7,865,614	(989,107)	7,533,289	2,649,308	2,390,557	3,729,993	8,457,771	(55,350,936)	23,557,491	
BEG. CASH BALANCE, BEFORE TRAN	28,860,547	43,191,607	55,513,943	66,882,786	69,481,780	75,271,226	93,306,858	89,110,991	81,571,587	74,928,864	50,298,472	29,108,303	19,663,379		
NET CHANGE IN CASH	14,331,060	12,322,336	11,368,843	2,598,994	5,789,446	18,035,632	(4,195,867)	(7,539,404)	(6,642,723)	(24,630,392)	(21,190,168)	(9,444,925)	1,474,547	(7,722,622)	
END. CASH BALANCE, BEFORE TRAN	43,191,607	55,513,943	66,882,786	69,481,780	75,271,226	93,306,858	89,110,991	81,571,587	74,928,864	50,298,472	29,108,303	19,663,379	21,137,926		
TRAN BORROWING															
FY 2020-21 Cross FY TRAN	(6,110,276)	(5,010,426)	(5,010,426)	(5,010,426)	(3,238,446)	-	-	-	-	-	-	-	-	(24,380,000)	
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	25,000,000	-	-	-	25,000,000	
BEG. CASH BALANCE, AFTER TRAN	28,860,547	37,081,332	44,393,241	50,751,658	48,340,226	50,891,226	68,926,858	64,730,991	57,191,587	50,548,864	50,918,472	29,728,303	20,283,379		
NET CHANGE IN CASH	8,220,784	7,311,909	6,358,417	(2,411,432)	2,551,000	18,035,632	(4,195,867)	(7,539,404)	(6,642,723)	369,608	(21,190,168)	(9,444,925)	1,474,547	(7,102,622)	
END. CASH BALANCE, AFTER TRAN	37,081,332	44,393,241	50,751,658	48,340,226	50,891,226	68,926,858	64,730,991	57,191,587	50,548,864	50,918,472	29,728,303	20,283,379	21,757,926		
Princ. Apportionment Repayment (2)	15,799,970	12,725,640	12,725,640	12,725,640	8,225,109									62,201,998	

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

EL MONTE UNION HIGH SCHOOL DISTRICT

El Monte Union High School District
3537 Johnson Avenue
El Monte, CA 91731-3290
Attn: Chief Business Official

General

The El Monte Union High School District (the “District”) was first established in 1901. The District is located in Los Angeles County, California, and is comprised of approximately 22.38 square miles and is located in the eastern portion of Los Angeles County, serving all or a portion of the communities of El Monte, South El Monte, Temple City, Arcadia and Rosemead. The District includes five comprehensive high schools, an adult school, an adult transition center, a continuation high school, and a community day school.

Organization

The governing board of the District is the Board of Education of the El Monte Union High School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$188,629,328
General obligation bonds, accreted interest	2,489,647
Net pension liability	129,947,357
Compensated Absences	1,312,474
Capital leases	470,255
OPEB obligation – net	29,146,625
TOTAL LONG-TERM OBLIGATIONS	\$351,995,686

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District is in negotiations with its certificated bargaining unit, the El Monte Union Education Association (EMUEA), for Fiscal Year 2020-21. The District and the classified bargaining unit have agreed to continue to work under the terms of their expired agreement until a new agreement has been made.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

EL MONTE UNION HIGH SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	9,058	\$11,047
2016-17 ⁽¹⁾	8,785	11,629
2017-18 ⁽¹⁾	8,602	11,893
2018-19 ⁽¹⁾	8,524	12,614
2019-20 ⁽¹⁾	8,175	12,937
2020-21 ⁽²⁾	8,167	13,091

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

EL MONTE UNION HIGH SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2017-18	\$12,850,392,645	\$2,839,972	\$415,556,840	\$13,268,789,457
2018-19	13,616,391,749	418,036	424,920,411	14,041,730,196
2019-20	14,387,907,097	418,036	524,462,916	14,912,788,049
2019-20	15,377,996,378	418,036	490,945,854	15,869,360,268
2020-21	16,164,155,296	229,362	499,855,376	16,664,240,034

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$6,339,654
2017-18 ⁽¹⁾	7,549,296
2018-19 ⁽¹⁾	8,494,779
2019-20 ⁽¹⁾	9,303,778
2020-21 ⁽²⁾	8,201,639

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$2,903,250
2017-18 ⁽¹⁾	3,583,663
2018-19 ⁽¹⁾	3,929,968
2019-20 ⁽¹⁾	4,732,392
2020-21 ⁽²⁾	5,189,075

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$28,532,028	\$29,146,625	\$614,597

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Fund 17 – Special Reserve Other than Capital Outlay	\$4,249,250	\$4,329,250	\$3,269,550
Fund 20 – Special Reserve OPEB	<u>3,017,612</u>	<u>3,067,612</u>	<u>3,067,612</u>
Total	\$7,266,862	\$7,396,862	\$6,337,162

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**EL MONTE UNION HIGH SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$41,886,628	\$36,245,300	\$38,130,029
Total Revenues	125,207,787	131,172,043	129,409,888
Total Beginning Fund Balance and Revenues	167,094,415	167,417,343	167,539,917
Total Expenditures	(124,959,115)	(123,676,902)	(129,172,197)
Other Financing Sources (Uses)	(5,890,000)	(5,610,412)	(1,223,688)
ENDING FUND BALANCE	\$36,245,300	\$38,130,029	\$37,144,032

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**EL MONTE UNION HIGH SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$ 38,130,029	\$ 37,144,032
Total Revenues	129,409,888	116,053,721
Total Beginning Fund Balance and Revenues	167,539,917	153,197,753
Total Expenditures	(129,172,197)	(129,176,040)
Other Financing Sources (Uses)	(1,223,688)	(752,236)
ENDING FUND BALANCE	\$ 37,144,032	\$ 23,269,477

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**EL MONTE UNION HIGH SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$50,732,455	\$56,801,289	\$59,047,766
Total Liabilities	8,858,894	11,526,168	14,636,872
Fund Balance			
Nonspendable	199,534	161,921	528,586
Restricted	3,667,074	1,656,187	1,721,791
Assigned	20,891,455	21,478,170	12,726,355
Unassigned	17,115,498	21,978,843	29,434,162
Total Fund Balance	41,873,561	45,275,121	44,410,894
Total Liabilities and Fund Balance	\$50,732,455	\$56,801,289	\$59,047,766

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**EL MONTE UNION HIGH SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$12,930,846	\$183,417	1.42%
2016-17	13,590,172	161,436	1.19
2017-18	14,480,197	179,919	1.24
2018-19	15,358,546	209,855	1.37
2019-20	16,430,172	370,571	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$11,127,533	\$114,979	1.03%
2016-17	10,830,243	127,704	1.18
2017-18	11,209,817	118,461	1.06
2018-19	12,681,060	142,096	1.12
2019-20	16,837,370	280,403	1.67

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**EL MONTE UNION HIGH SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	GLC El Monte LLC	Industrial	\$167,821,971	1.04%
2.	Scannell Properties 255 LLC	Industrial	102,894,523	0.64
3.	MGP XI El Monte Center LLC	Commercial	91,465,505	0.57
4.	Brookside MHC LLC	Mobile Home Park	75,435,391	0.47
5.	Rosemead Place LLC	Shopping Center	53,013,245	0.33
			<u>\$490,630,635</u>	<u>3.04%</u>

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$16,164,155,296.

Source: California Municipal Statistic, Inc.

**EL MONTE UNION HIGH SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
El Monte Union High

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	3,801,745	3,801,745	10,945,269	6,843,141	6,843,141	10,945,269	6,843,141	6,166,676	10,627,927	6,945,104	6,555,890	3,685,648	1,795,495	85,800,191
Property Taxes	(7,454)	735,911	18,718	-	227,984	5,659,342	1,809,809	660,078	102,420	4,130,387	2,425,882	4,646,174	(12,554)	20,396,696
Miscellaneous Funds	-	-	-	-	-	-	152,305	-	-	-	-	189,460	-	341,766
Federal Revenue	1,577,039	-	-	(329,298)	243,981	-	1,666,248	(301,564)	108,288	131,846	-	3,008,800	(427,436)	5,677,905
Other State Revenue	1,450,501	429,830	475,939	136,102	-	903,310	-	(23,305)	506,053	6,072,373	133,593	(95,377)	(889)	9,988,130
Other Local Revenue	(154)	316,420	350,108	659,583	227,730	951,969	1,100,450	761,614	1,002,646	(427,888)	812,161	916,147	534,414	7,205,200
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	6,821,677	5,283,906	11,790,033	7,309,528	7,542,837	18,459,890	11,571,953	7,263,499	12,347,335	16,851,823	9,927,525	12,350,851	1,889,029	129,409,888
EXPENDITURES														
Certificated Salaries	815,554	4,252,157	4,178,258	4,251,651	4,339,397	4,595,578	4,353,563	5,674,841	4,534,382	5,606,133	4,564,157	4,672,336	-	51,838,007
Classified Salaries	4,012	1,276,540	1,578,109	1,741,170	1,796,656	1,749,418	1,743,521	2,209,739	1,889,133	2,319,472	1,729,111	3,041,664	-	21,078,546
Employee Benefits	210,013	1,268,739	2,020,900	2,429,361	2,592,558	2,541,038	2,463,601	2,897,630	2,891,578	9,158,609	2,563,576	3,291,209	-	34,328,812
Books and Supplies	(110,256)	588,988	848,144	610,117	310,802	202,050	564,854	454,526	213,260	207,440	237,012	1,596,543	-	5,723,479
Services	309,643	628,289	1,292,936	2,133,160	754,316	1,541,372	1,228,724	919,959	1,008,438	793,945	354,156	3,601,818	115,277	14,682,034
Capital Outlay	91,331	113,257	35,383	74,483	1,712	590	(327)	29,860	68,359	94,998	169,414	930,587	41,176	1,650,824
Other Outgo	120,899	(121,149)	19,939	(21,058)	1,626	56,339	30,770	82,514	67,563	8,014	47,587	(413,186)	(9,363)	(129,505)
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	1,223,688	-	1,223,688
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,441,195	8,006,821	9,973,671	11,218,884	9,797,067	10,686,386	10,384,706	12,269,069	10,672,711	18,188,611	9,665,014	17,944,660	147,090	130,395,885
REVENUES MINUS EXPENDITURES	5,380,482	(2,722,915)	1,816,362	(3,909,356)	(2,254,231)	7,773,504	1,187,247	(5,005,570)	1,674,623	(1,336,788)	262,512	(5,593,808)	1,741,940	(985,997)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	235,607	(171,512)	25,054	2,061,137	(71,500)	69,546	121,278	447,725	48,266	211,326	(245,188)	(11,622,473)	(1,901,076)	(10,791,809)
Total Current Liabilities	(8,064,061)	(564,518)	963,043	(469,242)	(457,470)	1,414,905	(1,622,142)	102,068	(376,384)	(1,962,867)	48,994	13,349,011	147,114	2,508,451
TOTAL BALANCE SHEET TRANS.	(7,828,454)	(736,030)	988,097	1,591,894	(528,970)	1,484,451	(1,500,864)	549,793	(328,118)	(1,751,541)	(196,194)	1,726,539	(1,753,961)	(8,283,358)
BEG. CASH BALANCE, BEFORE TRAN	46,160,933	43,712,961	40,254,016	43,058,475	40,741,013	37,957,813	47,215,768	46,902,152	42,446,375	43,792,880	40,704,551	40,770,869	36,903,599	
NET CHANGE IN CASH	(2,447,972)	(3,458,944)	2,804,459	(2,317,462)	(2,783,200)	9,257,955	(313,617)	(4,455,777)	1,346,505	(3,088,330)	66,318	(3,867,269)	(12,022)	(9,269,355)
END. CASH BALANCE, BEFORE TRAN	43,712,961	40,254,016	43,058,475	40,741,013	37,957,813	47,215,768	46,902,152	42,446,375	43,792,880	40,704,551	40,770,869	36,903,599	36,891,578	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	46,160,933	43,712,961	40,254,016	43,058,475	40,741,013	37,957,813	47,215,768	46,902,152	42,446,375	43,792,880	40,704,551	40,770,869	36,903,599	
NET CHANGE IN CASH	(2,447,972)	(3,458,944)	2,804,459	(2,317,462)	(2,783,200)	9,257,955	(313,617)	(4,455,777)	1,346,505	(3,088,330)	66,318	(3,867,269)	(12,022)	(9,269,355)
END. CASH BALANCE, AFTER TRAN	43,712,961	40,254,016	43,058,475	40,741,013	37,957,813	47,215,768	46,902,152	42,446,375	43,792,880	40,704,551	40,770,869	36,903,599	36,891,578	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
El Monte Union High

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	3,286,670	3,286,670	10,487,352	5,916,006	5,916,006	10,487,352	5,916,006	2,780,523	5,636,227	1,064,881	1,064,881	4,571,346	23,604,864	84,018,784
Property Taxes	133,250	573,195	24,370	-	221,564	5,976,133	2,140,280	649,920	101,242	4,082,883	1,259,461	3,528,764	-	18,691,062
Miscellaneous Funds	-	-	-	-	-	-	178,415	-	-	-	-	-	-	178,415
Federal Revenue	-	1,227,922	11,161,142	1,203,983	(296,882)	2,232,572	709,814	14,747	107,043	130,330	2,572,984	604,597	495,821	20,164,073
Other State Revenue	1,509,394	453,960	1,302,345	229,602	505,344	449,967	-	-	500,233	6,002,534	337,532	3,499,980	(2,392,185)	12,398,706
Other Local Revenue	11,640	355,047	681,997	710,651	738,990	25,436	891,728	216,231	969,591	(394,575)	1,184,758	635,963	1,098,894	7,126,351
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,940,954	5,896,794	23,657,206	8,060,242	7,085,022	19,171,460	9,836,243	3,661,421	7,314,336	10,886,053	6,419,616	12,840,650	22,807,394	142,577,390
EXPENDITURES														
Certificated Salaries	813,501	4,966,374	4,284,150	4,254,854	4,330,584	4,414,471	4,278,821	4,269,900	4,534,382	5,134,183	4,624,950	5,101,359	3,060,130	54,067,659
Classified Salaries	4,927	1,200,011	1,455,589	1,702,578	1,695,746	1,722,806	1,672,970	1,702,225	1,889,133	2,112,112	1,998,163	2,955,880	941,383	21,053,523
Employee Benefits	208,168	1,390,366	2,013,951	2,424,266	2,432,062	2,238,646	2,966,167	2,465,208	2,891,578	8,386,140	2,828,495	6,970,364	(1,886,348)	35,329,063
Books and Supplies	29,267	105,290	307,606	1,238,911	196,879	1,609,938	649,467	604,795	234,165	178,094	2,758,875	1,308,778	7,620,710	16,842,775
Services	528,769	2,017,175	1,379,610	174,213	408,389	1,296,984	811,188	829,811	959,149	726,848	1,791,183	3,885,185	8,955,332	23,763,836
Capital Outlay	-	98,829	119,387	81,846	80	38,078	55,175	(3,186)	68,359	87,001	178,527	276,605	842,459	1,843,160
Other Outgo	(26,528)	22,815	38,551	(36,605)	54,345	13,635	23,740	-	67,563	7,339	484,725	1,157,937	(1,958,328)	(150,811)
Transfers Out	-	-	-	-	-	-	-	-	-	1,009,378	-	-	-	1,009,378
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,558,105	9,800,860	9,598,844	9,840,063	9,118,085	11,334,558	10,457,528	9,868,753	10,644,329	17,641,095	14,664,918	21,656,108	17,575,338	153,758,583
REVENUES MINUS EXPENDITURES	3,382,849	(3,904,066)	14,058,362	(1,779,821)	(2,033,063)	7,836,902	(621,285)	(6,207,332)	(3,329,993)	(6,755,042)	(8,245,302)	(8,815,458)	5,232,056	(11,181,193)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	7,951,289	(153,591)	(347,032)	2,454,980	399,717	(1,705)	1,364	(105,465)	47,711	183,304	(70,802)	(2,983,172)	(22,807,394)	(15,430,795)
Total Current Liabilities	(13,466,778)	556,535	772,976	(1,134,116)	(172,029)	(1,646,006)	673,522	123,740	175,561	1,078,477	752,668	(14,190,635)	17,575,338	(8,900,747)
TOTAL BALANCE SHEET TRANS.	(5,515,489)	402,944	425,944	1,320,864	227,688	(1,647,711)	674,886	18,275	223,272	1,261,781	681,866	(17,173,807)	(5,232,056)	(24,331,543)
BEG. CASH BALANCE, BEFORE TRAN	36,891,578	34,758,938	31,257,816	45,742,122	45,283,165	43,477,790	49,666,981	49,720,582	43,531,525	40,424,804	34,931,543	27,368,107	1,378,842	
NET CHANGE IN CASH	(2,132,640)	(3,501,122)	14,484,306	(458,957)	(1,805,375)	6,189,191	53,601	(6,189,057)	(3,106,721)	(5,493,261)	(7,563,436)	(25,989,265)	-	(35,512,736)
END. CASH BALANCE, BEFORE TRAN	34,758,938	31,257,816	45,742,122	45,283,165	43,477,790	49,666,981	49,720,582	43,531,525	40,424,804	34,931,543	27,368,107	1,378,842	1,378,842	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	12,000,000	-	-	-	12,000,000
BEG. CASH BALANCE, AFTER TRAN	36,891,578	34,758,938	31,257,816	45,742,122	45,283,165	43,477,790	49,666,981	49,720,582	43,531,525	40,424,804	46,931,543	39,368,107	13,378,842	
NET CHANGE IN CASH	(2,132,640)	(3,501,122)	14,484,306	(458,957)	(1,805,375)	6,189,191	53,601	(6,189,057)	(3,106,721)	6,506,739	(7,563,436)	(25,989,265)	-	(23,512,736)
END. CASH BALANCE, AFTER TRAN	34,758,938	31,257,816	45,742,122	45,283,165	43,477,790	49,666,981	49,720,582	43,531,525	40,424,804	46,931,543	39,368,107	13,378,842	13,378,842	

Princ. Apportionment Deferrals (1)	(3,135,483)	(4,851,125)	(4,851,125)	(4,851,125)	(5,916,006)	(23,604,864)
------------------------------------	-------------	-------------	-------------	-------------	-------------	--------------

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
El Monte Union High

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	3,248,869	3,248,869	10,419,311	5,847,965	6,686,638	11,257,984	6,686,638	3,142,720	5,774,941	1,203,595	1,203,595	4,571,346	26,679,686	89,972,156
Property Taxes	131,718	566,602	24,090	-	222,770	5,529,913	1,768,418	644,982	100,078	4,035,925	1,244,976	3,488,178	-	17,757,650
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	1,213,799	-	877,181	238,402	-	1,626,141	(294,667)	105,812	128,831	2,543,392	597,545	(1,803,733)	5,232,703
Other State Revenue	1,492,034	448,739	1,287,367	226,961	-	882,651	-	(22,777)	494,479	5,933,498	333,650	3,459,726	(4,864,692)	9,671,636
Other Local Revenue	10,301	344,741	673,985	266,784	221,784	922,769	1,019,054	714,490	958,440	(390,037)	1,171,132	628,649	602,116	7,144,208
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,882,922	5,822,750	12,404,753	7,218,891	7,369,594	18,593,317	11,100,251	4,184,748	7,433,750	10,911,812	6,496,745	12,745,444	20,613,377	129,778,353
EXPENDITURES														
Certificated Salaries	745,017	4,548,282	3,923,490	3,896,661	3,639,529	3,854,393	3,651,410	4,759,590	3,803,066	4,701,963	4,235,600	4,671,902	3,685,356	50,116,259
Classified Salaries	4,512	1,098,847	1,333,051	1,552,250	1,491,250	1,456,223	1,454,417	1,846,278	1,567,128	1,934,304	1,829,948	2,707,040	2,274,855	20,550,103
Employee Benefits	190,644	1,273,304	1,844,407	2,217,459	2,172,625	2,129,977	2,065,315	2,429,335	2,423,179	7,680,156	2,590,379	6,383,566	1,289,665	34,690,011
Books and Supplies	23,460	75,438	284,931	1,133,067	258,347	166,517	459,709	376,579	177,849	163,102	2,526,620	1,198,599	(477,428)	6,366,790
Services	483,842	1,847,360	1,263,880	107,364	631,300	1,289,782	959,885	765,631	845,795	665,686	1,640,393	3,558,112	4,758,941	18,817,971
Capital Outlay	-	90,509	109,337	74,956	1,436	495	(274)	25,044	57,334	79,676	163,251	253,319	(758,677)	96,406
Other Outgo	(24,295)	20,894	35,306	(33,523)	1,364	38,928	25,808	69,206	56,667	6,721	443,919	2,361,159	(3,015,870)	(13,716)
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,423,180	8,954,634	8,794,402	8,948,234	8,195,851	8,936,315	8,616,270	10,271,663	8,931,018	15,231,608	13,430,110	21,133,697	7,756,842	130,623,824
REVENUES MINUS EXPENDITURES	3,459,742	(3,131,884)	3,610,351	(1,729,343)	(826,257)	9,657,002	2,483,981	(6,086,915)	(1,497,268)	(4,319,796)	(6,933,365)	(8,388,253)	12,856,535	(845,471)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	13,774,293	4,699,300	4,508,084	7,275,013	3,065,619	67,955	118,504	437,485	47,162	181,690	(69,988)	(2,948,862)	(20,613,377)	10,542,878
Total Current Liabilities	6,104,100	(512,482)	(709,301)	603,372	376,401	(995,338)	6,788,600	(91,682)	347,787	994,603	685,655	(21,750,364)	7,756,842	(401,807)
TOTAL BALANCE SHEET TRANS.	19,878,393	4,186,818	3,798,783	7,878,385	3,442,020	(927,383)	6,907,104	345,803	394,949	1,176,293	615,667	(24,699,226)	(12,856,535)	10,141,071
BEG. CASH BALANCE, BEFORE TRAN	13,378,842	36,716,977	37,771,911	45,181,045	51,330,087	53,945,850	62,675,469	72,066,554	66,325,442	65,223,123	62,079,619	55,761,921	22,674,442	
NET CHANGE IN CASH	23,338,135	1,054,934	7,409,134	6,149,042	2,615,763	8,729,619	9,391,085	(5,741,112)	(1,102,319)	(3,143,503)	(6,317,698)	(33,087,479)	-	9,295,600
END. CASH BALANCE, BEFORE TRAN	36,716,977	37,771,911	45,181,045	51,330,087	53,945,850	62,675,469	72,066,554	66,325,442	65,223,123	62,079,619	55,761,921	22,674,442	22,674,442	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(3,007,519)	(2,466,165)	(2,466,165)	(2,466,165)	(1,593,985)	-	-	-	-	-	-	-	-	(12,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	13,378,842	33,709,458	32,298,227	37,241,195	40,924,072	41,945,850	50,675,469	60,066,554	54,325,442	53,223,123	50,079,619	43,761,921	10,674,442	
NET CHANGE IN CASH	20,330,616	(1,411,231)	4,942,969	3,682,877	1,021,778	8,729,619	9,391,085	(5,741,112)	(1,102,319)	(3,143,503)	(6,317,698)	(33,087,479)	-	(2,704,400)
END. CASH BALANCE, AFTER TRAN	33,709,458	32,298,227	37,241,195	40,924,072	41,945,850	50,675,469	60,066,554	54,325,442	53,223,123	50,079,619	43,761,921	10,674,442	10,674,442	

Princ. Apportionment Repayment (2)	5,916,006	4,851,125	4,851,125	4,851,125	3,135,483										23,604,864
------------------------------------	-----------	-----------	-----------	-----------	-----------	--	--	--	--	--	--	--	--	--	------------

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

KEPPEL UNION SCHOOL DISTRICT

Keppel Union School District
34004 128th Street East
PO Box 186
Pearblossom, CA 93553
Attn: Director of Business Services

General

The Keppel Union School District (the “District”) was first established in 1922. The District is located in Los Angeles County, California, and is comprised of approximately 315 square miles. The District serves the communities of East Palmdale, Juniper Hills, Littlerock, Pearblossom, Sun Village, Llano, Lake Los Angeles, and Valyermo in the Antelope Valley, about 35 miles northeast of downtown Los Angeles. The District consists of five elementary schools, a middle school, and a K-8 community day school.

Organization

The governing board of the District is the Board of Education of the Keppel Union School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	-
General obligation bonds, accreted interest	-
Net pension liability	\$29,128,713
Compensated Absences	141,160
Capital leases	1,949,504
OPEB obligation – net	4,906,321
TOTAL LONG-TERM OBLIGATIONS	\$36,125,698

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Keppel Union Teachers Association (“KUTA”), for Fiscal Year 2019-20. The new agreement with the KUTA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The agreement was board approved on August 20, 2020. The District has settled with its classified bargaining unit, the Keppel Classified Employees’ Association (“KCEA”), for Fiscal Year 2019-20. The new agreement with the KCEA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The agreement was board approved on February 2, 2021.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

KEPPEL UNION SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	2,500	\$9,237
2016-17 ⁽¹⁾	2,528	9,891
2017-18 ⁽¹⁾	2,530	10,203
2018-19 ⁽¹⁾	2,513	11,110
2019-20 ⁽¹⁾	2,532	11,006
2020-21 ⁽²⁾	2,532	11,095

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

KEPPEL UNION SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

Fiscal Year	Local Secured	Utility	Unsecured	Total
2016-17	\$1,411,564,509	\$3,223,600	\$47,777,372	\$1,462,565,481
2017-18	1,468,700,425	2,139,870	53,062,448	1,523,902,743
2018-19	1,548,730,005	2,139,870	49,105,132	1,599,975,007
2019-20	1,617,153,702	2,139,870	59,958,267	1,679,251,839
2020-21	1,707,846,397	2,139,870	79,066,145	1,789,052,412

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$1,401,385
2017-18 ⁽¹⁾	1,698,029
2018-19 ⁽¹⁾	2,016,962
2019-20 ⁽¹⁾	2,207,258
2020-21 ⁽²⁾	3,188,650

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$441,669
2017-18 ⁽¹⁾	589,104
2018-19 ⁽¹⁾	689,294
2019-20 ⁽¹⁾	890,783
2020-21 ⁽²⁾	1,117,730

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$4,906,321	\$4,906,321	\$261,522

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Fund 17 – Special Reserve (OPEB)	\$2,000,000	\$2,000,000	\$2,000,000

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**KEPPEL UNION SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$6,390,979	\$6,687,702	\$8,069,088
Total Revenues	32,302,318	36,119,050	36,095,906
Total Beginning Fund Balance and Revenues	38,693,297	42,806,752	44,164,994
Total Expenditures	31,522,304	36,972,797	34,842,080
Other Financing Sources (Uses)	(500,000)	2,235,133	1,253,826
ENDING FUND BALANCE	<u>\$6,670,993</u>	<u>\$8,069,088</u>	<u>\$9,404,525</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**KEPPEL UNION SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$5,772,484	\$6,868,787
Total Revenues	33,265,773	32,304,944
Total Beginning Fund Balance and Revenues	39,038,257	39,173,731
Total Expenditures	34,391,962	32,911,290
Other Financing Sources (Uses)	(1,035,000)	(250,000)
ENDING FUND BALANCE	<u>\$3,611,296</u>	<u>\$6,012,441</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**KEPPEL UNION SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$8,855,528	\$12,384,152	\$14,253,022
Total Liabilities	2,184,535	4,315,064	4,848,497
Fund Balance			
Nonspendable	40,053	33,463	35,453
Restricted	969,988	846,295	694,518
Assigned	2,466,110	2,293,988	2,535,738
Unassigned	3,194,842	4,895,342	6,138,816
Total Fund Balance	6,670,993	8,069,088	9,404,525
Total Liabilities and Fund Balance	\$8,855,528	\$12,384,152	\$14,253,022

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**KEPPEL UNION SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$894,032	\$12,399	1.39%
2016-17	926,571	10,763	1.16
2017-18	969,947	11,788	1.22
2018-19	1,015,147	13,572	1.34
2019-20	1,070,678	23,629	2.21

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$499,608	\$70,358	14.08%
2016-17	499,518	68,231	13.66

⁽¹⁾ 1% General Fund apportionment. Reflects countywide delinquency rate.

⁽²⁾ Community Facilities District bond debt service levy only (Community Facilities District represents only a portion of school district). Levy ended in fiscal year 2016-17.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**KEPPEL UNION SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Vulcan Materials	Industrial - Mining	\$21,273,383	1.25%
2.	Coast Aggregates	Industrial - Mining	18,000,000	1.05
3.	Perricone California Properties	Rural/Undeveloped	6,816,604	0.40
4.	Grandis Land Holding LLC	Rural/Undeveloped	5,394,542	0.32
5.	Consolidated Rock Products Co.	Industrial - Mining	<u>5,199,515</u>	<u>0.30</u>
			\$56,684,044	3.32%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$1,707,846,397.

Source: California Municipal Statistic, Inc.

**KEPPEL UNION SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Keppel Union Elementary

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,092,297	1,092,297	2,971,833	1,966,135	1,966,135	2,971,833	1,966,135	1,869,197	2,960,108	1,869,197	2,385,671	-	2,364,863	25,475,701
Property Taxes	26,159	54,113	16,086	-	56,715	488,916	2,744	73,478	4,244	323,954	764,567	2,447	(2,348)	1,811,075
Miscellaneous Funds	-	-	-	-	-	-	396,490	-	195,749	-	-	1,377,602	(298,401)	1,671,440
Federal Revenue	30,380	-	-	997,672	27,614	-	293,788	586,065	165,264	16,008	(845,155)	(148,903)	329,904	1,452,637
Other State Revenue	605	46,460	143,099	70,338	535,894	411,303	-	-	138,633	443,805	(242,092)	136,164	1,609,401	3,293,610
Other Local Revenue	15,162	6,508	6,202	50,391	45,559	39,009	147,886	649,304	85,640	15,183	78,776	1,010,523	202,164	2,352,308
Transfers In	-	-	-	-	-	-	472,014	-	-	-	-	-	-	472,014
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,164,603	1,199,379	3,137,220	3,084,536	2,631,917	3,911,060	3,279,057	3,178,044	3,549,639	2,668,148	2,141,767	2,377,833	4,205,582	36,528,786
EXPENDITURES														
Certificated Salaries	10,669	901,152	1,208,269	1,126,646	1,106,264	1,093,729	1,079,525	1,112,738	1,105,573	1,076,870	1,061,373	2,175,304	-	13,058,112
Classified Salaries	11,825	400,632	453,438	558,287	457,115	437,852	421,199	436,656	477,588	463,382	471,730	978,308	-	5,568,012
Employee Benefits	36,603	497,532	579,465	608,191	577,438	565,954	562,477	572,934	624,643	590,446	551,283	615,496	2,105,619	8,488,082
Books and Supplies	6,281	67,412	88,383	389,350	205,986	67,003	126,307	69,043	66,413	46,212	44,995	98,373	78,095	1,353,853
Services	62,470	134,265	675,654	317,386	327,059	327,565	114,533	348,702	429,098	266,119	185,811	587,668	89,657	3,865,989
Capital Outlay	16,582	70,981	423,718	447,898	378,700	49,151	258,072	439,910	1,061,452	262,464	(1,200,076)	(48,109)	(32,201)	2,128,544
Other Outgo	-	-	66,979	-	-	66,979	-	-	66,979	-	-	210,462	(31,910)	379,488
Transfers Out	-	-	-	383,600	-	-	-	-	-	-	6,803	-	200,000	590,403
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	144,431	2,071,974	3,495,907	3,831,357	3,052,561	2,608,234	2,562,113	2,979,984	3,831,747	2,705,494	1,121,920	4,617,502	2,409,260	35,432,483
REVENUES MINUS EXPENDITURES	1,020,172	(872,596)	(358,686)	(746,821)	(420,644)	1,302,827	716,945	198,060	(282,108)	(37,346)	1,019,847	(2,239,669)	1,796,322	1,096,303
BALANCE SHEET TRANSACTIONS														
Total Current Assets	3,476	151,190	17,316	19,503	11,433	1,091	34,650	12,980	3,322	(15)	1,077,024	568,494	(4,867,666)	(2,967,201)
Total Current Liabilities	(3,464,164)	73,713	453,731	(411,958)	122,118	(418,655)	(77,781)	(7,376)	122,476	6,800	(566,876)	1,946,909	3,182,345	961,282
TOTAL BALANCE SHEET TRANS.	(3,460,688)	224,902	471,047	(392,454)	133,552	(417,563)	(43,131)	5,604	125,798	6,784	510,148	2,515,404	(1,685,322)	(2,005,919)
BEG. CASH BALANCE, BEFORE TRAN	7,916,764	5,476,249	4,828,555	4,940,916	3,801,641	3,514,548	4,399,812	5,073,625	5,277,289	5,120,979	5,090,417	6,620,412	6,896,147	
NET CHANGE IN CASH	(2,440,516)	(647,693)	112,361	(1,139,275)	(287,092)	885,263	673,813	203,664	(156,310)	(30,562)	1,529,995	275,735	111,000	(909,616)
END. CASH BALANCE, BEFORE TRAN	5,476,249	4,828,555	4,940,916	3,801,641	3,514,548	4,399,812	5,073,625	5,277,289	5,120,979	5,090,417	6,620,412	6,896,147	7,007,148	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	7,916,764	5,476,249	4,828,555	4,940,916	3,801,641	3,514,548	4,399,812	5,073,625	5,277,289	5,120,979	5,090,417	6,620,412	6,896,147	
NET CHANGE IN CASH	(2,440,516)	(647,693)	112,361	(1,139,275)	(287,092)	885,263	673,813	203,664	(156,310)	(30,562)	1,529,995	275,735	111,000	(909,616)
END. CASH BALANCE, AFTER TRAN	5,476,249	4,828,555	4,940,916	3,801,641	3,514,548	4,399,812	5,073,625	5,277,289	5,120,979	5,090,417	6,620,412	6,896,147	7,007,148	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Keppel Union Elementary

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	2,930,092	1,007,787	2,991,153	(637,800)	1,814,017	2,991,153	1,814,017	977,860	1,551,636	374,500	374,500	1,177,137	8,301,411	25,667,463
Property Taxes	25,510	61,344	23,580	-	56,715	488,916	396,490	73,478	195,749	323,954	764,567	1,121,991	-	3,532,293
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	(345,000)	(987,288)	(1,332,288)
Federal Revenue	59,140	-	3,069,551	(382,006)	-	-	970,180	625,773	225,586	-	-	307,214	1,005,199	5,880,637
Other State Revenue	-	-	360,308	(9,007)	-	897,672	197,374	-	-	-	-	-	2,272,559	3,718,906
Other Local Revenue	59,675	2	99,494	(220,367)	-	12,500	4,823	924,963	24,514	(596,000)	29,367	10,262	1,515,720	1,864,954
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,074,417	1,069,132	6,544,086	(1,249,180)	1,870,732	4,390,241	3,382,884	2,602,075	1,997,485	102,454	1,168,433	2,271,604	12,107,602	39,331,965
EXPENDITURES														
Certificated Salaries	30,060	965,293	994,733	983,901	996,464	951,927	951,927	951,927	951,927	951,927	951,927	2,293,748	-	11,975,760
Classified Salaries	5,042	393,858	434,350	446,880	406,492	446,619	454,440	454,440	454,440	462,326	459,697	854,900	-	5,273,484
Employee Benefits	40,112	514,440	537,593	538,572	520,042	534,474	536,163	536,163	536,163	637,876	496,039	650,163	1,298,558	7,376,356
Books and Supplies	95	32,565	203,569	98,213	73,575	2,506,617	317,096	317,096	317,096	317,096	317,096	978,096	317,094	5,795,305
Services	154,499	126,294	168,168	192,145	192,145	493,820	518,271	518,271	518,271	643,271	518,271	993,848	148,500	5,185,773
Capital Outlay	-	380,908	228,844	263,100	-	314,000	-	-	-	150,000	-	469,147	-	1,806,000
Other Outgo	-	66,979	-	(132,221)	-	72,778	72,778	72,778	72,778	72,778	72,778	346,490	(147,737)	570,179
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	250,000	-	250,000
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	229,807	2,480,337	2,567,257	2,390,590	2,188,719	5,320,235	2,850,674	2,850,674	2,850,674	3,235,273	2,815,808	6,836,392	1,616,415	38,232,856
REVENUES MINUS EXPENDITURES	2,844,610	(1,411,205)	3,976,829	(3,639,770)	(317,987)	(929,994)	532,210	(248,600)	(853,189)	(3,132,819)	(1,647,375)	(4,564,788)	10,491,187	1,099,110
BALANCE SHEET TRANSACTIONS														
Total Current Assets	3,382	(18,337)	44,675	4,850,049	193,823	54,394	-	-	-	-	-	-	(12,107,602)	(6,979,616)
Total Current Liabilities	(2,720,341)	33,017	(170,280)	(2,506,999)	58,492	29,766	-	-	-	-	-	-	1,616,415	(3,659,931)
TOTAL BALANCE SHEET TRANS.	(2,716,959)	14,680	(125,605)	2,343,051	252,315	84,159	-	-	-	-	-	-	(10,491,187)	(10,639,547)
BEG. CASH BALANCE, BEFORE TRAN	7,007,148	7,134,798	5,738,273	9,589,496	8,292,777	8,227,106	7,381,271	7,913,481	7,664,881	6,811,692	3,678,873	2,031,498	(2,533,290)	
NET CHANGE IN CASH	127,651	(1,396,526)	3,851,224	(1,296,719)	(65,672)	(845,835)	532,210	(248,600)	(853,189)	(3,132,819)	(1,647,375)	(4,564,788)	-	(9,540,438)
END. CASH BALANCE, BEFORE TRAN	7,134,798	5,738,273	9,589,496	8,292,777	8,227,106	7,381,271	7,913,481	7,664,881	6,811,692	3,678,873	2,031,498	(2,533,290)	(2,533,290)	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	5,000,000	-	-	-	5,000,000
BEG. CASH BALANCE, AFTER TRAN	7,007,148	7,134,798	5,738,273	9,589,496	8,292,777	8,227,106	7,381,271	7,913,481	7,664,881	6,811,692	8,678,873	7,031,498	2,466,710	
NET CHANGE IN CASH	127,651	(1,396,526)	3,851,224	(1,296,719)	(65,672)	(845,835)	532,210	(248,600)	(853,189)	1,867,181	(1,647,375)	(4,564,788)	-	(4,540,438)
END. CASH BALANCE, AFTER TRAN	7,134,798	5,738,273	9,589,496	8,292,777	8,227,106	7,381,271	7,913,481	7,664,881	6,811,692	8,678,873	7,031,498	2,466,710	2,466,710	
Princ. Apportionment Deferrals (1)														
(1,102,694) (1,706,054) (1,706,054) (1,706,054) (2,080,555) (8,301,411)														

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Keppel Union Elementary

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,152,674	1,152,674	2,688,005	2,074,814	2,074,814	2,688,005	2,074,814	975,163	986,658	373,467	373,467	613,190	8,278,506	25,506,249
Property Taxes	25,510	61,344	23,580	-	56,715	488,916	396,490	73,478	195,749	323,954	764,567	1,121,991	-	3,532,293
Miscellaneous Funds	-	-	-	(345,000)	-	-	-	(345,000)	-	-	-	-	(276,109)	(966,109)
Federal Revenue	-	-	-	260,624	-	-	230,652	-	205,670	-	-	270,504	682,715	1,650,165
Other State Revenue	-	-	-	278,839	742,007	-	-	-	197,374	-	-	82,445	1,964,460	3,265,125
Other Local Revenue	-	-	94,752	33,731	-	-	17,323	760,870	12,014	16,500	16,867	10,262	902,635	1,864,954
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,178,184	1,214,018	2,806,337	2,303,008	2,873,536	3,176,921	2,719,279	1,464,511	1,597,465	713,921	1,154,900	2,098,392	11,552,207	34,852,677
EXPENDITURES														
Certificated Salaries	30,060	1,010,445	1,010,445	1,010,445	1,010,445	1,010,445	1,010,445	1,010,445	1,010,445	1,010,445	1,010,445	2,020,887	-	12,155,397
Classified Salaries	5,042	445,629	445,629	445,629	445,629	445,629	445,629	445,629	445,629	445,629	445,629	891,254	-	5,352,586
Employee Benefits	40,112	505,958	505,958	505,958	505,958	505,958	505,958	505,958	505,958	505,958	505,958	705,958	1,575,582	7,381,232
Books and Supplies	95	143,965	143,965	143,965	143,965	143,965	143,965	143,965	143,965	143,965	143,965	143,965	143,958	1,727,668
Services	154,499	360,664	360,664	360,664	360,664	360,664	360,664	360,664	360,664	360,664	360,664	587,323	134,000	4,482,462
Capital Outlay	-	113,565	113,565	113,565	113,565	113,565	113,565	113,565	113,565	113,565	113,565	227,131	-	1,362,781
Other Outgo	-	91,083	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	289,333	(147,737)	570,179
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	250,000	-	250,000
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	229,808	2,671,309	2,617,726	2,617,726	2,617,726	2,617,726	2,617,726	2,617,726	2,617,726	2,617,726	2,617,726	5,115,851	1,705,803	33,282,305
REVENUES MINUS EXPENDITURES	948,376	(1,457,291)	188,611	(314,718)	255,810	559,195	101,553	(1,153,215)	(1,020,261)	(1,903,805)	(1,462,826)	(3,017,459)	9,846,404	1,570,372
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	2,083,937	1,687,717	1,750,730	6,556,104	1,296,516	54,394	-	-	-	-	-	-	(11,552,207)	1,877,190
Total Current Liabilities	(2,722,451)	9,931	(152,762)	(2,515,444)	62,923	41,456	-	-	-	-	-	-	1,705,803	(3,570,543)
TOTAL BALANCE SHEET TRANS.	(638,514)	1,697,648	1,597,967	4,040,660	1,359,440	95,850	-	-	-	-	-	-	(9,846,404)	(1,693,353)
BEG. CASH BALANCE, BEFORE TRAN	2,466,710	2,776,572	3,016,929	4,803,507	8,529,449	10,144,699	10,799,743	10,901,296	9,748,081	8,727,820	6,824,015	5,361,189	2,343,730	
NET CHANGE IN CASH	309,862	240,357	1,786,578	3,725,942	1,615,250	655,044	101,553	(1,153,215)	(1,020,261)	(1,903,805)	(1,462,826)	(3,017,459)	-	(122,981)
END. CASH BALANCE, BEFORE TRAN	2,776,572	3,016,929	4,803,507	8,529,449	10,144,699	10,799,743	10,901,296	9,748,081	8,727,820	6,824,015	5,361,189	2,343,730	2,343,730	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,253,133)	(1,027,569)	(1,027,569)	(1,027,569)	(664,160)	-	-	-	-	-	-	-	-	(5,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	4,000,000	-	-	-	4,000,000
BEG. CASH BALANCE, AFTER TRAN	2,466,710	1,523,440	736,227	1,495,236	4,193,610	5,144,699	5,799,743	5,901,296	4,748,081	3,727,820	5,824,015	4,361,189	1,343,730	
NET CHANGE IN CASH	(943,271)	(787,212)	759,009	2,698,373	951,089	655,044	101,553	(1,153,215)	(1,020,261)	2,096,195	(1,462,826)	(3,017,459)	-	(1,122,981)
END. CASH BALANCE, AFTER TRAN	1,523,440	736,227	1,495,236	4,193,610	5,144,699	5,799,743	5,901,296	4,748,081	3,727,820	5,824,015	4,361,189	1,343,730	1,343,730	
Princ. Apportionment Repayment (2)	2,080,555	1,706,054	1,706,054	1,706,054	1,102,694									8,301,411

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

LITTLE LAKE CITY SCHOOL DISTRICT

Little Lake City School District
10515 South Pioneer Boulevard
Santa Fe Springs, CA 90670
Attn: Assistant Superintendent, Business Affairs

General

The Little Lake City School District (the “District”) was first established in 1871. The District is located in Los Angeles County, California, and is comprised of approximately four square miles. The District has boundaries contiguous with the Cities of Santa Fe Springs, Norwalk and Downey about 17 miles southeast of downtown Los Angeles. The District includes seven elementary schools and two middle schools.

Organization

The governing board of the District is the Board of Education of the Little Lake City School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and unamortized debt premiums	\$38,747,186
Early Retirement Liabilities	198,964
Compensated Absences	331,506
TOTAL LONG-TERM OBLIGATIONS	\$39,227,656

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Little Lake Education Association (“LLEA”), for Fiscal Year 2020-21. The new agreement with LLEA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. However, the agreement includes a one-time District contribution to pay beyond the District cap for certain medical plans in the 2021 calendar year. The agreement was approved by the Board of Education at the November 17, 2020 board meeting. The District has settled with its classified bargaining unit, the California School Employees Association (“CSEA”), for the Fiscal Year 2020-21. The new agreement with the CSEA does not include salary increase or any other stipend or monetary increase that would fiscally impact the District. However, similar to the CSEA agreement, it includes a one-time District contribution to pay beyond the cap for certain medical plans in the 2021 calendar year. The agreement was approved by the Board of Education at the October 13, 2020 board meeting.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

LITTLE LAKE CITY SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	4,379	\$8,356
2016-17 ⁽¹⁾	4,272	8,946
2017-18 ⁽¹⁾	4,276	9,205
2018-19 ⁽¹⁾	4,275	9,842
2019-20 ⁽¹⁾	4,152	10,144
2020-21 ⁽²⁾	4,149	10,112

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

LITTLE LAKE CITY SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2016-17	\$3,354,269,626	\$3,025,392	\$176,243,083	\$3,533,538,101
2017-18	3,615,085,472	7,113,508	174,583,512	3,796,782,492
2018-19	3,834,550,111	7,113,508	199,236,496	4,040,900,115
2019-20	4,247,020,706	7,113,508	220,852,217	4,474,986,431
2020-21	4,570,646,186	7,113,508	267,376,608	4,845,136,302

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$2,628,986
2017-18 ⁽¹⁾	3,049,832
2018-19 ⁽¹⁾	3,577,255
2019-20 ⁽¹⁾	3,588,471
2020-21 ⁽²⁾	3,336,575

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$736,154
2017-18 ⁽¹⁾	863,713
2018-19 ⁽¹⁾	1,021,927
2019-20 ⁽¹⁾	1,057,076
2020-21 ⁽²⁾	1,199,647

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$11,750,252	\$11,750,252	\$735,672

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u> <u>June 30, 2020</u>	<u>Projected Balance</u> <u>as of June 30, 2021</u>	<u>Projected Balance</u> <u>as of June 30, 2022</u>
Deferred Maintenance	\$1,005,845	\$1,020,845	\$1,035,845
Capital Facilities Fund	1,224,381	1,249,381	1,274,381
County School Facilities Fund	708,535	722,535	736,535
Special Reserve for Capital Outlay			
Projects	<u>1,472,890</u>	<u>1,516,143</u>	<u>1,646,143</u>
Total	\$4,411,651	\$4,508,904	\$4,692,904

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**LITTLE LAKE CITY SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$10,067,336	\$10,496,906	\$10,675,617
Total Revenues	50,135,146	53,996,521	53,374,633
Total Beginning Fund Balance and Revenues	60,202,482	64,493,427	64,050,250
Total Expenditures	(48,358,538)	(53,475,680)	(51,534,460)
Other Financing Sources (Uses)	(1,347,038)	(342,130)	(472,400)
ENDING FUND BALANCE	<u>\$10,496,906</u>	<u>\$10,675,617</u>	<u>\$12,043,390</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**LITTLE LAKE CITY SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$9,806,959	\$11,034,921
Total Revenues	50,116,594	48,163,776
Total Beginning Fund Balance and Revenues	59,923,553	59,198,697
Total Expenditures	(51,552,022)	(49,468,166)
Other Financing Sources (Uses)	(25,000)	(390,000)
ENDING FUND BALANCE	<u>\$8,346,531</u>	<u>\$9,340,531</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**LITTLE LAKE CITY SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$15,829,617	\$16,241,870	\$18,596,655
Total Liabilities	5,332,711	5,566,253	6,553,265
Fund Balance			
Nonspendable	75,400	70,601	72,673
Restricted	2,272,838	2,349,581	3,130,270
Assigned	2,664,242	1,755,974	2,120,996
Unassigned	5,484,426	6,499,461	6,719,451
Total Fund Balance	10,496,906	10,675,617	12,043,390
Total Liabilities and Fund Balance	\$15,829,617	\$16,241,870	\$18,596,655

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**LITTLE LAKE CITY SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$2,909,124	\$41,328	1.42%
2016-17	2,943,443	35,017	1.19
2017-18	3,100,441	38,586	1.24
2018-19	3,297,114	45,128	1.37
2019-20	3,681,348	83,216	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$2,179,199	\$17,621	0.81%
2016-17	2,577,645	21,152	0.82
2017-18	2,847,648	18,898	0.66
2018-19	2,932,083	18,341	0.63
2019-20	2,831,308	28,075	0.99

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**LITTLE LAKE CITY SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Goodman Santa Fe Springs SPE LLC	Industrial	\$210,803,393	4.61%
2.	PPF Industrial 12016 Telegraph Rd. LP	Industrial	119,619,533	2.62
3.	PSB Hathaway I and II LLC	Industrial	104,000,000	2.28
4.	Breitburn Operating LP	Oil & Gas	95,360,883	2.09
5.	Teachers Insurance and Annuity Association	Industrial	<u>80,934,365</u>	<u>1.77</u>
			\$610,718,174	13.36%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$4,570,646,186.
Source: California Municipal Statistic, Inc.

**LITTLE LAKE CITY SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Little Lake City Elementary

	FY 2019-20 Cash Flows														
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	Total	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments		
REVENUES															
LCFF Sources															
Principal Apportionment	1,488,258	1,488,258	4,371,094	2,678,865	2,678,865	4,371,095	2,678,865	2,407,149	4,058,764	2,407,149	2,407,149	830,714	2,009,416	33,875,641	
Property Taxes	44,819	19,046	64,659	-	83,342	900,282	1,280,225	42,545	403,729	633,876	1,445,323	2,948,071	(2,325)	7,863,592	
Miscellaneous Funds	-	-	-	-	-	-	185,536	-	33,551	-	-	161,237	(125,000)	255,324	
Federal Revenue	24,804	-	20,000	84,245	63,928	-	171,960	2,161	195,343	11,448	-	204,780	703,899	1,482,566	
Other State Revenue	625	110,090	244,255	85,176	750,188	666,742	-	-	43,274	715,397	-	142,639	3,295,247	6,053,632	
Other Local Revenue	6,996	111,885	1,464,041	147,877	159,880	652,537	838,238	261,854	165,053	405,785	165,373	371,063	573,715	3,704,067	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	1,565,502	1,729,280	4,543,818	2,996,163	3,736,202	6,590,656	5,154,824	2,713,708	4,899,714	4,173,655	4,017,846	4,658,504	6,454,951	53,234,822	
EXPENDITURES															
Certificated Salaries	69,755	235,718	1,949,120	1,988,438	1,988,361	2,010,060	2,017,340	1,962,423	1,985,056	1,982,884	1,903,600	3,864,207	(434)	21,956,528	
Classified Salaries	40,129	312,385	481,736	579,813	591,308	521,179	600,534	562,958	610,102	532,869	536,720	902,566	11,325	6,283,624	
Employee Benefits	14,538	134,074	526,933	1,087,588	1,082,285	1,065,224	1,082,746	1,130,721	1,149,444	1,130,901	1,111,025	2,428,518	2,742,101	14,686,097	
Books and Supplies	6,234	36,277	91,133	89,103	114,727	72,838	71,106	72,566	24,493	77,687	36,362	145,449	(7,665)	830,308	
Services	307,037	277,283	375,250	669,270	433,869	968,175	1,119,097	673,036	820,322	247,269	280,901	1,370,538	208,459	7,750,507	
Capital Outlay	-	-	-	-	-	-	-	33,204	14,785	-	-	-	15,415	63,403	
Other Outgo	-	-	-	-	-	-	-	37,493	4,037	4,037	13,282	33,562	(128,418)	(36,007)	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	472,400	472,400	
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	437,694	995,737	3,424,172	4,414,212	4,210,550	4,637,476	4,890,823	4,472,400	4,608,239	3,975,647	3,881,889	8,744,839	3,313,182	52,006,860	
REVENUES MINUS EXPENDITURES	1,127,808	733,543	1,119,646	(1,418,050)	(474,347)	1,953,180	264,001	(1,758,692)	291,475	198,008	135,956	(4,086,335)	3,141,769	1,227,962	
BALANCE SHEET TRANSACTIONS															
Total Current Assets	(136,083)	9,620	(296,072)	(3,172)	12,543	989,968	692,679	18,339	236,605	(22,788)	(29,277)	134,657	(5,714,106)	(4,107,085)	
Total Current Liabilities	(4,120,237)	(330,130)	640,467	67,967	327,193	(1,437,513)	(420,303)	143,071	(30,144)	(123,579)	619,240	3,593,826	2,053,910	983,768	
TOTAL BALANCE SHEET TRANS.	(4,256,320)	(320,509)	344,395	64,796	339,736	(447,545)	272,376	161,410	206,461	(146,367)	589,963	3,728,483	(3,660,196)	(3,123,317)	
BEG. CASH BALANCE, BEFORE TRAN	12,970,079	9,841,568	10,254,601	11,718,642	10,365,388	10,230,777	11,736,411	12,272,788	10,675,506	11,173,442	11,225,083	11,951,002	11,593,150		
NET CHANGE IN CASH	(3,128,511)	413,033	1,464,041	(1,353,254)	(134,611)	1,505,635	536,376	(1,597,282)	497,936	51,641	725,919	(357,852)	(518,426)	(1,895,355)	
END. CASH BALANCE, BEFORE TRAN	9,841,568	10,254,601	11,718,642	10,365,388	10,230,777	11,736,411	12,272,788	10,675,506	11,173,442	11,225,083	11,951,002	11,593,150	11,074,724		
TRAN BORROWING															
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
BEG. CASH BALANCE, AFTER TRAN	12,970,079	9,841,568	10,254,601	11,718,642	10,365,388	10,230,777	11,736,411	12,272,788	10,675,506	11,173,442	11,225,083	11,951,002	11,593,150		
NET CHANGE IN CASH	(3,128,511)	413,033	1,464,041	(1,353,254)	(134,611)	1,505,635	536,376	(1,597,282)	497,936	51,641	725,919	(357,852)	(518,426)	(1,895,355)	
END. CASH BALANCE, AFTER TRAN	9,841,568	10,254,601	11,718,642	10,365,388	10,230,777	11,736,411	12,272,788	10,675,506	11,173,442	11,225,083	11,951,002	11,593,150	11,074,724		

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Little Lake City Elementary

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	2,220,303	1,262,294	3,223,733	2,272,129	2,272,129	4,181,742	2,272,129	1,140,754	2,346,497	436,884	436,884	1,909,613	10,536,339	34,511,430
Property Taxes	48,260	47,074	67,319	-	82,780	1,007,730	1,669,815	228,988	401,416	581,888	1,326,785	-	2,105,737	7,567,790
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	(125,000)	-	(125,000)
Federal Revenue	26,790	-	3,549,795	80,971	-	147,328	21,952	15,000	-	136,339	-	-	805,251	4,783,426
Other State Revenue	-	-	333,044	75,080	133,547	976,191	-	82,208	226,004	309,828	-	3,019,424	338,363	5,493,690
Other Local Revenue	2,326	2,389	-	423,234	179,264	280,271	458,640	196,783	140,344	140,344	140,344	-	1,045,463	3,009,401
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,297,678	1,311,757	7,173,891	2,851,414	2,667,720	6,593,262	4,422,536	1,663,732	3,114,261	1,605,283	1,904,013	4,804,037	14,831,153	55,240,738
EXPENDITURES														
Certificated Salaries	81,146	238,255	1,897,171	1,839,063	1,836,520	1,842,984	1,878,730	1,840,047	1,876,334	1,880,781	1,880,781	1,880,781	1,975,204	20,947,796
Classified Salaries	37,232	300,361	405,522	514,563	549,937	462,955	529,023	487,700	528,389	528,389	528,389	1,056,780	-	5,929,240
Employee Benefits	11,025	118,572	469,999	1,032,935	1,038,668	1,023,657	1,039,374	1,101,315	1,119,407	1,119,407	1,119,407	3,960,944	1,026,721	14,181,430
Books and Supplies	19,878	322,275	198,422	177,866	143,123	2,397,782	50,103	100,124	385,000	385,000	286,225	374,898	-	4,840,695
Services	131,505	417,675	885,462	197,656	371,985	452,376	849,537	433,668	721,321	721,321	721,321	1,442,642	-	7,346,470
Capital Outlay	-	-	-	-	-	-	13,300	-	-	-	-	-	-	13,300
Other Outgo	6,517	1,079	1,943	14,430	26,354	(6,221)	26,123	40,493	6,177	6,177	20,322	45,327	(96,957)	91,762
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	515,702	350,000	865,702
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	287,303	1,398,216	3,858,518	3,776,512	3,966,588	6,173,531	4,386,190	4,003,347	4,636,628	4,641,075	4,556,445	9,277,074	3,254,968	54,216,395
REVENUES MINUS EXPENDITURES	2,010,375	(86,459)	3,315,373	(925,098)	(1,298,868)	419,731	36,346	(2,339,615)	(1,522,367)	(3,035,792)	(2,652,432)	(4,473,036)	11,576,185	1,024,343
BALANCE SHEET TRANSACTIONS														
Total Current Assets	259,121	(27,055)	2,956,914	(273,132)	11,965	68,866	155,229	343,003	(247,275)	50,768	50,109	600,000	(14,831,153)	(10,882,640)
Total Current Liabilities	(3,999,791)	(619,535)	(2,117,713)	(80,370)	93,541	(75,085)	77,779	39,375	-	-	-	-	3,254,968	(3,426,830)
TOTAL BALANCE SHEET TRANS.	(3,740,670)	(646,590)	839,202	(353,502)	105,506	(6,219)	233,008	382,378	(247,275)	50,768	50,109	600,000	(11,576,185)	(14,309,470)
BEG. CASH BALANCE, BEFORE TRAN	11,074,724	9,344,429	8,611,380	12,765,955	11,487,354	10,293,993	10,707,505	10,976,858	9,019,622	7,249,980	4,264,956	1,662,633	(2,210,403)	
NET CHANGE IN CASH	(1,730,294)	(733,049)	4,154,575	(1,278,601)	(1,193,362)	413,512	269,354	(1,957,237)	(1,769,642)	(2,985,024)	(2,602,323)	(3,873,036)	-	(13,285,127)
END. CASH BALANCE, BEFORE TRAN	9,344,429	8,611,380	12,765,955	11,487,354	10,293,993	10,707,505	10,976,858	9,019,622	7,249,980	4,264,956	1,662,633	(2,210,403)	(2,210,403)	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	5,000,000	-	-	-	5,000,000
BEG. CASH BALANCE, AFTER TRAN	11,074,724	9,344,429	8,611,380	12,765,955	11,487,354	10,293,993	10,707,505	10,976,858	9,019,622	7,249,980	9,264,956	6,662,633	2,789,597	
NET CHANGE IN CASH	(1,730,294)	(733,049)	4,154,575	(1,278,601)	(1,193,362)	413,512	269,354	(1,957,237)	(1,769,642)	2,014,976	(2,602,323)	(3,873,036)	-	(8,285,127)
END. CASH BALANCE, AFTER TRAN	9,344,429	8,611,380	12,765,955	11,487,354	10,293,993	10,707,505	10,976,858	9,019,622	7,249,980	9,264,956	6,662,633	2,789,597	2,789,597	
Princ. Apportionment Deferrals (1)														
(1,286,382) (1,990,252) (1,990,252) (1,990,252) (2,427,136) (9,684,273)														

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Little Lake City Elementary

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,605,495	1,605,495	3,884,676	2,889,890	2,889,890	3,884,676	2,889,890	1,358,248	1,514,966	520,180	520,180	994,786	11,530,663	36,089,037
Property Taxes	48,260	47,074	67,319	-	86,215	826,445	1,345,546	39,055	401,416	581,888	1,326,785	-	2,797,788	7,567,790
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	(125,000)	-	(125,000)
Federal Revenue	-	-	-	210,364	-	-	210,364	-	-	210,364	-	210,360	731,830	1,573,282
Other State Revenue	-	-	-	133,840	750,188	281,822	-	-	148,275	309,828	-	2,979,717	558,225	5,161,895
Other Local Revenue	2,838	1,245	35,409	206,450	218,662	346,472	384,678	223,330	254,705	312,451	254,493	378,034	457,364	3,076,131
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,656,592	1,653,813	3,987,404	3,440,544	3,944,956	5,339,415	4,830,478	1,620,633	2,319,362	1,934,711	2,101,458	4,437,897	16,075,870	53,343,135
EXPENDITURES														
Certificated Salaries	69,575	228,192	1,927,439	1,966,530	1,966,409	1,987,524	1,995,212	1,940,794	1,963,239	1,961,044	1,882,218	1,882,218	1,938,054	21,708,448
Classified Salaries	43,143	328,395	501,361	591,849	603,482	534,499	610,015	575,200	622,444	545,758	547,015	547,015	386,344	6,436,520
Employee Benefits	14,876	138,619	517,404	1,005,226	1,000,762	982,482	999,921	1,040,845	1,059,361	1,040,124	1,022,346	3,151,404	1,760,659	13,734,029
Books and Supplies	7,792	45,279	107,153	86,495	126,181	140,328	79,980	70,248	29,797	69,071	41,109	107,711	-	911,144
Services	370,097	278,840	377,439	703,565	456,036	1,018,922	1,171,208	710,704	857,905	258,532	289,736	1,109,768	512,934	8,115,686
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	-	-	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,880	(142,127)	26,691
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	490,000	-	490,000
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	505,483	1,019,325	3,447,678	4,370,547	4,169,752	4,680,637	4,873,218	4,354,673	4,549,628	3,891,411	3,799,306	7,304,996	4,455,864	51,422,518
REVENUES MINUS EXPENDITURES	1,151,109	634,488	539,726	(930,003)	(224,796)	658,778	(42,740)	(2,734,040)	(2,230,266)	(1,956,700)	(1,697,848)	(2,867,099)	11,620,006	1,920,617
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	2,875,634	2,148,282	2,362,192	2,170,896	1,397,446	202,374	202,374	-	-	-	-	-	(16,075,870)	(4,716,672)
Total Current Liabilities	(3,211,464)	(43,504)	-	-	-	-	-	-	-	-	-	-	4,455,864	1,200,896
TOTAL BALANCE SHEET TRANS.	(335,830)	2,104,777	2,362,192	2,170,896	1,397,446	202,374	202,374	-	-	-	-	-	(11,620,006)	(3,515,776)
BEG. CASH BALANCE, BEFORE TRAN	2,789,597	3,604,876	6,344,141	9,246,060	10,486,953	11,659,603	12,520,755	12,680,390	9,946,350	7,716,084	5,759,385	4,061,537	1,194,438	
NET CHANGE IN CASH	815,279	2,739,266	2,901,918	1,240,894	1,172,650	861,152	159,634	(2,734,040)	(2,230,266)	(1,956,700)	(1,697,848)	(2,867,099)	-	(1,595,159)
END. CASH BALANCE, BEFORE TRAN	3,604,876	6,344,141	9,246,060	10,486,953	11,659,603	12,520,755	12,680,390	9,946,350	7,716,084	5,759,385	4,061,537	1,194,438	1,194,438	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,253,132)	(1,027,569)	(1,027,569)	(1,027,569)	(664,161)	-	-	-	-	-	-	-	-	(5,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	7,000,000	-	-	-	7,000,000
BEG. CASH BALANCE, AFTER TRAN	2,789,597	2,351,744	4,063,440	5,937,789	6,151,114	6,659,603	7,520,755	7,680,390	4,946,350	2,716,084	7,759,385	6,061,537	3,194,438	
NET CHANGE IN CASH	(437,853)	1,711,696	1,874,349	213,325	508,489	861,152	159,634	(2,734,040)	(2,230,266)	5,043,300	(1,697,848)	(2,867,099)	-	404,841
END. CASH BALANCE, AFTER TRAN	2,351,744	4,063,440	5,937,789	6,151,114	6,659,603	7,520,755	7,680,390	4,946,350	2,716,084	7,759,385	6,061,537	3,194,438	3,194,438	
Princ. Apportionment Repayment (2)	2,427,136	1,990,252	1,990,252	1,990,252	1,286,382									9,684,273

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

LONG BEACH COMMUNITY COLLEGE DISTRICT

Long Beach Community College District
4901 E. Carson Street
Long Beach, CA 90808
Attn: Vice President, Business Services

General

The Long Beach Community College District (the “District”) was first established in 1927. The District is located in Los Angeles County, California, and is comprised of approximately 128 square miles. The District’s boundaries include a majority of the City of Long Beach, most of the City of Lakewood, and unincorporated communities in Los Angeles County. The District operates two separate college campuses: the Liberal Arts Campus and the Pacific Coast Campus.

Organization

The governing board of the District is the Board of Trustees (the “Board”). The Board consists of five members who are elected to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$590,572,217
General obligation bonds, accreted interest	45,194,274
Net pension liability	154,206,110
Compensated Absences	7,459,341
Medicare Premium Payment Program	510,184
OPEB obligation – net	35,630,575
Supplemental Employee Retirement Plan (SERP)	2,584,507
TOTAL LONG-TERM OBLIGATIONS	\$836,157,208

Source: District’s Fiscal Year 2019-20 Audit.

The District has entered into the following obligations since June 30, 2020: \$84,615,000 General Obligation Refunding Bonds, 2021 Series I (Federally Taxable), dated March 25, 2021.

Collective Bargaining Agreements

As of September 30, 2020, the District employed 353 full-time certificated professionals and 535 full-time classified employees and managers. In addition, the District employs 1,069 part-time faculty and staff (including limited term employees). The District has had no strikes or work stoppages by its represented employees.

The District’s collective bargaining units are the Long Beach City College Faculty Association (“LBCCFA”) (formerly the California College Association (“CCA”)), which represents full-time faculty; the Certificated Hourly Instructors (“CHI/CTA/NEA”) which represents part-time faculty; and the Long Beach Council of Classified Employees (“LBCCE/AFT/AFL-CIO”) which represents classified support staff.

The contract with LBCCFA expires on June 30, 2023. The contract includes a 2.76% increase to salary schedules and an additional 1% increase to the highest step (step 20) effective July 1, 2020. The contract with CHI/CTA/NEA expires on June 30, 2022. The contract includes a 2.75% increase to salary schedules retroactive to July 1, 2019. The contract with LBCCE/AFT/AFL-CIO expires on June 30, 2023. The contract includes a 2.00% increase to salary schedules effective July 1, 2020.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State's Hold Harmless provisions for Fiscal Year 2020-21 regarding full-time equivalent students ("FTEs"), the District is assuming stable FTEs for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the SCFF base and the following State Aid deferrals:
 - 100% of February 2021 deferred until November 2021
 - 100% of March 2021 deferred until October 2021
 - 100% of April 2021 deferred until September 2021
 - 100% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
 - TRAN amount is equal to the District's estimated need for projected cash shortage
- Higher Education Emergency Relief Fund (HEERF II Fund) monies from the Federal Government have not been included.
- The Governor's approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

SCFF Funding History and Projection

Assembly Bill 1809, the higher education trailer bill passed as part of the State budget for fiscal year 2018-19, implemented a new funding mechanism referred to as the "Student Centered Funding Formula (the "SCFF"). The SCFF includes three components: (1) a base allocation driven primarily by enrollment, (2) a supplemental allocation based on the number of certain types of low-income students, and (3) a student success allocation that is calculated using various performance-based metrics. The SCFF includes several hold-harmless provisions to provide districts greater financial stability in transitioning to the new formula: (i) for fiscal years 2019-20 through 2020-21, community college districts will receive no less in total apportionment funding than they received in 2017-18, adjusted for cost of living adjustments; (ii) for fiscal year 2021-22 and onward, districts will receive no less in apportionment funding per student than they received in fiscal year 2017-18; and (iii) beginning in fiscal year 2019-20, districts will receive the greater of the amount calculated by the SCFF for the current or prior year (excluding amounts districts receive pursuant to the provision summarized in (i) above.)

The following table sets forth funded FTES and Student Centered Funding Formula SCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
SUMMARY OF FTES AND SCFF**

<u>Fiscal Year</u>	<u>Funded FTES</u>	<u>SCFF</u>
2015-16 ⁽¹⁾	19,077	19,077
2016-17 ⁽¹⁾	21,076	21,076
2017-18 ⁽¹⁾	18,897	18,897
2018-19 ⁽¹⁾	19,517	19,517
2019-20 ⁽¹⁾	19,043	19,517
2020-21 ⁽¹⁾⁽²⁾	19,043	19,043

⁽¹⁾ Source: The District.

⁽²⁾ Estimated.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

**LONG BEACH COMMUNITY COLLEGE DISTRICT
SUMMARY OF ASSESSED VALUE**

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2016-17	\$55,954,745,958	\$750,876,130	\$2,988,833,795	\$59,694,455,883
2017-18	58,767,900,340	574,920,768	3,174,548,806	62,517,369,914
2018-19	62,096,333,080	557,702,111	3,243,933,145	65,897,968,336
2019-20	65,380,490,747	854,086,933	3,446,603,109	69,681,180,789
2020-21	68,831,899,359	1,113,321,524	3,686,086,369	73,631,307,252

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$6,359,424
2017-18 ⁽¹⁾	7,552,499
2018-19 ⁽¹⁾	8,387,203
2019-20 ⁽²⁾	9,426,413
2020-21 ⁽³⁾	9,075,577

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Audit.

⁽³⁾ Source: District's Fiscal Year 2020-21 Adopted Budget.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$4,579,905
2017-18 ⁽¹⁾	5,419,021
2018-19 ⁽¹⁾	6,183,589
2019-20 ⁽²⁾	7,241,867
2020-21 ⁽³⁾	7,898,170

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Audit.

⁽³⁾ Source: District's Fiscal Year 2020-21 Adopted Budget.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan ("OPEB Plan"), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see "PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75." For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

OPEB Plan	Total OPEB Liability	Net OPEB Liability	District Contribution
District Plan ⁽¹⁾	\$44,730,953	\$35,630,575	\$2,913,721

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District's Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

Name or Type of Fund	Balance as of June 30, 2020	Projected Balance as of June 30, 2021	Projected Balance as of June 30, 2022
Capital Projects Fund	\$ 14,509,304	\$ 14,221,921	\$ 14,000,000
Child & Adult Development Fund	2,023,746	2,010,922	2,000,000
Contract/Community Education Fund	1,801,792	1,900,182	1,000,000
Veterans Stadium Fund	349,786	53,770	50,000
Retiree Health Fund	24,528,625	25,894,421	27,100,000
Associated Student Body Fund	<u>1,281,192</u>	<u>908,562</u>	<u>800,000</u>
Total	\$ 44,494,445	\$ 44,989,778	\$ 44,950,000

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District's General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

LONG BEACH COMMUNITY COLLEGE DISTRICT SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN GENERAL FUND BALANCES FOR FISCAL YEARS ENDING JUNE 30, 2018, 2019 AND 2020

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$ 34,952,077	\$ 34,960,274	\$ 41,111,698
Total Revenues	169,380,407	169,874,725	180,730,796
Total Beginning Fund Balance and Revenues	204,332,484	204,834,999	221,842,494
Total Expenditures	165,843,102	161,709,543	175,665,225
Other Financing Sources (Uses)	(3,529,108)	(2,013,758)	(2,136,206)
ENDING FUND BALANCE	\$ 34,960,274	\$ 41,111,698	\$ 44,041,063

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

LONG BEACH COMMUNITY COLLEGE DISTRICT SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾ FOR DISTRICT GENERAL FUND

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$ 41,111,698	\$ 44,041,063
Total Revenues	185,174,648	200,726,165
Total Beginning Fund Balance and Revenues	226,286,346	244,767,228
Total Expenditures	185,506,222	204,892,643
Other Financing Sources (Uses)	(3,889,907)	(3,397,742)
ENDING FUND BALANCE	\$ 36,890,217	\$ 36,476,843

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

Districtwide Balance Sheets

The following table is a summary of the District's Districtwide Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
DISTRICTWIDE BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020
(AMOUNTS ARE IN \$1,000's)**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets and Deferred Outflows of Resources	\$683,903	\$661,959	\$809,354
Total Liabilities and Deferred Inflows of Resources	782,303	763,659	915,385
Total Net Position			
Net Investment in Capital			
Assets	(63,409)	(59,471)	(72,075)
Restricted	53,812	53,284	63,111
Unrestricted	(88,803)	(95,513)	(97,067)
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$683,903</u>	<u>\$661,959</u>	<u>\$809,354</u>

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$14,810,484	\$209,058	1.41%
2016-17	15,167,166	179,268	1.18
2017-18	15,988,514	197,695	1.24
2018-19	16,827,444	228,832	1.36
2019-20	17,871,030	401,179	2.24

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$20,956,879	\$184,756	0.88%
2016-17	38,357,123	337,138	0.88
2017-18	39,960,820	391,005	0.98
2018-19	39,261,640	391,084	1.00
2019-20	41,356,162	617,526	1.49

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

LONG BEACH COMMUNITY COLLEGE DISTRICT LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2020-21 Assessed Valuation</u>	<u>% of Total⁽¹⁾</u>
1.	Participants in Long Beach Unit	Industrial-Petroleum	\$628,714,895	0.91%
2.	Terminal Investment Limited Sarl	Industrial-Terminal	408,835,000	0.59
		Operations		
3.	Pacific Maritime Services LLC	Industrial-Terminal	405,088,384	0.59
		Operations		
4.	Macerich Lakewood LLC	Shopping Center	387,506,761	0.56
5.	Tidelands Oil Production Co.	Industrial-Petroleum	<u>380,052,602</u>	<u>0.55</u>
			\$2,210,197,642	3.21%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$68,831,899,359.

Source: California Municipal Statistic, Inc.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
CASH FLOWS**

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANS, Series C-1
Long Beach CCD**

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	
REVENUES														
Federal Revenue	-	-	-	-	6,055	-	-	-	-	51,510	-	89,863	-	147,428
State Revenues	5,438,016	5,438,017	12,882,874	6,797,521	6,712,791	9,217,510	5,461,402	6,706,200	8,533,509	5,886,355	12,300,423	12,465,967	-	97,840,585
Local Revenues	6,687,315	(255,287)	(238,676)	194,545	2,906,359	6,411,512	3,579,009	1,749,245	316,404	4,216,057	6,036,579	11,343,721	-	42,946,783
Other Financing Sources	-	-	82,576	4,717	-	86,901	4,985	-	80,000	-	-	87,567	-	346,746
TOTAL REVENUES	12,125,331	5,182,730	12,726,773	6,996,783	9,625,205	15,715,923	9,045,397	8,455,445	8,929,912	10,153,922	18,337,002	23,987,118	-	141,281,542
EXPENDITURES														
Academic Salaries	4,512,086	4,633,037	4,601,172	4,732,509	4,694,091	4,622,970	4,249,498	4,515,939	4,879,662	4,695,013	4,514,908	4,913,028	-	55,563,915
Classified and Non-Academic Salaries	2,172,081	2,286,595	2,340,936	2,329,329	2,312,270	2,694,168	2,188,539	2,210,182	2,353,243	2,339,482	2,297,519	2,114,289	-	27,638,634
Employee Benefits	4,216,968	3,129,347	4,013,162	2,137,333	3,136,260	3,129,861	3,936,500	3,003,875	2,321,093	3,922,476	2,021,231	7,444,743	-	42,412,848
Supplies and Materials	16,553	4,216	23,745	90,000	43,132	24,499	71,851	33,992	107,899	157,899	298,407	(250,219)	-	621,974
Other Operating Expenses and Services	932,563	237,630	487,302	952,134	619,457	119,699	908,582	931,235	2,443,280	807,925	802,090	350,219	-	9,592,114
Capital Outlay	59,784	21,518	(1,324)	85,290	135,404	17,090	63,969	263,752	10,832	253,329	760,540	(529,920)	-	1,140,264
Other Outgo	(33,517)	(1,619)	84,274	149,963	15,399	55,102	27,399	(140,367)	173,721	(135,025)	(80,936)	1,225,840	-	1,340,235
TOTAL EXPENDITURES	11,876,519	10,310,725	11,549,267	10,476,557	10,956,011	10,663,390	11,446,338	10,818,610	12,289,731	12,041,100	10,613,759	15,267,979	-	138,309,985
REVENUES MINUS EXPENDITURES	248,812	(5,127,994)	1,177,507	(3,479,775)	(1,330,805)	5,052,533	(2,400,941)	(2,363,165)	(3,359,818)	(1,887,178)	7,723,243	8,719,138	-	2,971,557
BALANCE SHEET TRANSACTIONS														
Total Current Assets	(6,353,352)	(7,265,970)	(5,465,769)	13,148,405	(11,308,292)	1,531,192	(8,407,943)	(5,344,580)	(4,561,630)	23,803,377	(4,895,160)	4,363,688	-	(10,756,036)
Total Current Liabilities	3,968,003	11,426,746	9,186,598	(23,386,621)	15,077,355	543,515	5,338,106	5,256,739	13,216,998	(31,124,609)	(6,547,562)	5,714	-	2,960,983
TOTAL BALANCE SHEET TRANS.	(2,385,349)	4,160,776	3,720,829	(10,238,216)	3,769,063	2,074,707	(3,069,837)	(87,840)	8,655,368	(7,321,232)	(11,442,722)	4,369,402	-	(7,795,052)
BEG. CASH BALANCE, BEFORE TRAN	36,853,074	34,716,537	33,749,319	38,647,655	24,929,664	27,367,921	34,495,161	29,024,383	26,573,378	31,868,927	22,660,518	18,941,039	32,029,579	-
NET CHANGE IN CASH	(2,136,537)	(967,218)	4,898,336	(13,717,991)	2,438,258	7,127,240	(5,470,778)	(2,451,005)	5,295,549	(9,208,410)	(3,719,479)	13,088,540	-	(4,823,495)
END. CASH BALANCE, BEFORE TRAN	34,716,537	33,749,319	38,647,655	24,929,664	27,367,921	34,495,161	29,024,383	26,573,378	31,868,927	22,660,518	18,941,039	32,029,579	32,029,579	-
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	36,853,074	34,716,537	33,749,319	38,647,655	24,929,664	27,367,921	34,495,161	29,024,383	26,573,378	31,868,927	22,660,518	18,941,039	32,029,579	-
NET CHANGE IN CASH	(2,136,537)	(967,218)	4,898,336	(13,717,991)	2,438,258	7,127,240	(5,470,778)	(2,451,005)	5,295,549	(9,208,410)	(3,719,479)	13,088,540	-	(4,823,495)
END. CASH BALANCE, AFTER TRAN	34,716,537	33,749,319	38,647,655	24,929,664	27,367,921	34,495,161	29,024,383	26,573,378	31,868,927	22,660,518	18,941,039	32,029,579	32,029,579	-

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANS, Series C-1
Long Beach CCD

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	Total
	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	
REVENUES														
Federal Revenue	-	-	-	-	-	-	-	-	-	-	-	140,000	-	140,000
State Revenues (1)	6,061,068	5,907,561	15,530,226	7,492,515	7,347,683	10,358,898	5,952,071	(2,385,311)	3,090,658	128,492	6,519,174	11,826,420	16,352,068	94,181,522
Local Revenues	6,067,740	831,298	(398,040)	76,329	961,323	8,130,927	3,579,009	1,749,245	316,404	4,216,057	6,036,579	14,687,826	-	46,254,696
Other Financing Sources	-	-	-	-	-	-	4,985	-	-	-	-	15,366	-	20,351
TOTAL REVENUES	12,128,808	6,738,859	15,132,186	7,568,844	8,309,006	18,489,825	9,536,065	(636,066)	3,407,061	4,344,549	12,555,753	26,669,612	16,352,068	140,596,570
EXPENDITURES														
Academic Salaries	4,392,472	4,369,700	4,619,386	4,727,641	4,709,979	4,690,718	4,844,215	4,844,215	4,844,215	4,844,215	4,844,215	4,844,215	-	56,575,188
Classified and Non-Academic Salaries	2,246,849	2,331,509	2,357,651	2,386,682	2,335,582	2,320,472	2,500,799	2,500,799	2,500,799	2,500,799	2,500,799	2,500,799	-	28,983,541
Employee Benefits	4,537,070	2,985,239	3,306,299	3,060,760	3,308,056	3,071,501	3,887,708	3,887,708	3,887,708	3,887,708	3,887,708	3,887,708	-	43,595,174
Supplies and Materials	50,284	138,347	(109,642)	52,108	(2,846)	52,676	84,917	84,917	84,917	84,917	84,917	84,917	-	690,429
Other Operating Expenses and Services	817,208	305,845	725,659	1,075,262	840,086	532,131	1,235,910	1,235,910	1,235,910	1,235,910	1,235,910	1,235,910	-	11,711,649
Capital Outlay	46,910	77,499	(76,905)	(12,690)	122,366	75,835	213,158	213,158	213,158	213,158	213,158	213,158	-	1,511,961
Other Outgo	(1,073)	(26)	(38,836)	(303,091)	317,717	(63,684)	237,498	237,498	237,498	237,498	237,498	237,498	-	1,336,000
TOTAL EXPENDITURES	12,089,720	10,208,113	10,783,612	10,986,672	11,630,940	10,679,649	13,004,206	13,004,206	13,004,206	13,004,206	13,004,206	13,004,206	-	144,403,942
REVENUES MINUS EXPENDITURES	39,088	(3,469,254)	4,348,573	(3,417,829)	(3,321,934)	7,810,175	(3,468,140)	(13,640,272)	(9,597,144)	(8,659,657)	(448,453)	13,665,406	16,352,068	(3,807,372)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	(4,725,928)	(3,163,013)	3,004,701	2,745,197	(8,868,840)	2,893,318	-	-	-	-	-	-	(16,352,068)	(24,466,633)
Total Current Liabilities	3,515,516	10,338,697	2,468,448	(6,465,786)	8,910,226	(9,371,594)	-	-	-	-	-	-	-	9,395,507
TOTAL BALANCE SHEET TRANS.	(1,210,413)	7,175,684	5,473,149	(3,720,590)	41,387	(6,478,277)	-	-	-	-	-	-	(16,352,068)	(15,071,126)
BEG. CASH BALANCE, BEFORE TRAN	32,029,579	30,858,254	34,564,685	44,386,408	37,247,989	33,967,442	35,299,341	31,831,200	18,190,928	8,593,784	(65,873)	(514,326)	13,151,080	-
NET CHANGE IN CASH	(1,171,325)	3,706,431	9,821,722	(7,138,418)	(3,280,547)	1,331,899	(3,468,140)	(13,640,272)	(9,597,144)	(8,659,657)	(448,453)	13,665,406	-	(18,878,499)
END. CASH BALANCE, BEFORE TRAN	30,858,254	34,564,685	44,386,408	37,247,989	33,967,442	35,299,341	31,831,200	18,190,928	8,593,784	(65,873)	(514,326)	13,151,080	13,151,080	-
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	8,000,000	-	-	-	8,000,000
BEG. CASH BALANCE, AFTER TRAN	32,029,579	30,858,254	34,564,685	44,386,408	37,247,989	33,967,442	35,299,341	31,831,200	18,190,928	8,593,784	7,934,127	7,485,674	21,151,080	-
NET CHANGE IN CASH	(1,171,325)	3,706,431	9,821,722	(7,138,418)	(3,280,547)	1,331,899	(3,468,140)	(13,640,272)	(9,597,144)	(659,657)	(448,453)	13,665,406	-	(10,878,499)
END. CASH BALANCE, AFTER TRAN	30,858,254	34,564,685	44,386,408	37,247,989	33,967,442	35,299,341	31,831,200	18,190,928	8,593,784	7,934,127	7,485,674	21,151,080	21,151,080	-
Princ. Apportionment Deferrals (1)							(4,260,401)	(4,260,401)	(4,260,401)	(4,260,401)	(4,260,401)	(4,260,401)	(21,302,005)	

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANS, Series C-1
Long Beach CCD

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	Total
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	
REVENUES														
Federal Revenue	-	-	-	-	5,750	-	-	-	-	48,915	-	85,335	-	140,000
State Revenues	4,456,446	4,456,447	12,080,035	5,570,558	5,671,375	8,910,018	4,480,946	3,592,604	5,524,917	4,823,498	14,873,240	14,334,329	6,000,000	94,774,411
Local Revenues	6,818,980	(249,390)	(328,143)	186,171	2,848,405	7,082,843	3,860,204	1,755,300	254,670	4,602,405	6,708,976	12,714,276	-	46,254,696
Other Financing Sources	-	-	4,846	277	-	5,100	293	-	4,695	-	-	5,139	-	20,351
TOTAL REVENUES	11,275,425	4,207,057	11,756,739	5,757,005	8,525,530	15,997,961	8,341,442	5,347,904	5,784,282	9,474,818	21,582,216	27,139,079	6,000,000	141,189,459
EXPENDITURES														
Academic Salaries	4,625,964	4,749,967	4,717,298	4,851,949	4,812,561	4,739,646	4,356,748	4,629,914	5,002,817	4,813,508	4,628,856	5,037,025	-	56,966,253
Classified and Non-Academic Salaries	2,293,493	2,414,408	2,471,786	2,459,530	2,441,518	2,844,763	2,310,871	2,333,724	2,484,782	2,470,251	2,425,943	2,232,471	-	29,183,541
Employee Benefits	4,364,450	3,238,791	4,153,517	2,212,083	3,245,946	3,239,323	4,074,174	3,108,931	2,402,270	4,059,659	2,091,920	7,705,111	-	43,896,174
Supplies and Materials	18,375	4,681	26,358	99,906	47,879	27,196	79,758	37,734	119,774	175,278	331,250	(277,758)	-	690,429
Other Operating Expenses and Services	1,138,628	290,138	594,979	1,162,523	756,336	146,149	1,109,348	1,137,007	2,983,163	986,449	979,325	427,606	-	11,711,649
Capital Outlay	79,272	28,533	(1,755)	113,092	179,542	22,661	84,821	349,729	14,363	335,908	1,008,457	(702,661)	-	1,511,961
Other Outgo	(33,411)	(1,614)	84,008	149,489	15,350	54,928	27,312	(139,923)	173,172	(134,598)	(80,680)	1,221,966	-	1,336,000
TOTAL EXPENDITURES	12,486,771	10,724,903	12,046,190	11,048,573	11,499,131	11,074,666	12,043,032	11,457,115	13,180,340	12,706,454	11,385,071	15,643,759	-	145,296,007
REVENUES MINUS EXPENDITURES	(1,211,346)	(6,517,847)	(289,451)	(5,291,568)	(2,973,601)	4,923,295	(3,701,590)	(6,109,211)	(7,396,059)	(3,231,636)	10,197,145	11,495,320	6,000,000	(4,106,548)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	(689,536)	4,260,401	4,260,401	4,260,401	4,260,401	-	-	-	-	-	-	-	(6,000,000)	10,352,068
Total Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL BALANCE SHEET TRANS.	(689,536)	4,260,401	4,260,401	4,260,401	4,260,401	-	-	-	-	-	-	-	(6,000,000)	10,352,068
BEG. CASH BALANCE, BEFORE TRAN	21,151,080	19,250,199	16,992,753	20,963,703	19,932,537	21,219,336	26,142,631	22,441,041	16,331,830	8,935,771	5,704,135	15,901,280	27,396,600	
NET CHANGE IN CASH	(1,900,882)	(2,257,446)	3,970,950	(1,031,167)	1,286,800	4,923,295	(3,701,590)	(6,109,211)	(7,396,059)	(3,231,636)	10,197,145	11,495,320	-	6,245,520
END. CASH BALANCE, BEFORE TRAN	19,250,199	16,992,753	20,963,703	19,932,537	21,219,336	26,142,631	22,441,041	16,331,830	8,935,771	5,704,135	15,901,280	27,396,600	27,396,600	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)	-	-	-	-	-	-	-	-	(8,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	19,000,000	-	-	-	19,000,000
BEG. CASH BALANCE, AFTER TRAN	21,151,080	17,650,199	13,792,753	16,163,703	13,532,537	13,219,336	18,142,631	14,441,041	8,331,830	935,771	16,704,135	26,901,280	38,396,600	
NET CHANGE IN CASH	(3,500,882)	(3,857,446)	2,370,950	(2,631,167)	(313,200)	4,923,295	(3,701,590)	(6,109,211)	(7,396,059)	15,768,364	10,197,145	11,495,320	-	17,245,520
END. CASH BALANCE, AFTER TRAN	17,650,199	13,792,753	16,163,703	13,532,537	13,219,336	18,142,631	14,441,041	8,331,830	935,771	16,704,135	26,901,280	38,396,600	38,396,600	
Princ. Apportionment Repayment (2)	4,260,401	4,260,401	4,260,401	4,260,401	4,260,401									21,302,005
(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets.														

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets.

MOUNTAIN VIEW SCHOOL DISTRICT

Mountain View School District
3320 Gilman Road
El Monte, CA 91732
Attn: Assistant Superintendent

General

The Mountain View School District (the “District”) was first established in 1868. The District is located in Los Angeles County, California, and is comprised of approximately 4.83 square miles. The District has boundaries contiguous with the cities of El Monte and South El Monte, about 14 miles east of downtown Los Angeles in the San Gabriel Valley. The District includes three elementary schools and one junior high school.

Organization

The governing board of the District is the Board of Education of the Mountain View School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

<u>Description</u>	<u>Balance</u>
General obligation bonds payable and related premium	\$45,013,238
Net pension liability	100,698,836
Compensated Absences	627,996
OPEB obligation – net	11,413,117
TOTAL LONG-TERM OBLIGATIONS	<u>\$158,415,667</u>

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The Mountain View Teachers Association (“MVTA”) has settled the Fiscal Year 2019-20 contract with the District and was approved by the Board on February 5, 2021. Currently, the District is in negotiations with MVTA for re-opening language. Regular contract negotiations will follow the re-opening agreement.

California School Employees Association (“CSEA”) agreement for Fiscal Year 2019-20 was approved by the Board on June 12, 2019. Currently, the District is in negotiations with CSEA.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

MOUNTAIN VIEW SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	7,083	\$ 9,343
2016-17 ⁽¹⁾	6,879	10,055
2017-18 ⁽¹⁾	6,737	10,354
2018-19 ⁽¹⁾	6,439	11,120
2019-20 ⁽¹⁾	6,036	11,392
2020-21 ⁽²⁾	5,814	11,478

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

MOUNTAIN VIEW SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

Fiscal Year	Local Secured	Utility	Unsecured	Total
2016-17	\$2,911,586,865	-	\$99,062,692	\$3,010,649,557
2017-18	3,054,616,522	-	103,166,159	3,157,782,681
2018-19	3,218,086,735	-	110,807,632	3,328,894,367
2019-20	3,458,753,630	-	114,013,920	3,572,767,550
2020-21	3,594,718,721	-	111,978,019	3,706,696,740

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$5,131,106
2017-18 ⁽¹⁾	5,906,847
2018-19 ⁽¹⁾	6,485,618
2019-20 ⁽¹⁾	6,628,544
2020-21 ⁽²⁾	11,571,720

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report, includes State on-behalf payment amounts.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$2,004,193
2017-18 ⁽¹⁾	2,353,002
2018-19 ⁽¹⁾	2,871,697
2019-20 ⁽¹⁾	3,058,151
2020-21 ⁽²⁾	3,599,717

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$10,977,413	\$10,977,413	\$1,077,117

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Fund 17 Special Reserves	\$ 526,708	\$ 250,000	\$ 250,000
Fund 25 Capital Facilities	582,805	135,000	135,000
Fund 40 Special Reserves	<u>717,018</u>	<u>745,000</u>	<u>775,000</u>
Total	\$ 1,826,530	\$ 1,130,000	\$ 1,160,000

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**MOUNTAIN VIEW SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$13,172,328	\$11,172,641	\$14,607,285
Total Revenues	91,866,861	94,927,716	90,601,529
Total Beginning Fund Balance and Revenues	105,039,189	106,100,357	105,208,814
Total Expenditures	93,866,548	91,493,072	88,041,480
Other Financing Sources (Uses)	-	-	-
ENDING FUND BALANCE	<u>\$11,172,641</u>	<u>\$14,607,285</u>	<u>\$17,167,334</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**MOUNTAIN VIEW SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$13,861,447	\$ 16,621,147
Total Revenues	90,406,270	81,635,946
Total Beginning Fund Balance and Revenues	104,267,717	98,257,093
Total Expenditures	90,950,115	84,605,827
Other Financing Sources (Uses)	580,000	-
ENDING FUND BALANCE	<u>\$13,897,602</u>	<u>\$13,651,266</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**MOUNTAIN VIEW SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$16,614,461	\$19,817,936	\$25,166,934
Total Liabilities	5,441,820	5,210,651	7,999,600
Fund Balance			
Nonspendable	266,116	326,098	700,633
Restricted	1,066,387	1,710,534	1,970,222
Assigned	6,939,643	9,726,935	11,764,603
Unassigned	2,900,495	2,843,718	2,731,877
Total Fund Balance	11,172,641	14,607,285	17,167,334
Total Liabilities and Fund Balance	\$16,614,461	\$19,817,936	\$25,166,934

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**MOUNTAIN VIEW SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$1,771,126	\$25,202	1.42
2016-17	1,846,095	21,996	1.19
2017-18	1,949,508	24,291	1.25
2018-19	2,053,266	28,129	1.37
2019-20	2,215,069	50,091	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2017-18	\$1,450,464	\$14,141	0.97%
2018-19	1,769,936	24,418	1.38
2019-20	1,766,023	26,102	1.48

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ District's general obligation bond debt service levy. Debt service levy began in fiscal year 2017-18.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**MOUNTAIN VIEW SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Brookside MHC LLC	Mobile Home Park	\$75,435,391	2.10
2.	Sabra Ramona LP	Assisted Living Facility	22,424,781	0.62
3.	Jendo Ermi LP	Shopping Center	20,183,760	0.56
4.	San Gabriel Valley Water Co.	Water Company	19,411,207	0.54
5.	Prime Frit El Monte LLC	Shopping Center	<u>16,854,480</u>	<u>0.47</u>
			\$154,309,619	4.29%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$3,594,718,721.

Source: California Municipal Statistic, Inc.

**MOUNTAIN VIEW SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Mountain View Elementary

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	
REVENUES														
LCFF Sources														
Principal Apportionment	2,784,258	2,784,258	7,562,984	5,011,665	5,011,665	7,562,984	5,011,665	4,312,297	6,532,864	4,312,297	4,312,297	1,032,226	4,612,771	60,844,231
Property Taxes	55,029	89,209	107,196	-	122,201	907,590	1,100,653	124,281	429,724	598,438	1,937,196	3,294,845	(1,339)	8,765,023
Miscellaneous Funds	-	-	-	-	-	-	38,977	-	21,738	-	-	76,426	-	137,142
Federal Revenue	131,327	202,638	-	997,914	(361,432)	60,080	891,006	44,510	845,471	166,895	653,902	1,068,842	1,543,742	6,244,895
Other State Revenue	2,700	96,960	367,036	57,468	858,786	858,724	86,000	-	342,702	939,290	97,016	304,076	5,405,259	9,416,017
Other Local Revenue	493	97,553	97,683	175,815	75,597	445,950	353,873	194,992	417,599	32,948	253,770	2,818,754	215,397	5,180,424
Transfers In	-	-	-	-	-	-	959,466	-	-	942,780	335,491	996,808	-	3,234,546
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,973,807	3,270,618	8,134,899	6,242,862	5,706,816	9,835,328	8,441,641	4,676,080	8,590,098	6,992,648	7,589,672	9,591,977	11,775,831	93,822,277
EXPENDITURES														
Certificated Salaries	335,512	3,228,634	3,276,221	3,329,420	3,351,104	3,311,263	3,361,966	3,354,408	3,461,077	3,810,837	3,291,729	3,358,169	-	37,470,340
Classified Salaries	265	530,226	756,774	1,225,726	1,262,310	1,237,694	1,182,567	1,224,222	1,286,472	1,239,743	1,141,512	2,255,546	10,480	13,353,537
Employee Benefits	83,191	864,631	1,206,831	1,503,161	1,533,254	1,525,081	1,549,179	1,546,297	1,601,927	1,686,709	1,548,705	1,977,546	4,891,590	21,518,101
Books and Supplies	232,546	137,562	536,575	383,719	211,352	173,967	185,815	210,222	73,962	69,748	133,715	247,289	225,671	2,822,142
Services	188,490	626,421	1,086,039	1,081,214	1,180,196	1,009,737	739,460	873,005	533,530	967,311	656,097	902,681	338,850	10,183,030
Capital Outlay	6,164	-	-	489	-	-	13,949	-	-	-	-	-	-	20,602
Other Outgo	-	-	1,790	-	3,657	86,133	-	-	-	-	388,210	2,323,428	(199,216)	2,604,002
Transfers Out	-	-	-	-	-	-	1,238,130	-	-	931,223	307,657	613,814	-	3,090,824
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	846,167	5,387,474	6,864,230	7,523,729	7,541,873	7,343,875	8,271,065	7,208,155	6,956,968	8,705,571	7,467,625	11,678,472	5,267,373	91,062,577
REVENUES MINUS EXPENDITURES	2,127,640	(2,116,856)	1,270,669	(1,280,866)	(1,835,056)	2,491,453	170,576	(2,532,075)	1,633,130	(1,712,923)	122,047	(2,086,496)	6,508,457	2,759,700
BALANCE SHEET TRANSACTIONS														
Total Current Assets	1,068,360	(380,659)	21,018	340,539	(246,204)	26,502	(24,603)	48,430	(233,959)	105,337	(54,094)	1,256,242	(10,527,619)	(8,600,711)
Total Current Liabilities	(3,524,039)	37,202	(82,621)	(295,999)	1,006,578	(21,666)	(225,104)	13,331,807	(157,015)	12,575,782	(25,491,983)	1,427,440	4,206,784	2,787,166
TOTAL BALANCE SHEET TRANS.	(2,455,678)	(343,457)	(61,603)	44,539	760,374	4,836	(249,707)	13,380,237	(390,974)	12,681,119	(25,546,077)	2,683,681	(6,320,835)	(5,813,545)
BEG. CASH BALANCE, BEFORE TRAN	16,172,337	15,844,298	13,383,985	14,593,051	13,356,724	12,282,041	14,778,330	14,699,199	25,547,361	26,789,517	37,757,714	12,333,684	12,930,870	
NET CHANGE IN CASH	(328,039)	(2,460,313)	1,209,066	(1,236,327)	(1,074,683)	2,496,289	(79,131)	10,848,163	1,242,156	10,968,197	(25,424,029)	597,186	187,622	(3,053,845)
END. CASH BALANCE, BEFORE TRAN	15,844,298	13,383,985	14,593,051	13,356,724	12,282,041	14,778,330	14,699,199	25,547,361	26,789,517	37,757,714	12,333,684	12,930,870	13,118,492	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	16,172,337	15,844,298	13,383,985	14,593,051	13,356,724	12,282,041	14,778,330	14,699,199	25,547,361	26,789,517	37,757,714	12,333,684	12,930,870	
NET CHANGE IN CASH	(328,039)	(2,460,313)	1,209,066	(1,236,327)	(1,074,683)	2,496,289	(79,131)	10,848,163	1,242,156	10,968,197	(25,424,029)	597,186	187,622	(3,053,845)
END. CASH BALANCE, AFTER TRAN	15,844,298	13,383,985	14,593,051	13,356,724	12,282,041	14,778,330	14,699,199	25,547,361	26,789,517	37,757,714	12,333,684	12,930,870	13,118,492	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Mountain View Elementary

FY 2020-21 Cash Flows														
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals & Adjustments	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected		
REVENUES														
LCFF Sources														
Principal Apportionment (1)	5,484,527	2,405,510	3,823,709	4,329,918	4,329,918	7,108,727	4,329,918	1,986,296	3,539,518	760,709	760,709	2,778,810	16,862,384	58,500,654
Property Taxes	52,465	107,816	110,505	-	97,083	995,545	1,184,988	125,883	435,346	606,687	1,964,301	2,550,967	-	8,231,586
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	1,359	19,810	7,946,136	1,993,835	(468,269)	1,058,896	(629,439)	44,510	845,471	166,895	1,067,000	1,496,594	5,202,736	18,745,534
Other State Revenue	-	-	1,048,006	182,813	187,268	278,426	1,115,451	-	342,702	539,290	273,992	1,200,000	4,635,187	9,803,135
Other Local Revenue	(3,761)	27,968	179,759	422,058	404,086	28,144	463,193	194,992	417,599	32,948	231,967	2,794,674	-	5,193,627
Transfers In	-	-	-	59,384	320,527	-	639,143	-	247,901	942,780	335,491	652,876	-	3,198,102
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	5,534,590	2,561,104	13,108,115	6,988,008	4,870,613	9,469,738	7,103,254	2,351,681	5,828,537	3,049,309	4,633,460	11,473,921	26,700,307	103,672,638
EXPENDITURES														
Certificated Salaries	288,396	3,123,437	3,358,669	3,060,853	3,166,402	3,160,414	3,186,284	3,400,000	3,400,000	3,400,000	3,400,000	4,039,152	-	36,983,608
Classified Salaries	5,563	444,764	910,581	1,152,604	1,152,039	1,127,390	1,131,460	1,150,000	1,150,000	1,150,000	575,000	1,450,000	2,035,707	13,435,107
Employee Benefits	205,223	839,681	1,314,752	1,433,679	1,461,766	1,453,209	1,464,514	1,521,545	1,574,151	1,659,131	1,523,568	7,659,150	576,590	22,686,959
Books and Supplies	133,320	192,951	550,641	562,124	1,187,662	1,281,894	1,000,000	1,000,000	1,000,000	2,000,000	2,241,447	1,000,000	1,000,000	13,150,039
Services	92,414	636,175	502,959	1,214,927	1,211,210	1,000,000	1,617,877	800,000	1,000,000	1,000,000	1,000,000	1,088,598	-	11,164,160
Capital Outlay	-	-	-	81,885	35,370	214,074	1,278,135	(913,493)	-	-	-	(87,280)	-	608,691
Other Outgo	-	-	-	-	27,692	-	-	-	-	-	420,338	1,732,431	-	2,180,461
Transfers Out	-	-	-	298,665	294,904	-	589,057	-	-	1,058,757	307,657	649,062	-	3,198,102
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	724,915	5,237,008	6,637,602	7,804,737	8,537,046	8,236,981	10,267,327	6,958,052	8,124,151	10,267,888	8,226,563	18,772,560	3,612,297	103,407,127
REVENUES MINUS EXPENDITURES	4,809,675	(2,675,904)	6,470,513	(816,729)	(3,666,433)	1,232,757	(3,164,073)	(4,606,370)	(2,295,614)	(7,218,579)	(3,593,103)	(7,298,639)	23,088,010	265,512
BALANCE SHEET TRANSACTIONS														
Total Current Assets	29,484	1,393,294	5,461,116	29,717	510,995	647,000	780,423	912,626	929,336	16,702	(3,221)	-	(26,700,307)	(15,992,836)
Total Current Liabilities	(3,374,254)	157,828	(2,708,997)	(579,127)	(325,361)	(258,335)	-	-	-	-	-	-	3,612,297	(3,475,949)
TOTAL BALANCE SHEET TRANS.	(3,344,770)	1,551,121	2,752,119	(549,410)	185,634	388,665	780,423	912,626	929,336	16,702	(3,221)	-	(23,088,010)	(19,468,785)
BEG. CASH BALANCE, BEFORE TRAN	13,118,492	14,583,397	13,458,615	22,681,247	21,315,108	17,834,309	19,455,731	17,072,081	13,378,337	12,012,059	4,810,182	1,213,858	(6,084,781)	
NET CHANGE IN CASH	1,464,905	(1,124,783)	9,222,632	(1,366,139)	(3,480,799)	1,621,422	(2,383,650)	(3,693,744)	(1,366,278)	(7,201,877)	(3,596,324)	(7,298,639)	-	(19,203,273)
END. CASH BALANCE, BEFORE TRAN	14,583,397	13,458,615	22,681,247	21,315,108	17,834,309	19,455,731	17,072,081	13,378,337	12,012,059	4,810,182	1,213,858	(6,084,781)	(6,084,781)	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	9,570,000	-	-	-	9,570,000
BEG. CASH BALANCE, AFTER TRAN	13,118,492	14,583,397	13,458,615	22,681,247	21,315,108	17,834,309	19,455,731	17,072,081	13,378,337	12,012,059	14,380,182	10,783,858	3,485,219	
NET CHANGE IN CASH	1,464,905	(1,124,783)	9,222,632	(1,366,139)	(3,480,799)	1,621,422	(2,383,650)	(3,693,744)	(1,366,278)	2,368,123	(3,596,324)	(7,298,639)	-	(9,633,273)
END. CASH BALANCE, AFTER TRAN	14,583,397	13,458,615	22,681,247	21,315,108	17,834,309	19,455,731	17,072,081	13,378,337	12,012,059	14,380,182	10,783,858	3,485,219	3,485,219	
Princ. Apportionment Deferrals (1)								(2,239,866)	(3,465,453)	(3,465,453)	(3,465,453)	(4,226,160)		(16,862,384)

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-3
Mountain View Elementary

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	2,381,590	2,381,590	7,065,670	4,286,861	4,286,861	7,065,670	4,286,861	2,014,825	3,550,444	771,635	771,635	2,778,810	17,104,576	58,747,028
Property Taxes	52,465	107,816	110,505	-	100,475	1,100,000	1,116,339	125,883	435,346	606,687	1,964,301	2,511,769	-	8,231,586
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	1,359	19,810	946,000	1,993,835	(468,269)	60,080	891,006	44,510	845,471	166,895	353,902	353,000	3,160,383	8,367,982
Other State Revenue	-	-	1,048,006	182,813	187,268	858,724	86,000	-	342,702	939,290	97,016	4,718,216	1,134,213	9,594,248
Other Local Revenue	(3,761)	27,968	179,759	422,058	229,221	445,950	353,873	194,992	417,599	32,948	253,770	2,377,809	246,850	5,179,036
Transfers In	-	-	303,699	303,699	303,699	303,699	303,699	303,699	303,699	303,699	303,699	303,697	-	3,036,988
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,431,653	2,537,184	9,653,639	7,189,266	4,639,255	9,834,123	7,037,778	2,683,909	5,895,261	2,821,154	3,744,323	13,043,301	21,646,022	93,156,868
EXPENDITURES														
Certificated Salaries	288,396	3,123,437	3,123,438	3,223,438	3,223,438	3,223,438	3,223,438	3,223,438	3,223,438	3,223,438	3,223,438	3,580,340	-	35,903,115
Classified Salaries	5,563	444,764	910,581	1,152,604	1,152,039	1,152,039	1,152,039	1,152,039	1,152,039	1,152,039	1,152,039	1,140,037	1,089,943	12,807,765
Employee Benefits	205,223	839,681	1,314,752	1,525,342	1,525,342	1,525,342	1,525,342	1,525,342	1,525,342	1,525,342	1,525,342	7,970,169	-	22,532,561
Books and Supplies	125,733	329,126	146,350	269,801	237,272	225,274	92,750	585,500	329,500	485,742	285,966	223,966	1,305,246	4,642,226
Services	100,000	500,000	907,250	1,507,250	1,500,000	958,430	832,524	614,500	500,000	500,000	500,000	400,000	1,502,138	10,322,092
Capital Outlay	-	-	-	12,854	35,370	-	6,183	-	-	-	-	-	-	54,407
Other Outgo	-	-	-	-	349	86,133	-	-	-	-	1,142,043	1,272,570	(171,819)	2,329,276
Transfers Out	-	-	303,699	303,699	303,699	303,699	303,699	303,699	303,699	303,699	303,699	303,697	-	3,036,988
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	724,915	5,237,008	6,706,070	7,994,988	7,977,509	7,474,355	7,135,975	7,404,518	7,034,018	7,190,260	8,132,527	14,890,779	3,725,508	91,628,430
REVENUES MINUS EXPENDITURES	1,706,738	(2,699,824)	2,947,569	(805,722)	(3,338,254)	2,359,768	(98,197)	(4,720,609)	(1,138,757)	(4,369,106)	(4,388,204)	(1,847,478)	17,920,514	1,528,438
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	4,426,160	3,565,453	4,465,453	3,465,453	3,239,866	1,000,000	1,000,000	549,763	-	-	-	-	(21,646,022)	66,125
Total Current Liabilities	(2,000,000)	(1,000,000)	(132,505)	-	-	-	-	-	-	-	-	-	3,725,508	593,003
TOTAL BALANCE SHEET TRANS.	2,426,160	2,565,453	4,332,948	3,465,453	3,239,866	1,000,000	1,000,000	549,763	-	-	-	-	(17,920,514)	659,128
BEG. CASH BALANCE, BEFORE TRAN	3,485,219	7,618,117	7,483,746	14,764,263	17,423,993	17,325,606	20,685,374	21,587,177	17,416,330	16,277,573	11,908,467	7,520,263	5,672,785	
NET CHANGE IN CASH	4,132,898	(134,371)	7,280,517	2,659,731	(98,388)	3,359,768	901,803	(4,170,846)	(1,138,757)	(4,369,106)	(4,388,204)	(1,847,478)	-	2,187,566
END. CASH BALANCE, BEFORE TRAN	7,618,117	7,483,746	14,764,263	17,423,993	17,325,606	20,685,374	21,587,177	17,416,330	16,277,573	11,908,467	7,520,263	5,672,785	5,672,785	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(2,398,495)	(1,966,767)	(1,966,767)	(1,966,767)	(1,271,203)	-	-	-	-	-	-	-	-	(9,570,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	9,000,000	-	-	-	9,000,000
BEG. CASH BALANCE, AFTER TRAN	3,485,219	5,219,622	3,118,483	8,432,233	9,125,197	7,755,606	11,115,374	12,017,177	7,846,330	6,707,573	11,338,467	6,950,263	5,102,785	
NET CHANGE IN CASH	1,734,403	(2,101,138)	5,313,750	692,964	(1,369,591)	3,359,768	901,803	(4,170,846)	(1,138,757)	4,630,894	(4,388,204)	(1,847,478)	-	1,617,566
END. CASH BALANCE, AFTER TRAN	5,219,622	3,118,483	8,432,233	9,125,197	7,755,606	11,115,374	12,017,177	7,846,330	6,707,573	11,338,467	6,950,263	5,102,785	5,102,785	
Princ. Apportionment Repayment (2)	4,226,160	3,465,453	3,465,453	3,465,453	2,239,866									16,862,384

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

REDONDO BEACH UNIFIED SCHOOL DISTRICT

Redondo Beach Unified School District
1401 Inglewood Avenue
Redondo Beach, CA 90278
Attn: Deputy Superintendent, Administrative and Fiscal Services

General

The Redondo Beach Unified School District (the “District”) was first established in 1888 and became a unified K-12 district on July 1, 1993. The District is located in Los Angeles County, California, and is comprised of approximately 6.3 square miles. The District has boundaries contiguous with the City of Redondo Beach, about 16 miles Southwest of downtown Los Angeles. The District includes eight elementary schools, two middle schools, one high school, one continuation high school, one adult school. In addition, the District provides programs through which students can obtain a high-school diploma through independent study at two locations.

Organization

The governing board of the District is the Board of Education of the Redondo Beach Unified School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$244,169,698
General obligation bonds, accreted interest	12,888,736
Net pension liability	130,411,436
Compensated Absences	992,440
Early retirement incentive	490,859
TOTAL LONG-TERM OBLIGATIONS	\$388,953,169

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District settled negotiations with respect to employee compensation with both of its bargaining units for Fiscal Year 2020-21. The terms of the bargaining agreements covered July 1, 2020 through June 30, 2021, and does not include salary increases on the salary schedules, but does include an increase in the District’s contribution toward health and welfare benefits for Fiscal Year 2020-21 only.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.

- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor's approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

REDONDO BEACH UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

Fiscal Year	Funded ADA	LCFF per ADA
2015-16 ⁽¹⁾	9,152	\$7,808
2016-17 ⁽¹⁾	9,448	8,091
2017-18 ⁽¹⁾	9,558	8,255
2018-19 ⁽¹⁾	9,664	8,670
2019-20 ⁽¹⁾	9,748	9,115
2020-21 ⁽²⁾	9,748	9,101

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

REDONDO BEACH UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

Fiscal Year	Local Secured	Utility	Unsecured	Total
2017-18	\$14,498,706,043	\$108,471,000	\$447,726,063	\$15,054,903,106
2018-19	15,329,759,882	85,571,000	502,985,927	15,918,316,809
2019-20	16,189,751,587	58,871,000	501,284,209	16,749,906,796
2019-20	16,994,590,502	66,571,000	520,067,091	17,581,228,593
2020-21	18,034,463,807	52,083,630	559,594,692	18,646,142,129

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$6,099,011
2017-18 ⁽¹⁾	7,308,231
2018-19 ⁽¹⁾	8,818,713
2019-20 ⁽¹⁾	8,693,283
2020-21 ⁽²⁾	8,576,174

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$2,390,976
2017-18 ⁽¹⁾	2,807,906
2018-19 ⁽¹⁾	3,523,217
2019-20 ⁽¹⁾	3,032,639
2020-21 ⁽²⁾	3,800,987

⁽¹⁾ District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

Name or Type of Fund	Balance as of June 30, 2020	Projected Balance as of June 30, 2021	Projected Balance as of June 30, 2022
Adult Education Fund	\$ 4,644,811	\$ 4,300,000	\$ 4,300,000
Child Development Fund	1,011,170	500,000	500,000
Cafeteria Fund	1,062,725	800,000	800,000
Deferred Maintenance Fund	2,198,657	1,500,000	1,500,000
Special Reserve Fund	2,346,388	2,370,000	2,370,000
Capital Facilities Fund	592,534	1,000,000	1,000,000
Special Reserve for Capital Outlay Fund	4,029,031	2,500,000	2,500,000
Self Insurance Fund	<u>2,013,625</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total	\$ 17,898,943	\$ 14,970,000	\$ 14,970,000

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District's General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**REDONDO BEACH UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$ 18,502,850	\$ 17,209,815	\$ 13,964,047
Total Revenues	97,918,963	110,413,253	112,098,282
Total Beginning Fund Balance and Revenues	116,421,813	127,623,068	126,062,329
Total Expenditures	99,211,998	113,659,021	112,433,125
Other Financing Sources (Uses)	-	-	(350,000)
ENDING FUND BALANCE	<u>\$17,209,815</u>	<u>\$13,964,047</u>	<u>\$13,279,204</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

REDONDO BEACH UNIFIED SCHOOL DISTRICT SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾ FOR DISTRICT GENERAL FUND

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$10,783,704	\$10,103,642
Total Revenues	101,838,700	97,039,438
Total Beginning Fund Balance and Revenues	112,622,404	107,143,080
Total Expenditures	101,747,519	104,792,550
Other Financing Sources (Uses)	-	-
ENDING FUND BALANCE	\$10,874,885	\$2,350,530

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

REDONDO BEACH UNIFIED SCHOOL DISTRICT GENERAL FUND BALANCE SHEET FOR FISCAL YEARS ENDING JUNE 30, 2018, 2019 AND 2020

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$26,494,597	\$25,650,558	\$25,072,879
Total Liabilities	9,284,782	11,686,511	11,793,675
Fund Balance			
Nonspendable	110,084	466,886	283,834
Restricted	4,812,247	993,156	1,457,140
Assigned	-	-	-
Unassigned	12,287,484	12,504,005	11,538,230
Total Fund Balance	17,209,815	13,964,047	13,279,204
Total Liabilities and Fund Balance	\$26,494,597	\$25,650,558	\$25,072,879

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

REDONDO BEACH UNIFIED SCHOOL DISTRICT SECURED TAX CHARGES AND DELINQUENCIES

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$22,374,098	\$317,275	1.42%
2016-17	23,484,613	277,145	1.18
2017-18	25,037,484	309,116	1.23
2018-19	26,345,993	357,713	1.36
2019-20	27,808,806	623,157	2.24

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$12,636,682	\$100,314	0.79%
2016-17	13,398,515	199,118	1.49
2017-18	13,306,051	96,065	0.72
2018-19	13,159,477	108,844	0.83
2019-20	14,377,787	206,822	1.44

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**REDONDO BEACH UNIFIED SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	South Bay Center SPE LLC	Shopping Center	\$363,851,651	2.02%
2.	Northrop Grumman Systems Corp.	Industrial	295,002,682	1.64
3.	Noble House RECP Hotel Venture LLC	Hotel	69,510,432	0.39
4.	The Kobe Group Inc.	Apartments	68,495,085	0.38
5.	Redondo Distribution Center LLC	Industrial	<u>55,961,741</u>	<u>0.31</u>
			\$852,821,591	4.73%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$18,034,463,807.
Source: California Municipal Statistic, Inc.

**REDONDO BEACH UNIFIED SCHOOL DISTRICT
CASH FLOWS**

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-1
Redondo Beach Unified**

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,687,837	1,687,837	5,473,623	3,038,107	3,038,107	5,473,623	3,038,107	3,170,149	5,444,479	3,170,149	3,170,149	-	3,077,311	41,469,478
Property Taxes	545,066	1,465,210	16,015	-	576,511	16,517,768	4,275,429	2,275,922	144,742	11,994,830	4,238,226	5,325,438	-	47,375,157
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	7,550	8,509	7,550	70,232	9,105	7,551	277,632	7,713	16,571	48,140	7,713	103,203	2,267,582	2,839,051
Other State Revenue	810	285,831	456,238	421,890	368,074	1,693,793	-	150,586	514,400	498,033	(44,502)	3,724,336	1,497,907	9,567,396
Other Local Revenue	22,538	648,121	94,133	1,224,164	165,655	148,455	144,495	148,627	77,630	50,299	91,399	431,389	664,988	3,911,894
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,263,800	4,095,508	6,047,558	4,754,393	4,157,452	23,841,190	7,735,663	5,752,998	6,197,821	15,761,451	7,462,985	9,584,367	7,507,789	105,162,976
EXPENDITURES														
Certificated Salaries	82,495	572,051	4,471,004	4,577,352	4,782,863	4,571,562	4,529,738	4,533,172	4,677,397	4,518,956	4,618,876	4,488,599	4,560,869	50,984,933
Classified Salaries	38,558	699,638	1,193,546	1,542,610	1,687,787	1,567,271	1,548,736	1,519,419	1,629,383	1,591,537	1,576,198	1,608,174	724,870	16,927,726
Employee Benefits	534,558	298,841	1,222,837	2,081,549	2,141,394	2,085,376	2,074,979	2,055,506	2,454,384	2,073,169	2,064,620	2,312,688	1,736,073	23,135,974
Books and Supplies	14,921	296,636	243,058	180,632	691,067	128,095	206,231	4,657	218,240	281,971	122,833	88,371	251,081	2,727,795
Services	727,189	1,356,353	347,717	132,160	491,338	960,798	896,074	806,563	1,341,087	1,181,845	837,356	571,215	1,719,455	11,369,150
Capital Outlay	-	-	9,253	-	-	-	-	-	-	-	-	-	244,718	253,971
Other Outgo	-	91,960	-	-	-	-	91,960	8,262	8,262	130,875	112,724	-	(138,490)	305,552
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	350,000	-	350,000
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,397,722	3,315,479	7,487,414	8,514,302	9,794,449	9,313,102	9,347,717	8,927,578	10,328,754	9,778,353	9,332,607	9,419,046	9,098,576	106,055,099
REVENUES MINUS EXPENDITURES	866,079	780,028	(1,439,856)	(3,759,909)	(5,636,997)	14,528,088	(1,612,053)	(3,174,580)	(4,130,933)	5,983,098	(1,869,622)	165,320	(1,590,787)	(892,123)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	1,255,777	(216,796)	159,636	(1,912,001)	1,123,835	(885,371)	4,145,953	(359,990)	2,203,190	(14,821)	(290,440)	7,832,706	(7,507,789)	5,533,891
Total Current Liabilities	(9,425,157)	11,423,961	903,359	(712,103)	(275,806)	343,941	(6,043,113)	603,746	(2,144,984)	92,600	(5,718,738)	(6,475,411)	9,098,576	(8,329,130)
TOTAL BALANCE SHEET TRANS.	(8,169,380)	11,207,165	1,062,995	(2,624,104)	848,030	(541,431)	(1,897,159)	243,756	58,206	77,779	(6,009,179)	1,357,295	1,590,787	(2,795,239)
BEG. CASH BALANCE, BEFORE TRAN	16,574,100	9,270,799	21,257,992	20,881,132	14,497,119	9,708,152	23,694,810	20,185,597	17,254,773	13,182,047	19,242,924	11,364,123	12,886,738	
NET CHANGE IN CASH	(7,303,301)	11,987,193	(376,860)	(6,384,013)	(4,788,967)	13,986,657	(3,509,213)	(2,930,824)	(4,072,726)	6,060,877	(7,878,801)	1,522,615	-	(3,687,362)
END. CASH BALANCE, BEFORE TRAN	9,270,799	21,257,992	20,881,132	14,497,119	9,708,152	23,694,810	20,185,597	17,254,773	13,182,047	19,242,924	11,364,123	12,886,738	12,886,738	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	16,574,100	9,270,799	21,257,992	20,881,132	14,497,119	9,708,152	23,694,810	20,185,597	17,254,773	13,182,047	19,242,924	11,364,123	12,886,738	
NET CHANGE IN CASH	(7,303,301)	11,987,193	(376,860)	(6,384,013)	(4,788,967)	13,986,657	(3,509,213)	(2,930,824)	(4,072,726)	6,060,877	(7,878,801)	1,522,615	-	(3,687,362)
END. CASH BALANCE, AFTER TRAN	9,270,799	21,257,992	20,881,132	14,497,119	9,708,152	23,694,810	20,185,597	17,254,773	13,182,047	19,242,924	11,364,123	12,886,738	12,886,738	

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-1
Redondo Beach Unified**

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	1,708,186	1,708,186	4,504,026	3,074,736	3,074,736	4,504,025	3,074,736	1,577,871	2,201,944	743,971	734,311	1,429,289	11,294,720	39,630,737
Property Taxes	377,346	1,649,688	22,608	-	689,442	17,556,143	4,496,049	2,275,922	144,742	11,994,830	4,238,226	5,356,676	281,217	49,082,888
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	10,019	7,713	3,632,476	56,801	39,942	284,474	30,826	7,984	16,842	48,411	7,984	7,984	3,599,159	7,750,619
Other State Revenue	-	-	694,870	256,305	1,583,676	1,204,233	588,139	80,145	701,658	65,167	30,694	1,585,529	3,403,126	10,193,542
Other Local Revenue	90,499	250,488	394,280	1,017,389	204,899	1,052,311	118,204	148,627	77,630	50,299	91,399	90,000	214,138	3,800,162
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,186,050	3,616,075	9,248,260	4,405,232	5,592,695	24,601,187	8,307,954	4,090,550	3,142,816	12,902,678	5,102,614	8,469,479	18,792,359	110,457,949
EXPENDITURES														
Certificated Salaries	20,218	482,227	4,481,687	4,523,369	4,463,336	4,458,229	4,411,175	4,431,682	4,580,693	4,588,605	4,557,546	4,580,925	5,045,176	50,624,866
Classified Salaries	6,634	549,210	1,042,844	1,454,286	1,462,591	1,457,739	1,456,101	1,486,611	1,468,676	1,472,005	1,521,841	1,469,005	1,376,081	16,223,623
Employee Benefits	508,163	255,271	1,192,002	2,079,042	2,054,851	2,071,561	2,052,783	2,063,471	2,083,752	2,084,580	2,095,294	2,082,578	1,814,604	22,437,952
Books and Supplies	27,320	134,586	753,040	603,763	553,734	618,576	105,237	108,274	218,240	703,181	122,833	92,663	1,619,493	5,660,940
Services	75,857	858,651	1,648,923	560,471	559,235	616,942	907,542	924,236	1,341,087	1,181,845	837,356	538,710	3,018,822	13,069,679
Capital Outlay	-	223	5,046	0	39,021	107,972	(0)	-	-	-	-	-	(12,200)	140,062
Other Outgo	1,907	1,907	3,432	3,432	3,432	355,472	3,432	3,432	3,432	3,432	3,432	3,432	77,331	467,505
Transfers Out	-	-	-	-	-	-	-	-	-	670,000	-	-	-	670,000
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	640,099	2,282,075	9,126,974	9,224,364	9,136,199	9,686,491	8,936,269	9,017,706	9,695,880	10,703,649	9,138,301	8,767,313	12,939,307	109,294,626
REVENUES MINUS EXPENDITURES	1,545,952	1,333,999	121,286	(4,819,132)	(3,543,504)	14,914,695	(628,316)	(4,927,156)	(6,553,064)	2,199,029	(4,035,687)	(297,834)	5,853,052	1,163,323
BALANCE SHEET TRANSACTIONS														
Total Current Assets	3,888,952	(5,064)	214,818	(1,127,139)	(129,694)	872,406	(237,711)	774,657	1,062,887	577,688	(130,000)	270,000	(18,792,359)	(12,760,560)
Total Current Liabilities	(11,161,961)	(190,442)	(259,254)	(92,817)	66,028	(2,692,565)	1,057,859	675,471	5,412,065	(4,943,935)	4,456,065	-	12,939,307	5,265,820
TOTAL BALANCE SHEET TRANS.	(7,273,009)	(195,506)	(44,436)	(1,219,956)	(63,666)	(1,820,159)	820,147	1,450,128	6,474,952	(4,366,247)	4,326,065	270,000	(5,853,052)	(7,494,739)
BEG. CASH BALANCE, BEFORE TRAN	12,886,738	7,159,681	8,298,174	8,375,025	2,335,937	(1,271,234)	11,823,303	12,015,134	8,538,107	8,459,994	6,292,777	6,583,155	6,555,321	
NET CHANGE IN CASH	(5,727,058)	1,138,494	76,851	(6,039,088)	(3,607,170)	13,094,536	191,832	(3,477,028)	(78,112)	(2,167,218)	290,378	(27,834)	-	(6,331,417)
END. CASH BALANCE, BEFORE TRAN	7,159,681	8,298,174	8,375,025	2,335,937	(1,271,234)	11,823,303	12,015,134	8,538,107	8,459,994	6,292,777	6,583,155	6,555,321	6,555,321	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	16,500,000	-	-	-	-	(16,500,000)	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	6,280,000	-	-	-	6,280,000
BEG. CASH BALANCE, AFTER TRAN	12,886,738	7,159,681	24,798,174	24,875,025	18,835,937	15,228,766	28,323,303	12,015,134	8,538,107	8,459,994	12,572,777	12,863,155	12,835,321	
NET CHANGE IN CASH	(5,727,058)	17,638,494	76,851	(6,039,088)	(3,607,170)	13,094,536	(16,308,168)	(3,477,028)	(78,112)	4,112,782	290,378	(27,834)	-	(51,417)
END. CASH BALANCE, AFTER TRAN	7,159,681	24,798,174	24,875,025	18,835,937	15,228,766	28,323,303	12,015,134	8,538,107	8,459,994	12,572,777	12,863,155	12,835,321	12,835,321	

Princ. Apportionment Deferrals (1)	(1,472,300)	(2,277,899)	(2,277,899)	(2,277,899)	(2,777,925)	(11,083,922)
------------------------------------	-------------	-------------	-------------	-------------	-------------	--------------

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-1
Redondo Beach Unified**

	FY 2021-22 Cash Flows														
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	Total	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments		
REVENUES															
LCFF Sources															
Principal Apportionment	1,858,223	1,858,223	4,774,091	3,344,801	3,344,801	4,774,091	3,344,801	1,572,056	2,031,354	602,064	602,064	1,429,290	13,345,754	42,881,612	
Property Taxes	377,346	1,649,688	22,608	-	689,442	17,556,143	4,496,049	2,275,922	144,742	11,994,830	4,238,226	5,356,676	281,217	49,082,888	
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Federal Revenue	10,019	7,713	74,964	56,801	39,942	7,551	277,632	7,713	16,571	48,140	7,713	7,713	2,761,629	3,324,103	
Other State Revenue	256,703	256,703	462,065	462,065	866,740	1,011,331	588,856	97,727	709,895	71,900	37,427	1,587,033	3,028,269	9,436,714	
Other Local Revenue	102,499	291,488	420,280	117,389	212,899	170,455	14,000	232,627	84,630	138,299	93,399	136,000	2,061,197	4,075,162	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	2,604,790	4,063,815	5,754,008	3,981,057	5,153,824	23,519,571	8,721,339	4,186,046	2,987,191	12,855,233	4,978,829	8,516,712	21,478,065	108,800,479	
EXPENDITURES															
Certificated Salaries	85,218	488,527	4,547,587	4,608,369	4,585,436	4,562,009	4,581,804	4,636,571	4,670,393	4,682,505	4,643,946	4,674,725	4,383,870	51,150,958	
Classified Salaries	35,489	559,210	1,052,844	1,472,286	1,540,891	1,466,005	1,433,841	1,503,170	1,473,676	1,477,005	1,526,841	1,474,005	1,271,517	16,286,778	
Employee Benefits	503,069	258,771	1,228,702	2,130,842	2,161,051	2,130,499	2,112,511	2,135,344	2,133,752	2,136,880	2,143,494	2,134,878	1,397,414	22,607,207	
Books and Supplies	14,921	296,636	243,058	180,632	691,067	128,095	206,231	35,000	218,240	281,971	122,833	92,663	928,589	3,439,938	
Services	727,189	1,356,353	347,717	132,160	491,338	960,798	896,074	806,563	1,341,087	761,801	637,356	638,710	2,630,518	11,727,664	
Capital Outlay	-	-	-	0	39,000	-	-	-	-	39,000	-	-	184,000	262,000	
Other Outgo	1,907	1,907	3,432	3,432	3,432	109,044	3,432	3,432	109,044	3,432	144,248	3,432	21,210	411,384	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	1,367,793	2,961,405	7,423,339	8,527,721	9,512,215	9,356,451	9,233,893	9,120,079	9,946,192	9,382,594	9,218,717	9,018,413	10,817,118	105,885,929	
REVENUES MINUS EXPENDITURES	1,236,997	1,102,410	(1,669,331)	(4,546,664)	(4,358,391)	14,163,120	(512,554)	(4,934,033)	(6,959,001)	3,472,639	(4,239,888)	(501,700)	10,660,947	2,914,550	
BALANCE SHEET TRANSACTIONS															
Total Current Assets (2)	3,371,328	3,080,973	2,539,143	2,481,143	1,629,093	(138,000)	73,917	1,018,417	1,361,304	876,105	168,417	568,417	(21,478,065)	(4,447,808)	
Total Current Liabilities	(10,000,000)	3,500,000	(100,000)	-	-	-	-	-	-	-	-	-	10,817,118	4,217,118	
TOTAL BALANCE SHEET TRANS.	(6,628,672)	6,580,973	2,439,143	2,481,143	1,629,093	(138,000)	73,917	1,018,417	1,361,304	876,105	168,417	568,417	(10,660,947)	(230,690)	
BEG. CASH BALANCE, BEFORE TRAN	12,835,321	7,443,646	15,127,030	15,896,841	13,831,320	11,102,022	25,127,142	24,688,505	20,772,889	15,175,192	19,523,936	15,452,465	15,519,181		
NET CHANGE IN CASH	(5,391,675)	7,683,383	769,811	(2,065,521)	(2,729,298)	14,025,120	(438,637)	(3,915,616)	(5,597,697)	4,348,744	(4,071,471)	66,717	-	2,683,860	
END. CASH BALANCE, BEFORE TRAN	7,443,646	15,127,030	15,896,841	13,831,320	11,102,022	25,127,142	24,688,505	20,772,889	15,175,192	19,523,936	15,452,465	15,519,181	15,519,181		
TRAN BORROWING															
FY 2020-21 Cross FY TRAN	(1,679,398)	(1,269,997)	(1,265,937)	(1,254,033)	(810,635)	-	-	-	-	-	-	-	-	(6,280,000)	
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	9,000,000	-	-	-	-	-	9,000,000	
BEG. CASH BALANCE, AFTER TRAN	12,835,321	5,764,248	12,177,635	11,681,510	8,361,955	4,822,022	18,847,142	18,408,505	23,492,889	17,895,192	22,243,936	18,172,465	18,239,181		
NET CHANGE IN CASH	(7,071,073)	6,413,387	(496,125)	(3,319,554)	(3,539,933)	14,025,120	(438,637)	5,084,384	(5,597,697)	4,348,744	(4,071,471)	66,717	-	5,403,860	
END. CASH BALANCE, AFTER TRAN	5,764,248	12,177,635	11,681,510	8,361,955	4,822,022	18,847,142	18,408,505	23,492,889	17,895,192	22,243,936	18,172,465	18,239,181	18,239,181		
Princ. Apportionment Repayment (2) 2,777,925 2,277,899 2,277,899 2,277,899 1,472,300 11,083,922															
(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets															

SAN GABRIEL UNIFIED SCHOOL DISTRICT

San Gabriel Unified School District
408 Junipero Serra Drive
San Gabriel, CA 91776
Attn: Assistant Superintendent of Business Services

General

The San Gabriel Unified School District (the “District”) was first established as an elementary school district in 1868 and became a unified school district on July 1, 1992. The District is located in Los Angeles County, California, and is comprised of approximately 4.54 square miles. The District includes portions of the incorporated cities of San Gabriel and Rosemead, as well as unincorporated areas of the County, located about nine miles east of downtown Los Angeles. The District includes five elementary schools, one middle school, one comprehensive high school, one continuation high school.

Organization

The governing board of the District is the Board of Education of the San Gabriel Unified School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$101,856,405
Net pension liability	62,033,145
Compensated Absences	661,722
Capital leases	-
OPEB obligation – net	6,819,314
TOTAL LONG-TERM OBLIGATIONS	\$171,370,586

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the San Gabriel Teachers Association (“SGTA”), and Teamsters for Fiscal Year 2019-20. The agreement with the SGTA and Teamsters included salary increases with a total monetary increase of \$467,371. The agreement was presented to the governing board of the District for approval on January 14, 2020. The District and the classified bargaining unit have agreed to continue to work under the terms of their expired agreement until a new agreement has been made. The District has not settled with its certificated bargaining unit, the SGTA and Teamsters for Fiscal Year 2020-21.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State's Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance ("ADA"), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor's approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- In addition to the State Principal Apportionment Deferrals, the District has included \$885,000 in Assembly Bill 602 Special Education Deferrals. These deferrals are accounted for in Other Local Revenues. The combined deferrals for the District are greater than its total TRAN amount.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

SAN GABRIEL UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	5,243	\$8,407
2016-17 ⁽¹⁾	5,159	8,907
2017-18 ⁽¹⁾	5,112	9,170
2018-19 ⁽¹⁾	5,030	9,852
2019-20 ⁽¹⁾	4,824	10,145
2020-21 ⁽²⁾	4,808	10,040

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

SAN GABRIEL UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

Fiscal Year	Local Secured	Utility	Unsecured	Total
2016-17	\$5,162,456,742	\$83,136	\$71,279,210	\$5,233,819,088
2017-18	5,463,426,900	83,136	77,049,295	5,540,559,331
2018-19	5,783,315,231	83,136	85,009,657	5,868,408,024
2019-20	6,209,218,262	83,136	83,226,175	6,292,527,573
2020-21	6,484,834,512	105,452	79,986,412	6,564,926,376

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$3,077,134
2017-18 ⁽¹⁾	3,625,741
2018-19 ⁽¹⁾	4,230,782
2019-20 ⁽¹⁾	4,489,483
2020-21 ⁽²⁾	6,822,805

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

Fiscal Year	Contribution
2016-17 ⁽¹⁾	\$1,107,365
2017-18 ⁽¹⁾	1,294,391
2018-19 ⁽¹⁾	1,607,714
2019-20 ⁽¹⁾	1,736,709
2020-21 ⁽²⁾	1,865,534

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$6,819,314	\$6,819,314	\$214,519

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Fund 14 – Deferred Maintenance	\$392,061	\$398,561	\$405,061
Fund 25 – Capital Facilities	<u>553,959</u>	<u>614,343</u>	<u>674,727</u>
Total	\$946,020	\$1,012,904	\$1,079,788

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**SAN GABRIEL UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$12,406,504	\$10,288,018	\$10,584,704
Total Revenues	61,747,922	66,053,924	64,457,535
Total Beginning Fund Balance and Revenues	74,154,426	76,341,942	75,042,239
Total Expenditures	63,561,474	65,743,050	66,262,388
Other Financing Sources (Uses)	(304,934)	(14,188)	(114,650)
ENDING FUND BALANCE	<u>\$10,288,018</u>	<u>\$10,584,704</u>	<u>\$8,665,201</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**SAN GABRIEL UNIFIED SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$ 5,584,800	\$ 8,008,652
Total Revenues	60,084,477	63,917,391
Total Beginning Fund Balance and Revenues	65,669,277	71,926,043
Total Expenditures	62,314,822	66,834,586
Other Financing Sources (Uses)	27,900	27,900
ENDING FUND BALANCE	<u>\$3,382,355</u>	<u>\$5,119,357</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**SAN GABRIEL UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$17,442,026	\$17,200,970	\$20,543,343
Total Liabilities	7,154,008	6,616,266	11,878,142
Fund Balance			
Nonspendable	36,696	49,902	85,485
Restricted	1,712,816	1,943,885	2,561,628
Assigned	995,758	654,825	581,246
Unassigned	7,542,748	7,936,092	5,436,842
Total Fund Balance	10,288,018	10,584,704	8,665,201
Total Liabilities and Fund Balance	\$17,442,026	\$17,200,970	\$20,543,343

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**SAN GABRIEL UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$8,411,958	\$120,018	1.43%
2016-17	8,784,290	104,930	1.19
2017-18	9,358,298	116,888	1.25
2018-19	9,896,910	135,901	1.37
2019-20	10,655,666	241,487	2.27

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$5,245,621	\$37,840	0.72%
2016-17	5,409,039	30,396	0.56
2017-18	5,484,007	40,505	0.74
2018-19	5,696,227	49,888	0.88
2019-20	6,000,141	89,101	1.48

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**SAN GABRIEL UNIFIED SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	San Yi US Investment Company Inc.	Hotel	\$ 98,561,660	1.52%
2.	Universal Shopping Plaza	Shopping Center	69,881,830	1.08
3.	Landwin Hospitality LLC	Hotel	50,156,731	0.77
4.	Landwin DMV LLC	Commercial	46,542,202	0.72
5.	SGVMC Calmed Investment LP	Hospital	43,718,119	0.67
			<u>\$308,860,542</u>	<u>4.76%</u>

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$6,484,834,512.

Source: California Municipal Statistic, Inc.

**SAN GABRIEL UNIFIED SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
San Gabriel Unified

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	
REVENUES														
LCFF Sources														
Principal Apportionment	1,575,471	1,575,471	4,929,091	2,835,848	2,835,848	4,929,090	2,835,848	2,355,388	4,317,931	2,355,388	2,355,388	575,347	3,333,714	36,809,823
Property Taxes	160,720	374,246	28,381	-	229,515	4,337,696	1,308,468	575,518	133,537	3,142,468	1,696,562	2,442,598	(4,515)	14,425,195
Miscellaneous Funds	-	-	-	-	-	-	6,381	-	4,209	(87,801)	-	10,590	(2,084,603)	(2,151,224)
Federal Revenue	1,277,804	14,083	-	550,160	68,034	5,308	709,180	4,778	(1,423,670)	77,815	42,869	181,826	1,689,653	3,197,841
Other State Revenue	1,490	180,391	284,433	240,500	-	640,241	-	-	(224,860)	290,921	92,933	732,702	3,810,600	6,049,352
Other Local Revenue	103	142,266	124,939	210,405	78,364	580,508	262,466	213,842	296,314	44,912	367,389	312,883	3,108,447	5,742,839
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,015,588	2,286,457	5,366,844	3,836,914	3,211,762	10,492,843	5,122,343	3,149,526	3,103,462	5,823,704	4,555,141	4,255,947	9,853,295	64,073,825
EXPENDITURES														
Certificated Salaries	315,478	2,340,695	2,590,661	2,323,116	2,353,147	2,285,537	2,348,671	2,588,717	2,414,787	2,386,424	2,335,281	2,531,918	(40)	26,814,392
Classified Salaries	64,024	387,132	767,946	790,776	842,571	795,990	808,759	928,581	815,358	848,643	834,167	1,233,069	-	9,117,017
Employee Benefits	105,327	673,227	1,283,163	1,487,370	1,511,711	1,496,456	1,517,259	1,583,614	1,532,079	1,535,532	1,519,816	1,830,705	3,295,862	19,372,120
Books and Supplies	50,012	113,502	374,402	114,269	86,339	58,566	52,751	131,366	70,692	72,307	93,327	197,853	(6,484)	1,408,901
Services	777,571	238,757	287,403	777,144	484,339	637,465	615,710	616,383	459,097	511,518	431,121	893,184	104,970	6,834,661
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	11,744	-	11,744
Other Outgo	-	-	-	-	-	57,785	-	19,934	19,934	19,934	19,934	13,413	2,148,471	2,299,404
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	114,650	114,650
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,312,413	3,753,311	5,303,576	5,492,674	5,278,106	5,331,800	5,343,149	5,868,595	5,311,947	5,374,358	5,233,646	6,711,886	5,657,428	65,972,888
REVENUES MINUS EXPENDITURES	1,703,176	(1,466,854)	63,268	(1,655,760)	(2,066,344)	5,161,044	(220,807)	(2,719,069)	(2,208,485)	449,346	(678,505)	(2,455,939)	4,195,867	(1,899,063)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	74,452	925	77,621	212,499	5,891	43,128	(40,481)	22,645	2,949,689	6,792	(35,319)	(28,283)	(10,965,771)	(7,676,214)
Total Current Liabilities	(2,115,381)	(766,626)	278,518	(40,191)	150,625	739,387	(271,019)	376,317	(743,023)	218,337	(394,458)	1,247,361	6,522,214	5,202,060
TOTAL BALANCE SHEET TRANS.	(2,040,930)	(765,701)	356,140	172,308	156,516	782,515	(311,501)	398,962	2,206,667	225,129	(429,778)	1,219,077	(4,443,558)	(2,474,153)
BEG. CASH BALANCE, BEFORE TRAN	12,763,330	12,425,576	10,193,021	10,612,428	9,128,976	7,219,149	13,162,707	12,630,400	10,310,293	10,308,474	10,982,949	9,874,667	8,637,804	
NET CHANGE IN CASH	(337,754)	(2,232,555)	419,408	(1,483,452)	(1,909,828)	5,943,558	(532,307)	(2,320,107)	(1,819)	674,474	(1,108,282)	(1,236,862)	(247,691)	(4,373,216)
END. CASH BALANCE, BEFORE TRAN	12,425,576	10,193,021	10,612,428	9,128,976	7,219,149	13,162,707	12,630,400	10,310,293	10,308,474	10,982,949	9,874,667	8,637,804	8,390,114	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	12,763,330	12,425,576	10,193,021	10,612,428	9,128,976	7,219,149	13,162,707	12,630,400	10,310,293	10,308,474	10,982,949	9,874,667	8,637,804	
NET CHANGE IN CASH	(337,754)	(2,232,555)	419,408	(1,483,452)	(1,909,828)	5,943,558	(532,307)	(2,320,107)	(1,819)	674,474	(1,108,282)	(1,236,862)	(247,691)	(4,373,216)
END. CASH BALANCE, AFTER TRAN	12,425,576	10,193,021	10,612,428	9,128,976	7,219,149	13,162,707	12,630,400	10,310,293	10,308,474	10,982,949	9,874,667	8,637,804	8,390,114	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
San Gabriel Unified

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	3,818,622	1,331,498	4,729,598	2,396,696	2,396,696	4,729,599	2,396,696	730,896	3,449,032	295,629	295,629	3,451,226	5,988,681	36,010,498
Property Taxes	110,990	442,459	30,657	-	211,456	4,609,353	1,406,181	568,846	138,364	3,159,421	1,672,968	2,095,681	-	14,446,375
Miscellaneous Funds	-	-	-	(175,907)	-	(175,907)	(351,814)	(175,907)	(235,840)	(235,840)	(235,840)	(311,059)	(285,591)	(2,183,706)
Federal Revenue	41,628	1,068,842	3,490,289	1,398,889	82,197	988,178	197,690	(2,287,022)	77,460	-	41,528	573,007	6,441,571	12,114,256
Other State Revenue	48,375	92,549	636,291	260,326	203,727	256,225	367,439	(467,290)	153,785	-	-	241,035	3,438,734	5,231,196
Other Local Revenue (2)	(52)	227,278	284,365	425,610	301,847	13,638	441,622	(2,176,541)	309,770	25,945	270,723	172,538	5,070,929	5,367,673
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	27,900	27,900
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,019,563	3,162,627	9,171,200	4,305,614	3,195,923	10,421,086	4,457,814	(3,807,018)	3,892,570	3,245,154	2,045,007	6,222,428	20,682,224	71,014,192
EXPENDITURES														
Certificated Salaries	369,855	2,374,250	2,415,919	2,349,316	2,426,910	2,322,862	2,344,174	2,338,079	2,358,080	2,336,521	2,279,657	2,206,058	-	26,121,681
Classified Salaries	73,060	378,814	812,573	830,102	804,816	847,420	828,823	795,421	765,614	811,036	789,884	795,866	341,603	8,875,033
Employee Benefits	110,639	655,348	1,296,143	1,497,851	1,494,419	1,491,266	1,494,540	1,480,567	1,343,669	1,351,885	1,334,034	1,286,178	3,395,585	18,232,125
Books and Supplies	12,066	160,455	112,208	167,725	180,876	52,684	60,154	104,898	193,134	196,777	244,365	244,102	1,215,243	2,944,686
Services	112,520	808,666	527,594	560,478	317,802	324,160	535,418	422,300	505,458	581,397	480,457	583,370	1,205,275	6,964,894
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	38,688	5,639	10,151	10,151	35,999	10,151	21,053	29,649	19,934	19,934	15,050	65,777	2,205,989	2,488,165
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	716,828	4,383,173	5,174,588	5,415,623	5,260,822	5,048,543	5,284,162	5,170,914	5,185,888	5,297,550	5,143,447	5,181,350	8,363,695	65,626,583
REVENUES MINUS EXPENDITURES	3,302,735	(1,220,546)	3,996,611	(1,110,009)	(2,064,899)	5,372,543	(826,348)	(8,977,932)	(1,293,318)	(2,052,396)	(3,098,440)	1,041,078	12,318,529	5,387,609
BALANCE SHEET TRANSACTIONS														
Total Current Assets	113,320	74,244	3,364	24,339	5,288,256	2,421,869	2,015,701	701,943	608,168	-	-	-	(20,682,224)	(9,431,018)
Total Current Liabilities	(2,309,914)	(1,323,371)	(439,590)	(482,231)	(3,146,619)	(737,342)	(2,146,165)	(175,907)	(263,861)	(263,861)	(263,861)	(263,861)	8,363,695	(3,452,888)
TOTAL BALANCE SHEET TRANS.	(2,196,594)	(1,249,126)	(436,225)	(457,892)	2,141,637	1,684,528	(130,464)	526,036	344,307	(263,861)	(263,861)	(263,861)	(12,318,529)	(12,883,906)
BEG. CASH BALANCE, BEFORE TRAN	8,390,114	9,496,254	7,026,583	10,586,969	9,019,068	9,095,805	16,152,876	15,196,064	6,744,169	5,795,158	3,478,901	116,600	893,817	
NET CHANGE IN CASH	1,106,141	(2,469,672)	3,560,386	(1,567,901)	76,738	7,057,071	(956,812)	(8,451,895)	(949,011)	(2,316,257)	(3,362,301)	777,217	-	(7,496,296)
END. CASH BALANCE, BEFORE TRAN	9,496,254	7,026,583	10,586,969	9,019,068	9,095,805	16,152,876	15,196,064	6,744,169	5,795,158	3,478,901	116,600	893,817	893,817	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	6,870,000	-	-	-	6,870,000
BEG. CASH BALANCE, AFTER TRAN	8,390,114	9,496,254	7,026,583	10,586,969	9,019,068	9,095,805	16,152,876	15,196,064	6,744,169	5,795,158	10,348,901	6,986,600	7,763,817	
NET CHANGE IN CASH	1,106,141	(2,469,672)	3,560,386	(1,567,901)	76,738	7,057,071	(956,812)	(8,451,895)	(949,011)	4,553,743	(3,362,301)	777,217	-	(626,296)
END. CASH BALANCE, AFTER TRAN	9,496,254	7,026,583	10,586,969	9,019,068	9,095,805	16,152,876	15,196,064	6,744,169	5,795,158	10,348,901	6,986,600	7,763,817	7,763,817	
Princ. Apportionment Deferrals (1)														
Special Education Deferrals (2)														
														(5,988,681)
														(885,000)

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

(2) FY 2020-21 Special Education Deferrals.

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
San Gabriel Unified**

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,635,692	1,635,692	4,150,484	2,944,246	2,944,246	4,150,484	2,944,246	1,383,796	1,736,202	529,964	529,964	1,206,238	11,747,546	37,538,801
Property Taxes	110,990	442,459	30,657	-	216,466	4,339,999	1,305,087	568,846	138,364	3,142,907	1,689,481	2,461,120	-	14,446,375
Miscellaneous Funds	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	(182,157)	-	(2,185,884)
Federal Revenue	-	-	-	87,937	68,034	-	702,389	-	70,384	77,815	42,869	382,326	1,622,763	3,054,518
Other State Revenue	48,375	92,549	-	182,401	-	912,441	-	-	153,785	-	-	272,394	3,172,997	4,834,942
Other Local Revenue	103	137,226	130,377	254,670	31,266	573,378	256,892	219,387	323,200	74,340	311,868	195,570	2,947,679	5,455,956
Transfers In	-	-	-	-	-	-	-	-	-	-	-	27,900	-	27,900
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,613,003	2,125,769	4,129,361	3,287,097	3,077,856	9,794,145	5,026,457	1,989,872	2,239,779	3,642,869	2,392,026	4,363,391	19,490,985	63,172,608
EXPENDITURES														
Certificated Salaries	369,855	2,415,219	2,456,888	2,390,285	2,297,850	2,226,476	2,288,391	2,522,734	2,349,380	2,332,719	2,276,695	2,604,879	-	26,531,371
Classified Salaries	73,060	666,185	826,617	844,145	765,634	728,941	741,193	848,804	742,469	784,653	763,057	743,383	487,331	9,015,471
Employee Benefits	110,639	672,104	1,312,899	1,514,607	1,362,728	1,341,723	1,361,876	1,433,367	1,369,976	1,378,162	1,359,499	1,283,052	3,899,052	18,399,683
Books and Supplies	13,452	117,959	118,169	119,813	163,102	65,417	57,926	201,738	71,994	73,507	99,789	90,145	635,137	1,828,149
Services	112,520	895,377	683,817	599,343	863,588	629,947	646,315	604,036	539,890	682,370	637,613	644,917	1,071,609	8,611,338
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	38,688	5,639	10,151	10,151	-	57,785	19,934	19,934	19,934	19,934	5,635	65,777	2,069,785	2,343,347
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	718,214	4,772,483	5,408,541	5,478,344	5,452,901	5,050,288	5,115,634	5,630,613	5,093,642	5,271,344	5,142,287	5,432,154	8,162,914	66,729,359
REVENUES MINUS EXPENDITURES	894,788	(2,646,714)	(1,279,181)	(2,191,247)	(2,375,045)	4,743,857	(89,178)	(3,640,741)	(2,853,864)	(1,628,475)	(2,750,261)	(1,068,763)	11,328,071	(3,556,751)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (3)	9,288,502	5,051,077	2,553,175	1,377,691	795,489	1,616,290	-	-	-	-	-	-	(19,490,985)	1,191,240
Total Current Liabilities	(4,627,215)	(2,976,129)	(217,217)	(394,375)	-	-	-	-	-	-	-	-	8,162,914	(52,022)
TOTAL BALANCE SHEET TRANS.	4,661,287	2,074,948	2,335,958	983,316	795,489	1,616,290	-	-	-	-	-	-	(11,328,071)	1,139,218
BEG. CASH BALANCE, BEFORE TRAN	7,763,817	13,319,893	12,748,127	13,804,904	12,596,974	11,017,417	17,377,564	17,288,387	13,647,646	10,793,782	9,165,307	6,415,046	5,346,283	
NET CHANGE IN CASH	5,556,075	(571,766)	1,056,777	(1,207,930)	(1,579,557)	6,360,147	(89,178)	(3,640,741)	(2,853,864)	(1,628,475)	(2,750,261)	(1,068,763)	-	(2,417,534)
END. CASH BALANCE, BEFORE TRAN	13,319,893	12,748,127	13,804,904	12,596,974	11,017,417	17,377,564	17,288,387	13,647,646	10,793,782	9,165,307	6,415,046	5,346,283	5,346,283	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,721,805)	(1,411,880)	(1,411,880)	(1,411,880)	(912,556)	-	-	-	-	-	-	-	-	(6,870,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	14,000,000	-	-	-	-	-	14,000,000
BEG. CASH BALANCE, AFTER TRAN	7,763,817	11,598,088	9,614,442	9,259,340	6,639,530	4,147,417	10,507,564	10,418,387	20,777,646	17,923,782	16,295,307	13,545,046	12,476,283	
NET CHANGE IN CASH	3,834,270	(1,983,646)	(355,102)	(2,619,810)	(2,492,113)	6,360,147	(89,178)	10,359,259	(2,853,864)	(1,628,475)	(2,750,261)	(1,068,763)	-	4,712,466
END. CASH BALANCE, AFTER TRAN	11,598,088	9,614,442	9,259,340	6,639,530	4,147,417	10,507,564	10,418,387	20,777,646	17,923,782	16,295,307	13,545,046	12,476,283	12,476,283	
Princ. Apportionment Repayment (3)	1,500,924	1,230,756	1,230,756	1,230,756	795,489									5,988,681
Special Education Repayment (3)	221,805	181,880	181,880	181,880	117,555									885,000
Total FY 2020-21 Def. Repayments	1,722,729	1,412,636	1,412,636	1,412,636	913,044									6,873,681

(3) FY 2020-21 Principal Apportionment Deferral and Special Education Deferral Repayments are included in FY 2021-22 Total Current Assets

SOUTH PASADENA UNIFIED SCHOOL DISTRICT

South Pasadena Unified School District
1020 El Centro Street
South Pasadena, CA 91030
Attn: Assistant Superintendent, Business

General

The South Pasadena Unified School District (the “District”) was established in 1886 and is located in a three square mile area between the cities of Los Angeles, San Marino, Alhambra and Pasadena in Los Angeles County, 10 miles northeast of the City of Los Angeles. The District’s boundaries are coterminous with the boundaries of the City of South Pasadena. The District operates three elementary schools, one middle school, one high school, a district office and a maintenance office.

Organization

The governing board of the District is the Board of Education of the South Pasadena Unified School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$118,364,211
Net pension liability	52,010,968
Compensated Absences	403,058
Total OPEB Liability	15,406,322
TOTAL LONG-TERM OBLIGATIONS	\$186,184,559

Source: District’s Fiscal Year 2019-20 Audit

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Teachers Association of South Pasadena (“TASP”), for Fiscal Year 2019-20. The new agreement with the TASP does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The District has settled with its classified bargaining unit, the California School Employees Association, which is the exclusive bargaining agent for non-teaching (classified) personnel, for Fiscal Year 2019-20.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

SOUTH PASADENA UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	4,633	\$7,621
2016-17 ⁽¹⁾	4,672	7,993
2017-18 ⁽¹⁾	4,671	8,178
2018-19 ⁽¹⁾	4,675	8,748
2019-20 ⁽¹⁾	4,759	8,951
2020-21 ⁽²⁾	4,759	8,968

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

SOUTH PASADENA UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2016-17	\$4,239,412,499	-	\$37,586,290	\$4,276,998,789
2017-18	4,514,875,537	-	36,394,959	4,551,270,496
2018-19	4,819,854,506	-	37,229,569	4,857,084,075
2019-20	5,088,488,587	-	38,287,054	5,126,775,641
2020-21	5,366,847,653	-	41,181,903	5,408,029,556

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$2,896,598
2017-18 ⁽¹⁾	3,297,125
2018-19 ⁽¹⁾	3,775,804
2019-20 ⁽¹⁾	4,066,764
2020-21 ⁽²⁾	3,789,582

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$890,894
2017-18 ⁽¹⁾	997,493
2018-19 ⁽¹⁾	1,078,609
2019-20 ⁽¹⁾	1,313,878
2020-21 ⁽²⁾	1,498,013

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$15,406,322	\$15,406,322	\$1,225,503

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Audited Financial Statements for Fiscal Year 2019-20.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u> <u>June 30, 2020</u>	<u>Projected Balance</u> <u>as of June 30, 2021</u>	<u>Projected Balance</u> <u>as of June 30, 2022</u>
Food Service Fund	\$608,762	\$32,319	-
Deferred Maintenance	1,539,579	899,579	\$450,579
Developer Fee Fund	360,431	309,392	295,392
Use of Facilities Fund	1,303,757	1,217,728	1,217,728
Enterprise Fund – Extended Day Program	<u>\$241,022</u>	<u>-</u>	<u>-</u>
Total	\$4,053,551	\$2,459,018	\$1,963,699

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**SOUTH PASADENA UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$7,421,208	\$6,853,253	\$8,076,143
Total Revenues	50,769,294	56,083,968	56,073,427
Total Beginning Fund Balance and Revenues	58,190,502	62,937,221	64,149,570
Total Expenditures	51,337,249	54,861,078	55,582,955
Other Financing Sources (Uses)	-	-	-
ENDING FUND BALANCE	<u>\$6,853,253</u>	<u>\$8,076,143</u>	<u>\$8,566,615</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**SOUTH PASADENA UNIFIED SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$8,076,143	\$8,566,615
Total Revenues	50,834,435	49,364,287
Total Beginning Fund Balance and Revenues	58,910,578	57,930,902
Total Expenditures	51,606,002	51,345,050
Other Financing Sources (Uses)	(100,000)	-
ENDING FUND BALANCE	<u>\$7,204,576</u>	<u>\$6,585,852</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**SOUTH PASADENA UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$9,846,712	\$11,359,893	\$13,362,638
Total Liabilities	2,993,459	3,283,750	4,796,023
Fund Balance			
Nonspendable	15,250	15,250	15,250
Restricted	2,864,250	4,090,250	4,565,316
Assigned	-	-	-
Unassigned	3,973,753	3,970,643	3,986,049
Total Fund Balance	6,853,253	8,076,143	8,566,615
Total Liabilities and Fund Balance	\$9,846,712	\$11,359,893	\$13,362,638

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**SOUTH PASADENA UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$6,754,832	\$96,282	1.43%
2016-17	7,082,831	84,521	1.19
2017-18	7,588,052	94,686	1.25
2018-19	8,088,706	110,974	1.37
2019-20	8,577,135	194,191	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$3,954,156	\$34,710	0.88%
2016-17	4,195,168	30,411	0.72
2017-18	6,836,761	48,020	0.70
2018-19	6,920,456	68,738	0.99
2019-20	7,414,456	82,552	1.11

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**SOUTH PASADENA UNIFIED SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	625 Fair Oaks LLC	Office Building	\$31,940,280	0.60%
2.	WF Property Holdings LP	Apartments	16,870,439	0.31
3.	Gelt Storage 919 Mission LLC	Industrial	16,830,000	0.31
4.	WWNC 1653 Amberwood Dr LLC	Apartments	14,463,350	0.27
5.	NNC Apartment Ventures LLC	Apartments	<u>14,237,686</u>	<u>0.27</u>
			\$94,341,755	1.76%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$5,366,847,653.

Source: California Municipal Statistic, Inc.

**SOUTH PASADENA UNIFIED SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-1
South Pasadena Unified

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,223,283	1,757,122	4,133,657	2,201,909	2,201,909	4,133,657	2,201,909	2,281,700	4,462,089	2,282,588	2,282,588	1,836,207	929,509	31,928,127
Property Taxes	128,434	305,488	10,081	-	165,658	3,500,702	931,269	452,904	61,336	2,531,929	1,468,437	2,447,429	(4,263)	11,999,403
Miscellaneous Funds	-	-	(179,943)	(79,975)	(34,892)	(79,975)	(74,347)	(240,840)	-	(115,782)	-	(480,341)	90,132	(1,195,963)
Federal Revenue	(210,051)	77,225	-	85,237	-	3,897	178,608	-	152,243	148,006	-	985,180	843	1,421,187
Other State Revenue	(306,200)	267,652	263,871	272,016	-	588,795	-	-	247,866	231,486	76,239	684,429	(35,343)	2,290,810
Other Local Revenue	(13,735)	162,815	166,730	399,058	139,097	1,465,679	545,500	540,852	581,081	638,432	420,507	1,606,911	18,437	6,671,363
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	821,730	2,570,300	4,394,396	2,878,245	2,471,772	9,612,754	3,782,939	3,034,616	5,504,614	5,716,659	4,247,771	7,079,815	999,315	53,114,927
EXPENDITURES														
Certificated Salaries	191,277	2,137,043	2,144,992	2,210,001	2,228,442	2,192,648	2,189,354	2,207,788	2,187,598	2,154,471	2,151,446	2,183,672	-	24,178,733
Classified Salaries	14,822	340,475	539,914	564,451	597,699	595,542	557,425	580,830	600,375	578,449	558,402	903,564	-	6,431,948
Employee Benefits	53,547	568,175	947,139	1,093,782	1,101,766	1,090,509	1,078,336	1,093,694	1,112,313	1,132,920	1,124,753	1,538,022	-	11,934,955
Books and Supplies	150,806	115,696	359,143	198,478	211,830	83,779	104,066	89,841	74,092	27,548	64,045	283,164	-	1,762,487
Services	90,842	658,168	465,582	601,724	576,003	732,940	851,580	803,815	435,864	544,524	670,694	1,261,819	41,168	7,734,723
Capital Outlay	-	-	45,140	9,234	-	-	-	25,737	-	-	-	-	-	80,112
Other Outgo	-	-	-	-	-	7,615	-	31,371	31,371	31,371	31,371	368,399	-	501,498
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	501,293	3,819,557	4,501,911	4,677,670	4,715,740	4,703,032	4,780,762	4,833,077	4,441,612	4,469,283	4,600,711	6,538,640	41,168	52,624,455
REVENUES MINUS EXPENDITURES	320,438	(1,249,256)	(107,515)	(1,799,425)	(2,243,968)	4,909,722	(997,823)	(1,798,461)	1,063,003	1,247,375	(352,940)	541,175	958,147	490,472
BALANCE SHEET TRANSACTIONS														
Total Current Assets	1,982,392	72,401	(66,309)	3,773	(11,636)	8,036	(19,316)	18,709	7,268	4,522	(18,152)	(6,036,841)	(1,038,078)	(5,093,233)
Total Current Liabilities	(2,172,495)	(832,809)	43,874	(96,247)	(14,248)	608,442	(501,819)	56,815	(3,381)	200,349	(67,295)	4,209,773	69,068	1,500,026
TOTAL BALANCE SHEET TRANS.	(190,103)	(760,408)	(22,436)	(92,475)	(25,884)	616,479	(521,136)	75,523	3,887	204,871	(85,447)	(1,827,068)	(969,010)	(3,593,206)
BEG. CASH BALANCE, BEFORE TRAN	9,243,995	9,374,330	7,364,665	7,234,714	5,342,815	3,072,963	8,599,163	7,080,205	5,357,267	6,424,157	7,876,403	7,438,016	6,152,124	
NET CHANGE IN CASH	130,335	(2,009,664)	(129,951)	(1,891,900)	(2,269,852)	5,526,201	(1,518,958)	(1,722,938)	1,066,890	1,452,246	(438,387)	(1,285,892)	(10,863)	(3,102,734)
END. CASH BALANCE, BEFORE TRAN	9,374,330	7,364,665	7,234,714	5,342,815	3,072,963	8,599,163	7,080,205	5,357,267	6,424,157	7,876,403	7,438,016	6,152,124	6,141,261	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	9,243,995	9,374,330	7,364,665	7,234,714	5,342,815	3,072,963	8,599,163	7,080,205	5,357,267	6,424,157	7,876,403	7,438,016	6,152,124	
NET CHANGE IN CASH	130,335	(2,009,664)	(129,951)	(1,891,900)	(2,269,852)	5,526,201	(1,518,958)	(1,722,938)	1,066,890	1,452,246	(438,387)	(1,285,892)	(10,863)	(3,102,734)
END. CASH BALANCE, AFTER TRAN	9,374,330	7,364,665	7,234,714	5,342,815	3,072,963	8,599,163	7,080,205	5,357,267	6,424,157	7,876,403	7,438,016	6,152,124	6,141,261	

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-1
South Pasadena Unified**

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	1,094,674	1,094,674	4,255,148	950,771	1,970,412	4,255,148	1,970,412	1,021,950	2,639,410	354,674	354,674	2,284,736	7,861,944	30,108,627
Property Taxes	90,513	357,370	14,497	-	163,139	3,764,665	936,897	452,904	61,336	3,207,643	1,859,180	1,657,018	1,263,675	13,828,836
Miscellaneous Funds	278,078	-	(256,787)	-	(413,046)	(91,788)	(119,834)	(119,834)	(119,834)	(119,834)	(94,338)	-	-	(1,057,219)
Federal Revenue	(887,445)	862,172	1,502,087	66,223	18,076	184,281	52,938	48,186	58,889	52,656	530,633	58,887	776,256	3,323,839
Other State Revenue	(377,145)	210,018	574,736	214,220	467,350	279,729	-	206,054	197,879	-	57,429	197,879	598,803	2,626,952
Other Local Revenue	(186,872)	190,753	288,890	683,112	422,728	1,061,396	509,246	505,091	340,162	886,350	585,199	869,545	779,899	6,935,500
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	11,803	2,714,987	6,378,571	1,914,326	2,628,659	9,453,431	3,349,659	2,114,350	3,177,842	4,381,489	3,292,776	5,068,065	11,280,577	55,766,536
EXPENDITURES														
Certificated Salaries	168,611	2,086,710	2,149,940	2,192,294	2,157,609	2,138,494	2,149,360	2,149,360	2,149,360	2,149,360	2,149,360	2,017,237	0	23,657,697
Classified Salaries	77,270	295,715	485,022	493,205	487,548	519,150	616,314	616,314	616,314	616,314	616,314	616,318	-	6,055,799
Employee Benefits	53,235	525,213	924,631	1,055,116	1,051,044	1,013,011	1,085,929	1,085,929	1,185,401	1,185,401	1,185,401	1,163,739	-	11,514,048
Books and Supplies	594,025	230,458	206,592	186,961	159,661	144,092	442,402	442,402	442,402	221,201	221,201	229,000	671,402	4,191,797
Services	(23,373)	355,308	806,335	501,107	660,795	538,762	858,819	858,819	858,819	429,409	429,409	429,412	1,288,230	7,991,851
Capital Outlay	-	-	-	-	-	17,384	1,330	1,330	1,330	1,330	1,330	1,329	-	25,365
Other Outgo	7,888	7,888	14,198	14,198	19,991	14,198	70,070	70,070	70,070	70,070	70,070	70,071	-	498,783
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	877,655	3,501,292	4,586,718	4,442,881	4,536,648	4,385,091	5,224,224	5,224,224	5,323,696	4,673,086	4,673,086	4,527,107	1,959,632	53,935,339
REVENUES MINUS EXPENDITURES	(865,852)	(786,305)	1,791,853	(2,528,555)	(1,907,989)	5,068,340	(1,874,565)	(3,109,874)	(2,145,854)	(291,597)	(1,380,310)	540,958	9,320,945	1,831,196
BALANCE SHEET TRANSACTIONS														
Total Current Assets	6,203,099	(45,083)	(80,878)	1,025,320	6,636	2,516	-	-	3,606	-	-	-	(11,280,577)	(4,165,361)
Total Current Liabilities	(3,985,736)	(625,909)	298,615	(304,289)	122,624	(133,620)	-	-	-	-	-	-	1,959,632	(2,668,682)
TOTAL BALANCE SHEET TRANS.	2,217,363	(670,992)	217,737	721,031	129,260	(131,104)	-	-	3,606	-	-	-	(9,320,945)	(6,834,043)
BEG. CASH BALANCE, BEFORE TRAN	6,141,261	7,492,772	6,035,475	8,045,065	6,237,542	4,458,813	9,396,049	7,521,484	4,411,610	2,269,362	1,977,765	597,456	1,138,414	
NET CHANGE IN CASH	1,351,511	(1,457,297)	2,009,590	(1,807,524)	(1,778,729)	4,937,236	(1,874,565)	(3,109,874)	(2,142,248)	(291,597)	(1,380,310)	540,958	-	(5,002,847)
END. CASH BALANCE, BEFORE TRAN	7,492,772	6,035,475	8,045,065	6,237,542	4,458,813	9,396,049	7,521,484	4,411,610	2,269,362	1,977,765	597,456	1,138,414	1,138,414	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	4,000,000	-	-	-	4,000,000
BEG. CASH BALANCE, AFTER TRAN	6,141,261	7,492,772	6,035,475	8,045,065	6,237,542	4,458,813	9,396,049	7,521,484	4,411,610	2,269,362	5,977,765	4,597,456	5,138,414	
NET CHANGE IN CASH	1,351,511	(1,457,297)	2,009,590	(1,807,524)	(1,778,729)	4,937,236	(1,874,565)	(3,109,874)	(2,142,248)	3,708,403	(1,380,310)	540,958	-	(1,002,847)
END. CASH BALANCE, AFTER TRAN	7,492,772	6,035,475	8,045,065	6,237,542	4,458,813	9,396,049	7,521,484	4,411,610	2,269,362	5,977,765	4,597,456	5,138,414	5,138,414	
Princ. Apportionment Deferrals (1)								(1,044,318)	(1,615,738)	(1,615,738)	(1,615,738)	(1,970,412)		(7,861,944)

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-1
South Pasadena Unified

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,356,503	1,356,503	3,631,906	2,441,705	2,441,705	3,631,906	2,441,705	1,147,601	1,629,708	439,507	439,507	1,190,201	9,742,410	31,890,868
Property Taxes	90,513	357,370	14,497	-	165,658	3,207,643	936,897	452,904	61,336	3,207,643	1,859,180	1,657,018	-	12,010,659
Miscellaneous Funds	-	(63,433)	(126,866)	(84,578)	(84,578)	(84,578)	(84,578)	(84,578)	(84,578)	(84,578)	(84,578)	(84,578)	(305,722)	(1,257,219)
Federal Revenue	-	-	-	115,823	-	-	115,823	-	-	115,823	438,738	-	554,560	1,340,765
Other State Revenue	-	-	-	149,493	-	380,752	-	-	189,720	-	57,429	189,720	783,894	1,751,008
Other Local Revenue	(191,801)	214,525	285,782	529,880	310,812	1,231,487	525,496	493,841	342,662	902,600	573,949	872,045	750,842	6,842,119
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,255,215	1,864,964	3,805,319	3,152,323	2,833,597	8,367,211	3,935,343	2,009,769	2,138,848	4,580,995	3,284,224	3,824,407	11,525,984	52,578,200
EXPENDITURES														
Certificated Salaries	168,655	2,104,021	2,157,730	2,189,685	2,176,576	2,176,576	2,176,576	2,176,576	2,176,576	2,176,576	2,176,576	2,176,576	-	24,032,696
Classified Salaries	75,220	312,419	511,221	525,239	592,025	592,025	592,025	592,025	592,025	592,025	592,025	592,025	592,025	6,752,325
Employee Benefits	54,751	519,005	930,484	1,061,039	1,110,006	1,110,006	1,110,006	1,110,006	1,110,006	1,110,006	1,110,006	1,110,006	292,187	11,737,512
Books and Supplies	65,205	71,272	81,825	105,616	73,671	72,026	73,454	73,050	72,843	73,116	73,003	72,987	631,668	1,539,736
Services	(24,275)	345,195	731,581	494,969	726,281	726,281	726,281	726,281	726,281	726,281	726,281	726,281	725,657	8,083,374
Capital Outlay	-	-	-	-	2,818	2,818	2,818	2,818	2,818	2,818	2,818	2,818	2,818	25,365
Other Outgo	7,888	7,888	14,198	14,198	18,203	18,203	18,203	18,203	18,203	18,203	18,203	18,203	308,986	498,783
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	347,443	3,359,799	4,427,038	4,390,745	4,699,580	4,697,935	4,699,363	4,698,959	4,698,752	4,699,025	4,698,912	4,698,896	2,553,343	52,669,791
REVENUES MINUS EXPENDITURES	907,771	(1,494,835)	(621,719)	(1,238,422)	(1,865,983)	3,669,276	(764,019)	(2,689,190)	(2,559,904)	(118,030)	(1,414,688)	(874,490)	8,972,641	(91,591)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	3,535,111	2,670,887	1,970,105	1,672,492	1,084,701	42,450	58,746	61,718	75,217	24,781	48,578	35,791	(11,525,984)	(245,407)
Total Current Liabilities	(2,072,495)	(229,367)	(229,367)	43,874	(96,247)	30,835	608,442	(501,819)	56,815	(3,381)	-	-	2,553,343	160,632
TOTAL BALANCE SHEET TRANS.	1,462,616	2,441,520	1,740,738	1,716,365	988,454	73,285	667,188	(440,101)	132,032	21,400	48,578	35,791	(8,972,641)	(84,775)
BEG. CASH BALANCE, BEFORE TRAN	5,138,414	7,508,801	8,455,486	9,574,505	10,052,449	9,174,920	12,917,481	12,820,650	9,691,358	7,263,485	7,166,856	5,800,746	4,962,048	
NET CHANGE IN CASH	2,370,387	946,685	1,119,019	477,944	(877,529)	3,742,561	(96,831)	(3,129,292)	(2,427,873)	(96,629)	(1,366,110)	(838,699)	-	(176,366)
END. CASH BALANCE, BEFORE TRAN	7,508,801	8,455,486	9,574,505	10,052,449	9,174,920	12,917,481	12,820,650	9,691,358	7,263,485	7,166,856	5,800,746	4,962,048	4,962,048	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,002,506)	(822,055)	(822,055)	(822,055)	(531,328)	-	-	-	-	-	-	-	-	(4,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	4,000,000	-	-	-	4,000,000
BEG. CASH BALANCE, AFTER TRAN	5,138,414	6,506,295	6,630,925	6,927,889	6,583,777	5,174,920	8,917,481	8,820,650	5,691,358	3,263,485	7,166,856	5,800,746	4,962,048	
NET CHANGE IN CASH	1,367,881	124,630	296,964	(344,112)	(1,408,857)	3,742,561	(96,831)	(3,129,292)	(2,427,873)	3,903,371	(1,366,110)	(838,699)	-	(176,366)
END. CASH BALANCE, AFTER TRAN	6,506,295	6,630,925	6,927,889	6,583,777	5,174,920	8,917,481	8,820,650	5,691,358	3,263,485	7,166,856	5,800,746	4,962,048	4,962,048	
Princ. Apportionment Repayment (2)	1,970,412	1,615,738	1,615,738	1,615,738	1,044,318									7,861,944

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

TEMPLE CITY UNIFIED SCHOOL DISTRICT

Temple City Unified School District
9700 Las Tunas Drive
Temple City, CA 91780
Attn: Chief Business Officer

General

The Temple City Unified School District (the “District”) was established as a unified school district on July 1, 1954. The District is located in the West San Gabriel Valley, approximately five miles southeast of Pasadena and 13 miles northeast of downtown Los Angeles, approximately 23 miles northeast of Los Angeles International Airport and 20 miles southeast of Burbank/Glendale/Pasadena Airport. The District encompasses an area of approximately 3.986 square miles and includes within its boundaries the incorporated City of Temple City, as well as small portions of the cities of San Gabriel and Arcadia and some unincorporated areas of Los Angeles County (the “County”). The District maintains one comprehensive high school, one alternative school, one intermediate school, four elementary schools, and an adult education school and serves a population of approximately 35,000.

Organization

The governing board of the District is the Board of Education of the Temple City Unified School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$108,263,964
Net pension liability	67,358,897
Compensated Absences	1,048,438
Early retirement liabilities	1,886,095
Capital leases	2,826,504
OPEB obligation – net	22,459,591
TOTAL LONG-TERM OBLIGATIONS	\$203,843,489

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Temple City Education Association (“TCEA”), for Fiscal Year 2019-20. The new agreement with the TCEA included a salary increase of 2.5%. The agreement was presented to the governing board of the District and approved on March 11, 2020.

The District has settled with its classified bargaining unit, Classified School Employees Association (“CSEA”) #105, for Fiscal Year 2019-20. The new agreement with CSEA #105 included a salary increase of 2.7%. The agreement was presented to the governing board of the District and approved on April 4, 2020.

The District has settled with its classified bargaining unit, CSEA #823, for Fiscal Year 2019-20. The new agreement with CSEA #823 included a salary increase of 2.5%. The agreement was presented to the governing board of the District and approved on May 13, 2020.

The District has settled with its Management, Confidential, and Unrepresented Employees, for Fiscal Year 2019-20. The new agreement with Management, Confidential, and Unrepresented Employees included a salary increase of 2.5%. The agreement was presented to the governing board of the District and approved on April 4, 2020.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State's Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance ("ADA"), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor's approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

TEMPLE CITY UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	5,815	\$8,018
2016-17 ⁽¹⁾	5,773	8,477
2017-18 ⁽¹⁾	5,756	8,692
2018-19 ⁽¹⁾	5,696	9,285
2019-20 ⁽¹⁾	5,516	9,496
2020-21 ⁽²⁾	5,463	9,622

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

TEMPLE CITY UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2016-17	\$4,511,716,283	\$69,696	\$33,459,254	\$4,545,245,233
2017-18	4,777,347,558	69,696	39,669,285	4,817,116,539
2018-19	5,019,862,795	69,696	36,718,336	5,056,650,827
2019-20	5,319,738,516	69,696	38,987,316	5,358,795,528
2020-21	5,557,694,035	90,705	39,842,527	5,597,627,267

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$3,240,491
2017-18 ⁽¹⁾	3,973,891
2018-19 ⁽¹⁾	4,426,173
2019-20 ⁽¹⁾	4,826,821
2020-21 ⁽²⁾	4,539,817

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$1,177,850
2017-18 ⁽¹⁾	1,642,885
2018-19 ⁽¹⁾	1,767,187
2019-20 ⁽¹⁾	2,018,917
2020-21 ⁽²⁾	2,144,528

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$22,459,591	\$22,121,257	\$1,613,037

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Adult Education Fund - Fund 11	\$ 263,190	\$ 263,190	\$ 263,190
Special Reserve Fund for OPEB -			
Fund 20	1,572,910	1,760,410	1,947,910
Capital Facilities Fund - Fund 25	<u>1,392,812</u>	<u>1,531,562</u>	<u>1,670,312</u>
Total	\$ 3,228,912	\$ 3,555,162	\$ 3,881,412

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**TEMPLE CITY UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$18,990,489	\$20,071,935 ⁽¹⁾	\$21,976,888
Total Revenues	64,032,055	69,912,460	68,456,017
Total Beginning Fund Balance and Revenues	83,022,544	89,984,395	90,432,905
Total Expenditures	60,586,704	66,170,120	66,202,021
Other Financing Sources (Uses)	(2,911,819)	(1,837,387)	(2,391,036)
ENDING FUND BALANCE	<u>\$19,524,021</u>	<u>\$21,976,888</u>	<u>\$21,839,848</u>

Source: District's Audited Financial Statements.

⁽¹⁾ Includes restatement adjustment of \$547,914.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**TEMPLE CITY UNIFIED SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$20,833,859	\$17,513,457
Total Revenues	62,117,260	57,429,847
Total Beginning Fund Balance and Revenues	82,951,119	74,943,304
Total Expenditures	60,439,895	60,465,377
Other Financing Sources (Uses)	(1,677,365)	(2,071,461)
ENDING FUND BALANCE	<u>\$20,833,859</u>	<u>\$12,406,466</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**TEMPLE CITY UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$24,177,026	\$26,864,387	\$25,974,891
Total Liabilities	4,653,005	4,887,499	4,135,043
Fund Balance			
Nonspendable	30,022	30,022	30,062
Restricted	2,418,053	2,428,866	2,401,616
Assigned	4,458,354	1,821,673	14,093,708
Unassigned	12,617,592	17,696,327	5,314,462
Total Fund Balance	19,524,021	21,976,888	21,839,848
Total Liabilities and Fund Balance	\$24,177,026	\$26,864,387	\$25,974,891

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**TEMPLE CITY UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$7,391,142	\$105,355	1.43%
2016-17	7,847,916	93,661	1.19
2017-18	8,377,371	104,544	1.25
2018-19	8,791,827	120,615	1.37
2019-20	9,365,770	212,043	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$4,176,608	\$44,863	1.07%
2016-17	4,497,518	20,202	0.45
2017-18	4,864,229	29,434	0.61
2018-19	5,147,296	41,573	0.81
2019-20	5,145,086	78,760	1.53

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**TEMPLE CITY UNIFIED SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Baldwin Arcadia Center LP	Shopping Center	\$26,387,408	0.47%
2.	Elite Orchid Investments LLC	Shopping Center	22,440,000	0.40
3.	720 West Camino Real LLC	Assisted Living Facility	18,999,231	0.34
4.	Gateway LP	Shopping Center	18,385,500	0.33
5.	Linkworld Properties LLC	Shopping Center	<u>12,950,736</u>	<u>0.23</u>
			\$99,162,875	1.78%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$5,557,694,035.
Source: California Municipal Statistic, Inc.

**TEMPLE CITY UNIFIED SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Temple City Unified

	FY 2019-20 Cash Flows													
	Jul-19 Actual	Aug-19 Actual	Sep-19 Actual	Oct-19 Actual	Nov-19 Actual	Dec-19 Actual	Jan-20 Actual	Feb-20 Actual	Mar-20 Actual	Apr-20 Actual	May-20 Actual	Jun-20 Actual	Accruals & Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	1,639,913	961,269	5,304,908	2,951,843	3,630,487	5,304,908	2,951,843	2,658,436	4,930,635	2,658,436	2,658,436	4,522,828	(3,447,183)	36,726,759
Property Taxes	139,848	332,419	12,557	-	183,536	3,844,422	1,020,742	547,927	70,538	2,719,309	1,694,357	2,733,284	(23,819)	13,275,117
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	891,125	58,598	785	(495,443)	69,508	27,939	957,208	39,147	665,964	340,396	17,970	(999,629)	756,786	2,330,354
Other State Revenue	1,580	349,333	488,665	171,579	-	666,515	(278,806)	-	301,176	257,956	88,545	3,723,628	142,235	5,912,407
Other Local Revenue	(27,153)	211,880	188,548	340,006	113,210	631,827	485,652	343,235	524,902	26,439	380,075	811,691	3,247,705	7,278,017
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,645,313	1,913,499	5,995,463	2,967,986	3,996,741	10,475,610	5,136,638	3,588,745	6,493,215	6,002,536	4,839,383	10,791,801	675,724	65,522,655
EXPENDITURES														
Certificated Salaries	307,245	2,432,647	2,414,438	2,493,124	2,513,856	2,489,115	2,457,423	2,567,920	2,579,540	2,970,713	2,515,818	2,633,695	-	28,375,534
Classified Salaries	21,462	544,409	600,190	852,586	890,988	881,212	840,508	863,861	872,543	855,796	944,898	1,816,361	-	9,984,814
Employee Benefits	109,182	1,038,474	989,861	1,175,360	1,186,337	1,148,545	1,195,664	1,192,974	1,517,029	1,329,080	1,202,767	4,392,943	-	16,478,217
Books and Supplies	98,445	451,689	486,437	37,371	84,139	119,276	(72,625)	96,731	159,695	81,079	744,078	836,482	76,867	3,199,665
Services	256,819	733,462	474,963	788,039	387,961	358,529	607,511	603,098	487,912	317,738	526,966	606,284	53,123	6,202,404
Capital Outlay	-	-	-	5,692	123,184	-	-	-	-	6,926	-	(8,447)	1,521	128,876
Other Outgo	87,997	-	62,292	-	31,146	74,397	62,136	10,860	42,006	74,653	18,730	(80,701)	1,448,995	1,832,510
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	250,000	2,391,036	2,641,036
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	881,150	5,200,682	5,028,181	5,352,172	5,217,611	5,071,073	5,090,617	5,335,443	5,658,726	5,635,984	5,953,258	10,446,617	3,971,542	68,843,056
REVENUES MINUS EXPENDITURES	1,764,162	(3,287,183)	967,282	(2,384,186)	(1,220,870)	5,404,537	46,021	(1,746,697)	834,490	366,552	(1,113,875)	345,184	(3,295,817)	(3,320,401)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	189,951	(16,504)	(78,812)	508,195	(38,709)	29,053	202,863	49,574	28,229	37	(68,246)	1,322,073	(6,494,102)	(4,366,399)
Total Current Liabilities	(3,394,171)	1,183,283	(616,042)	(188,932)	(213,658)	609,313	(273,372)	114,510	(47,085)	321,174	(96,388)	(3,806,043)	7,371,082	963,672
TOTAL BALANCE SHEET TRANS.	(3,204,220)	1,166,779	(694,853)	319,263	(252,367)	638,365	(70,509)	164,084	(18,856)	321,211	(164,634)	(2,483,970)	876,981	(3,402,726)
BEG. CASH BALANCE, BEFORE TRAN	22,522,874	21,082,817	18,962,412	19,234,840	17,169,917	15,696,680	21,739,582	21,715,094	20,132,481	20,948,114	21,635,877	20,357,368	18,218,583	
NET CHANGE IN CASH	(1,440,057)	(2,120,404)	272,428	(2,064,924)	(1,473,237)	6,042,902	(24,488)	(1,582,613)	815,633	687,763	(1,278,509)	(2,138,785)	(2,418,837)	(6,723,128)
END. CASH BALANCE, BEFORE TRAN	21,082,817	18,962,412	19,234,840	17,169,917	15,696,680	21,739,582	21,715,094	20,132,481	20,948,114	21,635,877	20,357,368	18,218,583	15,799,746	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	22,522,874	21,082,817	18,962,412	19,234,840	17,169,917	15,696,680	21,739,582	21,715,094	20,132,481	20,948,114	21,635,877	20,357,368	18,218,583	
NET CHANGE IN CASH	(1,440,057)	(2,120,404)	272,428	(2,064,924)	(1,473,237)	6,042,902	(24,488)	(1,582,613)	815,633	687,763	(1,278,509)	(2,138,785)	(2,418,837)	(6,723,128)
END. CASH BALANCE, AFTER TRAN	21,082,817	18,962,412	19,234,840	17,169,917	15,696,680	21,739,582	21,715,094	20,132,481	20,948,114	21,635,877	20,357,368	18,218,583	15,799,746	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Temple City Unified

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	3,530,889	1,393,532	5,156,094	(2,014,314)	2,508,358	6,637,254	2,592,204	1,218,336	3,114,332	466,597	466,597	2,647,736	11,675,598	39,393,211
Property Taxes	99,419	393,157	16,796	19,149	152,770	4,100,811	967,191	526,412	67,768	2,612,533	1,627,827	2,589,605	-	13,173,439
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	765,847	2,688,188	(498,856)	-	76,435	794,333	17,972	717,252	556,268	8,250	(111,485)	1,000,000	6,014,203
Other State Revenue	-	88,206	701,838	229,472	233,597	288,173	(56,402)	-	60,928	52,184	17,913	422,059	360,000	2,397,967
Other Local Revenue	(347)	254,385	378,569	698,632	516,211	(241,901)	316,121	57,613	85,140	(239,320)	(9,131)	2,329,506	1,248,238	5,393,715
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	3,629,961	2,895,127	8,941,484	(1,565,918)	3,410,936	10,860,771	4,613,447	1,820,334	4,045,420	3,448,262	2,111,455	7,877,422	14,283,836	66,372,535
EXPENDITURES														
Certificated Salaries	301,489	2,413,091	2,428,901	2,412,838	2,408,592	2,409,331	2,525,966	2,639,545	2,651,490	3,053,573	2,585,990	2,707,155	-	28,537,960
Classified Salaries	-	502,468	635,557	829,574	855,383	860,164	865,641	889,692	898,634	881,386	973,153	935,337	935,337	10,062,327
Employee Benefits	510,046	961,220	963,183	1,118,188	1,122,514	1,084,485	828,389	826,525	1,051,040	920,824	833,311	2,563,554	480,000	13,263,278
Books and Supplies	51,929	423,087	855,787	254,534	109,106	87,657	(178,487)	237,731	392,476	199,265	1,828,691	2,169,700	75,000	6,506,476
Services	842,466	632,214	279,044	21,520	369,185	264,231	803,267	797,432	645,129	420,121	696,767	821,884	50,000	6,643,261
Capital Outlay	-	-	(6,926)	6,926	-	-	-	-	-	-	-	-	-	-
Other Outgo	49,421	68,161	37,808	5,161	52,850	37,808	77,202	40,434	62,768	86,178	46,078	67,281	889,728	1,520,878
Transfers Out	-	-	-	900,000	-	-	-	-	-	-	-	-	1,271,836	2,171,836
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,755,351	5,000,242	5,193,354	5,548,741	4,917,629	4,743,675	4,921,979	5,431,359	5,701,537	5,561,346	6,963,990	9,264,911	3,701,901	68,706,016
REVENUES MINUS EXPENDITURES	1,874,610	(2,105,115)	3,748,130	(7,114,659)	(1,506,694)	6,117,096	(308,532)	(3,611,025)	(1,656,118)	(2,113,084)	(4,852,535)	(1,387,490)	10,581,935	(2,333,481)
BALANCE SHEET TRANSACTIONS														
Total Current Assets	97,767	(6,943)	(185,250)	4,775,117	28,589	1,716,318	202,863	49,574	28,229	37	(68,246)	183,885	(15,083,836)	(8,261,896)
Total Current Liabilities	(3,174,210)	773,937	(39,178)	158,106	(699)	(2,812,276)	(273,372)	114,510	(47,085)	321,174	(96,388)	(49,375)	4,451,901	(672,955)
TOTAL BALANCE SHEET TRANS.	(3,076,443)	766,994	(224,428)	4,933,223	27,890	(1,095,958)	(70,509)	164,084	(18,856)	321,211	(164,634)	134,510	(10,631,935)	(8,934,851)
BEG. CASH BALANCE, BEFORE TRAN	15,799,746	14,597,913	13,259,792	16,783,494	14,602,059	13,123,255	18,144,393	17,765,352	14,318,410	12,643,436	10,851,563	5,834,394	4,581,415	
NET CHANGE IN CASH	(1,201,833)	(1,338,121)	3,523,702	(2,181,436)	(1,478,803)	5,021,138	(379,041)	(3,446,942)	(1,674,974)	(1,791,873)	(5,017,169)	(1,252,980)	(50,000)	(11,268,332)
END. CASH BALANCE, BEFORE TRAN	14,597,913	13,259,792	16,783,494	14,602,059	13,123,255	18,144,393	17,765,352	14,318,410	12,643,436	10,851,563	5,834,394	4,581,415	4,531,415	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	6,060,000	-	-	-	6,060,000
BEG. CASH BALANCE, AFTER TRAN	15,799,746	14,597,913	13,259,792	16,783,494	14,602,059	13,123,255	18,144,393	17,765,352	14,318,410	12,643,436	16,911,563	11,894,394	10,641,415	
NET CHANGE IN CASH	(1,201,833)	(1,338,121)	3,523,702	(2,181,436)	(1,478,803)	5,021,138	(379,041)	(3,446,942)	(1,674,974)	4,268,127	(5,017,169)	(1,252,980)	(50,000)	(5,208,332)
END. CASH BALANCE, AFTER TRAN	14,597,913	13,259,792	16,783,494	14,602,059	13,123,255	18,144,393	17,765,352	14,318,410	12,643,436	16,911,563	11,894,394	10,641,415	10,591,415	

Princ. Apportionment Deferrals (1)	(1,373,868)	(2,125,607)	(2,125,607)	(2,125,607)	(2,592,204)	(10,342,894)
------------------------------------	-------------	-------------	-------------	-------------	-------------	--------------

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Temple City Unified

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	Total
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	
REVENUES														
LCFF Sources														
Principal Apportionment	1,535,702	1,535,702	2,764,265	2,764,264	2,764,264	2,764,265	2,764,264	1,299,204	497,568	497,568	497,568	-	11,029,413	30,714,046
Property Taxes	-	-	2,647,736	-	-	2,647,736	-	-	2,647,736	-	-	2,647,736	-	10,590,942
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	139,071	330,571	12,487	-	182,517	3,823,052	1,001,125	544,882	70,146	2,704,193	1,684,939	2,680,456	-	13,173,439
Other State Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Local Revenue	624,837	57,528	771	(486,387)	68,238	27,429	689,712	38,432	503,791	234,174	17,642	(238,409)	750,000	2,287,758
Transfers In	459	101,397	141,839	49,802	-	193,461	(80,926)	-	87,419	74,874	25,701	872,089	250,000	1,716,115
All Other Financing Sources	(20,123)	157,024	139,733	251,978	83,900	468,245	359,915	254,371	389,004	19,595	281,672	2,695,559	312,842	5,393,715
TOTAL REVENUES	2,279,946	2,182,222	5,706,831	2,579,657	3,098,919	9,924,188	4,734,090	2,136,889	4,195,663	3,530,404	2,507,522	8,657,431	12,342,255	63,876,015
EXPENDITURES														
Certificated Salaries	315,230	2,495,863	2,477,181	2,557,912	2,579,183	2,553,799	2,521,284	2,634,651	2,646,574	3,047,912	2,581,196	2,702,130	-	29,112,915
Classified Salaries	21,985	557,667	614,806	873,348	912,684	902,670	860,975	884,897	893,791	876,635	967,908	930,294	930,294	10,227,953
Employee Benefits	89,972	855,756	815,696	968,557	977,603	946,459	985,288	983,071	1,250,110	1,095,230	991,142	3,140,001	480,000	13,578,885
Books and Supplies	43,324	198,779	214,070	16,447	37,028	52,491	(31,961)	42,569	70,279	35,682	327,452	326,939	75,000	1,408,099
Services	261,962	748,147	484,473	803,817	395,729	365,708	619,675	615,173	497,681	324,100	537,517	622,603	50,000	6,326,585
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	51,422	37,515	39,809	39,809	46,982	77,996	69,204	42,436	54,769	78,179	48,079	65,806	889,728	1,541,736
Transfers Out	-	-	-	1,061,693	-	-	-	-	-	-	-	-	1,061,692	2,123,385
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	783,895	4,893,727	4,646,035	6,321,583	4,949,209	4,899,123	5,024,465	5,202,797	5,413,204	5,457,738	5,453,294	7,787,772	3,486,714	64,319,558
REVENUES MINUS EXPENDITURES	1,496,051	(2,711,505)	1,060,795	(3,741,926)	(1,850,290)	5,025,065	(290,375)	(3,065,908)	(1,217,541)	(1,927,335)	(2,945,773)	869,658	8,855,542	(443,543)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	3,002,813	2,375,194	2,196,887	4,146,837	822,321	29,053	202,863	49,574	28,229	37	(68,246)	264,268	(12,842,255)	207,574
Total Current Liabilities	(3,174,210)	773,937	(39,178)	(2,303,994)	464,986	427,863	(273,372)	114,510	(47,085)	321,174	(96,388)	95,044	3,736,714	0
TOTAL BALANCE SHEET TRANS.	(171,397)	3,149,131	2,157,709	1,842,843	1,287,307	456,915	(70,509)	164,084	(18,856)	321,211	(164,634)	359,312	(9,105,542)	207,574
BEG. CASH BALANCE, BEFORE TRAN	10,591,415	11,916,069	12,353,694	15,572,198	13,673,114	13,110,131	18,592,111	18,231,228	15,329,404	14,093,006	12,486,882	9,376,475	10,605,446	
NET CHANGE IN CASH	1,324,654	437,626	3,218,504	(1,899,084)	(562,983)	5,481,980	(360,883)	(2,901,824)	(1,236,398)	(1,606,124)	(3,110,406)	1,228,970	(250,000)	(235,969)
END. CASH BALANCE, BEFORE TRAN	11,916,069	12,353,694	15,572,198	13,673,114	13,110,131	18,592,111	18,231,228	15,329,404	14,093,006	12,486,882	9,376,475	10,605,446	10,355,446	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,518,798)	(1,245,413)	(1,245,413)	(1,245,413)	(804,962)	-	-	-	-	-	-	-	-	(6,060,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	6,000,000	-	-	-	6,000,000
BEG. CASH BALANCE, AFTER TRAN	10,591,415	10,397,271	9,589,483	11,562,574	8,418,076	7,050,131	12,532,111	12,171,228	9,269,404	8,033,006	12,426,882	9,316,475	10,545,446	
NET CHANGE IN CASH	(194,144)	(807,788)	1,973,091	(3,144,497)	(1,367,945)	5,481,980	(360,883)	(2,901,824)	(1,236,398)	4,393,876	(3,110,406)	1,228,970	(250,000)	(295,969)
END. CASH BALANCE, AFTER TRAN	10,397,271	9,589,483	11,562,574	8,418,076	7,050,131	12,532,111	12,171,228	9,269,404	8,033,006	12,426,882	9,316,475	10,545,446	10,295,446	

Princ. Apportionment Repayment (2)	2,592,204	2,125,607	2,125,607	2,125,607	1,373,868										10,342,894
------------------------------------	-----------	-----------	-----------	-----------	-----------	--	--	--	--	--	--	--	--	--	------------

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

WEST COVINA UNIFIED SCHOOL DISTRICT

West Covina Unified School District
1717 W. Merced Avenue
West Covina, CA 91790
Attn: Assistant Superintendent of Business Services

General

The West Covina Unified School District (the “District”) was first established in 1915. The District is located in Los Angeles County, California, and covers the approximately 7.75 square miles of the City of West Covina, and some unincorporated areas of the County, and is located 18 miles east of downtown Los Angeles. The District includes eight elementary schools, two middle schools, an intermediate school, three high schools, a continuation high school and two charter schools.

Organization

The governing board of the District is the Board of Education of the West Covina Unified School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

<u>Description</u>	<u>Balance</u>
General obligation bonds payable and related premium	\$91,934,387
QZAB	11,401,050
PARS	3,116,238
Net pension liability	123,426,052
Compensated Absences	550,340
Capital leases and related premium	5,779,237
OPEB obligation – net	3,804,529
TOTAL LONG-TERM OBLIGATIONS	<u>\$240,011,833</u>

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District has settled with its certificated and classified bargaining unit, the Teachers Association of West Covina (“TAWC”) and Classified School Employees’ Association (“CSEA”), through Fiscal Year 2020-21. The new agreement with the TAWC and CSEA bargaining units does not include salary increases or any other stipend or monetary increases that would fiscally impact the District.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

WEST COVINA UNIFIED SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	8,924	\$9,015
2016-17 ⁽¹⁾	8,778	9,553
2017-18 ⁽¹⁾	8,697	9,768
2018-19 ⁽¹⁾	8,599	10,427
2019-20 ⁽¹⁾	8,261	10,729
2020-21 ⁽²⁾	8,253	10,844

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

WEST COVINA UNIFIED SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2017-18	\$5,951,045,609	-	\$109,652,494	\$6,060,698,103
2018-19	6,345,361,454	-	107,436,448	6,452,797,902
2019-20	6,715,605,281	-	108,133,493	6,823,738,774
2019-20	7,005,208,348	-	112,528,385	7,117,736,733
2020-21	7,309,038,040	-	109,586,135	7,418,624,175

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$5,928,352
2017-18 ⁽¹⁾	6,800,091
2018-19 ⁽¹⁾	8,197,701
2019-20 ⁽¹⁾	8,382,140
2020-21 ⁽²⁾	7,777,805

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$2,261,357
2017-18 ⁽¹⁾	2,447,762
2018-19 ⁽¹⁾	3,365,888
2019-20 ⁽¹⁾	3,736,979
2020-21 ⁽²⁾	3,621,229

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$4,784,474	\$3,804,529	\$391,687

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u> <u>June 30, 2020</u>	<u>Projected Balance</u> <u>as of June 30, 2021</u>	<u>Projected Balance</u> <u>as of June 30, 2022</u>
Special Reserve - 17	\$11,785	\$11,885	\$12,000
Capital Facilities - 25	163,445	188,445	250,000
County School Facilities -35	1,035	6,000,000	-
Special Reserve Capital Outlay Projects - 40	3,622,347	3,862,952	3,000,000
Self-Insurance - 67	<u>529,214</u>	<u>390,842</u>	<u>400,000</u>
Total	\$4,327,826	\$10,454,124	\$3,662,000

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**WEST COVINA UNIFIED SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$24,515,531	\$27,318,572	\$24,789,766
Total Revenues	112,307,787	124,149,138	115,544,397
Total Beginning Fund Balance and Revenues	136,823,318	151,467,710	140,334,163
Total Expenditures	(114,041,677)	(124,966,007)	(117,240,384)
Other Financing Sources (Uses)	4,536,931	(1,711,950)	-
ENDING FUND BALANCE	<u>\$27,318,572</u>	<u>\$24,789,753</u>	<u>\$23,093,766</u>

Source: District's Audited Financial Statements.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**WEST COVINA UNIFIED SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$24,778,165	\$23,081,980
Total Revenues	112,883,407	109,032,949
Total Beginning Fund Balance and Revenues	137,661,572	132,114,929
Total Expenditures	(113,841,531)	(115,057,073)
Other Financing Sources (Uses)	-	-
ENDING FUND BALANCE	<u>\$23,820,041</u>	<u>\$17,057,856</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**WEST COVINA UNIFIED SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$40,219,338	\$38,283,543	\$38,985,504
Total Liabilities	12,900,766	13,493,790	15,891,738
Fund Balance			
Nonspendable	10,000	923,852	2,239,755
Restricted	170,360	661,278	420,151
Assigned	23,751,319	19,478,031	17,365,361
Unassigned	3,386,893	3,726,592	3,068,499
Total Fund Balance	27,318,572	24,789,753	23,093,766
Total Liabilities and Fund Balance	\$40,219,338	\$38,283,543	\$38,985,504

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**WEST COVINA UNIFIED SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$10,008,476	\$142,685	1.43%
2016-17	10,732,997	128,158	1.19
2017-18	11,514,136	143,804	1.25
2018-19	12,166,229	167,066	1.37
2019-20	12,755,127	289,058	2.27

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$2,310,222	\$20,223	0.88%
2016-17	2,960,365	22,309	0.75
2017-18	5,902,157	55,734	0.94
2018-19	6,602,268	55,657	0.84
2019-20	5,697,781	94,225	1.65

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**WEST COVINA UNIFIED SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Plaza West Covina LLC	Shopping Center	\$276,723,444	3.79%
2.	Colony at the Lakes LLC	Apartments	176,679,227	2.42
3.	624 South Glendora Avenue Owner	Apartments and Townhomes	76,689,657	1.05
4.	TPA Nasch LLC	Apartments	59,189,641	0.81
5.	Sunset Figueroa LLC	Apartments	<u>46,695,740</u>	<u>0.64</u>
			\$635,977,709	8.70%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$7,309,038,040.
Source: California Municipal Statistic, Inc.

**WEST COVINA UNIFIED SCHOOL DISTRICT
CASH FLOWS**

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
West Covina Unified**

	FY 2019-20 Cash Flows														
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	Total	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments		
REVENUES															
LCFF Sources															
Principal Apportionment	3,414,234	3,414,234	9,743,184	6,145,622	6,145,622	9,743,184	6,145,622	5,690,709	8,718,594	6,080,857	5,690,709	-	7,236,062	78,168,633	
Property Taxes	156,713	377,974	19,747	-	262,259	3,790,499	1,358,291	613,518	131,884	2,640,639	2,720,669	4,404,327	(5,707)	16,470,814	
Miscellaneous Funds	-	(294,846)	(589,693)	(393,128)	(393,128)	(393,128)	(199,798)	(393,128)	(398,985)	(263,761)	(260,682)	(1,986,895)	543,644	(5,023,528)	
Federal Revenue	182,954	52,211	(27,090)	596,100	197,761	26,740	1,107,400	3,652	892,833	36,533	23,811	1,826,693	(463,462)	4,456,136	
Other State Revenue	1,015	214,121	22,846	92,976	731,066	1,001,762	-	-	442,070	823,414	-	626,279	4,957,060	8,912,610	
Other Local Revenue	52,314	327,603	337,731	516,510	952,363	670,364	1,356,922	505,172	510,988	1,140,746	1,161,996	3,397,409	(39,062)	10,891,058	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	3,807,230	4,091,297	9,506,725	6,958,079	7,895,946	14,839,421	9,768,437	6,419,924	10,297,384	10,458,427	9,336,503	8,267,813	12,228,537	113,875,723	
EXPENDITURES															
Certificated Salaries	13,648	829,122	4,254,393	4,408,887	4,472,312	4,389,694	4,300,692	4,378,859	4,548,942	4,369,498	4,946,730	8,670,740	-	49,583,518	
Classified Salaries	845,659	1,385,953	1,699,560	1,725,718	1,771,632	1,815,398	1,733,506	1,771,493	1,824,141	1,722,443	1,756,953	1,205,510	-	19,257,966	
Employee Benefits	1,445,325	879,674	2,194,923	2,220,552	2,242,009	2,249,607	2,229,215	2,251,426	2,299,985	2,234,721	2,378,675	2,568,549	4,423,247	29,617,908	
Books and Supplies	178,303	473,328	388,309	797,258	240,230	356,351	452,755	259,594	117,440	146,595	130,017	352,019	458	3,892,657	
Services	902,361	1,035,352	921,905	1,339,669	704,973	692,507	782,422	804,125	536,435	517,434	303,182	1,763,015	34,916	10,338,295	
Capital Outlay	-	-	196,944	20,204	36,374	-	-	-	-	43,216	7,314	190,817	558,693	1,053,561	
Other Outgo	-	56,592	56,592	101,866	101,866	101,866	101,866	189,060	189,060	189,060	189,060	203,732	347,383	1,828,003	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	3,385,296	4,660,022	9,712,624	10,614,154	9,569,395	9,605,424	9,600,455	9,654,556	9,516,003	9,222,967	9,711,931	14,954,383	5,364,696	115,571,907	
REVENUES MINUS EXPENDITURES	421,934	(568,726)	(205,900)	(3,656,075)	(1,673,449)	5,233,997	167,982	(3,234,633)	781,381	1,235,461	(375,428)	(6,686,570)	6,863,840	(1,696,185)	
BALANCE SHEET TRANSACTIONS															
Total Current Assets	944,094	1,036,330	1,074,736	326,582	2,342,840	84,900	(91,558)	58,654	27,919	60,901	(4,432)	(4,689,847)	(12,499,624)	(11,328,505)	
Total Current Liabilities	(9,290,354)	(664,164)	257,571	287,157	337,450	1,179,946	(883,859)	138,556	49,273	(219,209)	(112,631)	6,218,249	4,808,570	2,106,555	
TOTAL BALANCE SHEET TRANS.	(8,346,260)	372,166	1,332,307	613,739	2,680,290	1,264,846	(975,418)	197,210	77,192	(158,308)	(117,063)	1,528,402	(7,691,054)	(9,221,950)	
BEG. CASH BALANCE, BEFORE TRAN	31,785,006	23,860,679	23,664,120	24,790,527	21,748,192	22,755,033	29,253,876	28,446,441	25,409,018	26,267,591	27,344,743	26,852,252	21,694,084		
NET CHANGE IN CASH	(7,924,327)	(196,559)	1,126,408	(3,042,335)	1,006,841	6,498,843	(807,436)	(3,037,423)	858,573	1,077,152	(492,491)	(5,158,168)	(827,213)	(10,918,135)	
END. CASH BALANCE, BEFORE TRAN	23,860,679	23,664,120	24,790,527	21,748,192	22,755,033	29,253,876	28,446,441	25,409,018	26,267,591	27,344,743	26,852,252	21,694,084	20,866,871		
TRAN BORROWING															
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
BEG. CASH BALANCE, AFTER TRAN	31,785,006	23,860,679	23,664,120	24,790,527	21,748,192	22,755,033	29,253,876	28,446,441	25,409,018	26,267,591	27,344,743	26,852,252	21,694,084		
NET CHANGE IN CASH	(7,924,327)	(196,559)	1,126,408	(3,042,335)	1,006,841	6,498,843	(807,436)	(3,037,423)	858,573	1,077,152	(492,491)	(5,158,168)	(827,213)	(10,918,135)	
END. CASH BALANCE, AFTER TRAN	23,860,679	23,664,120	24,790,527	21,748,192	22,755,033	29,253,876	28,446,441	25,409,018	26,267,591	27,344,743	26,852,252	21,694,084	20,866,871		

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
West Covina Unified

	FY 2020-21 Cash Flows														
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &		
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total	
REVENUES															
LCFF Sources															
Principal Apportionment (1)	3,096,674	3,096,674	9,590,179	5,574,012	5,574,012	9,590,179	5,574,012	2,613,295	5,017,004	1,000,837	1,000,837	4,016,167	22,185,210	77,929,091	
Property Taxes	-	412,513	26,259	-	230,876	4,043,033	949,973	766,691	92,328	1,845,440	1,901,059	2,556,897	-	12,825,069	
Miscellaneous Funds	-	(365,438)	(730,875)	(487,251)	-	-	-	-	-	-	-	321,078	-	(1,262,486)	
Federal Revenue	7,905	43,839	8,199,578	-	42,032	304,412	481,957	475,000	475,000	475,000	-	1,025,000	2,298,585	13,828,308	
Other State Revenue	62,239	128,028	1,022,656	-	353,562	268,946	678,212	400,000	400,000	400,000	-	800,000	4,508,802	9,022,445	
Other Local Revenue	680,142	341,938	363,036	123,532	1,283,853	168,634	732,464	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	2,378,881	12,322,481	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	3,846,960	3,657,554	18,470,834	5,210,293	7,484,336	14,375,204	8,416,618	5,504,986	7,234,332	4,971,277	4,151,896	9,969,142	31,371,478	124,664,908	
EXPENDITURES															
Certificated Salaries	14,061	774,729	4,305,550	4,272,632	4,762,340	4,257,388	4,265,219	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000	5,303,508	49,455,427	
Classified Salaries	864,409	1,373,294	1,691,679	1,637,336	1,807,202	1,601,673	1,622,994	1,675,000	1,675,000	1,675,000	1,675,000	1,200,000	263,213	18,761,800	
Employee Benefits	443,724	885,176	3,257,216	2,202,018	2,256,116	2,174,637	2,200,539	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	4,941,454	30,110,881	
Books and Supplies	380,396	408,487	1,025,233	1,434,104	576,983	787,353	395,929	800,000	800,000	850,000	850,000	900,000	1,196,011	10,404,496	
Services	1,758,107	422,635	798,777	1,242,087	485,339	518,321	761,971	850,000	850,000	850,000	900,000	900,000	917,326	11,254,563	
Capital Outlay	-	1,294	10,754	44,781	90,023	-	14,399	-	-	-	-	-	-	161,251	
Other Outgo	122,784	79,047	97,011	1,321,672	142,285	176,975	142,285	176,975	176,975	176,975	176,975	225,742	-	3,015,701	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	3,583,480	3,944,663	11,186,221	12,154,630	10,120,287	9,516,347	9,403,336	10,151,975	10,151,975	10,201,975	10,251,975	9,875,742	12,621,512	123,164,119	
REVENUES MINUS EXPENDITURES	263,479	(287,109)	7,284,612	(6,944,337)	(2,635,952)	4,858,858	(986,718)	(4,646,989)	(2,917,643)	(5,230,698)	(6,100,079)	93,400	18,749,966	1,500,789	
BALANCE SHEET TRANSACTIONS															
Total Current Assets	7,606,932	80,170	547,265	2,348,623	38,752	504,074	88,227	300,000	300,000	395,330	-	-	(31,371,478)	(19,162,105)	
Total Current Liabilities	(6,990,011)	(205,127)	(2,598,957)	(697,463)	(108,067)	(246,880)	(501,858)	(550,000)	(550,000)	(550,000)	(550,000)	(772,315)	12,621,512	(1,699,166)	
TOTAL BALANCE SHEET TRANS.	616,921	(124,957)	(2,051,692)	1,651,160	(69,315)	257,194	(413,631)	(250,000)	(250,000)	(154,670)	(550,000)	(772,315)	(18,749,966)	(20,861,271)	
BEG. CASH BALANCE, BEFORE TRAN	20,866,871	21,747,271	21,335,205	26,568,125	21,274,948	18,569,682	23,685,733	22,285,384	17,388,396	14,220,752	8,835,384	2,185,304	1,506,389		
NET CHANGE IN CASH	880,400	(412,066)	5,232,920	(5,293,177)	(2,705,267)	5,116,052	(1,400,349)	(4,896,989)	(3,167,643)	(5,385,368)	(6,650,079)	(678,915)	-	(19,360,482)	
END. CASH BALANCE, BEFORE TRAN	21,747,271	21,335,205	26,568,125	21,274,948	18,569,682	23,685,733	22,285,384	17,388,396	14,220,752	8,835,384	2,185,304	1,506,389	1,506,389		
TRAN BORROWING															
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	5,000,000	-	-	-	5,000,000	
BEG. CASH BALANCE, AFTER TRAN	20,866,871	21,747,271	21,335,205	26,568,125	21,274,948	18,569,682	23,685,733	22,285,384	17,388,396	14,220,752	13,835,384	7,185,304	6,506,389		
NET CHANGE IN CASH	880,400	(412,066)	5,232,920	(5,293,177)	(2,705,267)	5,116,052	(1,400,349)	(4,896,989)	(3,167,643)	(385,368)	(6,650,079)	(678,915)	-	(14,360,482)	
END. CASH BALANCE, AFTER TRAN	21,747,271	21,335,205	26,568,125	21,274,948	18,569,682	23,685,733	22,285,384	17,388,396	14,220,752	13,835,384	7,185,304	6,506,389	6,506,389		
Princ. Apportionment Deferrals (1)								(2,946,908)	(4,559,366)	(4,559,366)	(4,559,366)	(5,560,203)	(22,185,210)		

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

**Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
West Covina Unified**

	FY 2021-22 Cash Flows														
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	Total	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments		
REVENUES															
LCFF Sources															
Principal Apportionment	3,251,428	3,251,428	9,868,738	5,852,571	5,852,571	9,868,738	5,852,571	2,750,708	5,069,630	1,053,463	1,053,463	4,016,167	23,351,758	81,093,234	
Property Taxes	(14,061)	423,404	26,057	-	182,132	2,628,225	942,673	424,976	91,618	1,831,258	1,886,450	3,050,993	-	11,473,725	
Miscellaneous Funds	-	(258,317)	(344,422)	(116,252)	(344,422)	(116,252)	(800,762)	(344,422)	(344,422)	(262,853)	(262,853)	(356,276)	-	(3,551,253)	
Federal Revenue	175,000	125,000	150,000	500,000	50,000	150,000	900,000	-	200,000	375,000	-	-	1,737,260	4,362,260	
Other State Revenue	-	160,000	396,000	-	1,125,000	410,000	1,060,000	-	875,000	-	340,953	3,602,075	383,510	8,352,538	
Other Local Revenue	610,000	300,000	430,000	575,000	860,000	730,000	1,940,000	575,000	1,125,000	1,430,000	1,000,000	575,000	1,939,226	12,089,226	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL REVENUES	4,022,367	4,001,515	10,526,373	6,811,319	7,725,281	13,670,711	9,894,482	3,406,262	7,016,826	4,426,868	4,018,013	10,887,959	27,411,754	113,819,730	
EXPENDITURES															
Certificated Salaries	50,000	925,000	4,390,000	4,390,000	4,390,000	4,390,000	4,390,000	4,390,000	4,390,000	4,390,000	4,390,000	4,390,000	4,878,928	49,753,928	
Classified Salaries	875,000	1,400,000	1,725,000	1,725,000	1,725,000	1,725,000	1,725,000	1,725,000	1,725,000	1,725,000	1,725,000	1,346,409	-	19,146,409	
Employee Benefits	500,000	1,000,000	3,250,000	2,525,000	2,525,000	2,525,000	2,525,000	2,525,000	2,525,000	2,525,000	2,525,000	2,525,000	3,040,870	30,515,870	
Books and Supplies	350,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	303,699	-	4,653,699	
Services	800,000	800,000	800,000	700,000	700,000	700,000	700,000	700,000	750,000	750,000	750,000	760,921	-	8,910,921	
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Outgo	100,000	800,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	315,703	-	3,015,703	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	2,675,000	5,325,000	10,765,000	9,940,000	9,940,000	9,940,000	9,940,000	9,940,000	9,990,000	9,990,000	9,990,000	9,641,732	7,919,798	115,996,530	
REVENUES MINUS EXPENDITURES	1,347,367	(1,323,485)	(238,627)	(3,128,681)	(2,214,719)	3,730,711	(45,518)	(6,533,738)	(2,973,174)	(5,563,132)	(5,971,987)	1,246,227	19,491,956	(2,176,800)	
BALANCE SHEET TRANSACTIONS															
Total Current Assets (2)	7,127,568	5,614,605	5,614,606	4,614,606	3,982,611	750,000	750,000	750,000	750,000	-	750,000	667,482	(27,411,754)	3,959,723	
Total Current Liabilities	(5,500,000)	(1,000,000)	(1,000,000)	(800,000)	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)	(500,000)	(321,512)	-	7,919,798	(4,701,714)	
TOTAL BALANCE SHEET TRANS.	1,627,568	4,614,605	4,614,606	3,814,606	3,282,611	50,000	50,000	50,000	50,000	(500,000)	428,488	667,482	(19,491,956)	(741,991)	
BEG. CASH BALANCE, BEFORE TRAN	6,506,389	9,481,324	12,772,444	17,148,423	17,834,348	18,902,240	22,682,951	22,687,433	16,203,696	13,280,521	7,217,389	1,673,890	3,587,598		
NET CHANGE IN CASH	2,974,935	3,291,120	4,375,979	685,925	1,067,892	3,780,711	4,482	(6,483,738)	(2,923,174)	(6,063,132)	(5,543,499)	1,913,709	-	(2,918,791)	
END. CASH BALANCE, BEFORE TRAN	9,481,324	12,772,444	17,148,423	17,834,348	18,902,240	22,682,951	22,687,433	16,203,696	13,280,521	7,217,389	1,673,890	3,587,598	3,587,598		
TRAN BORROWING															
FY 2020-21 Cross FY TRAN	(1,253,133)	(1,027,569)	(1,027,569)	(1,027,569)	(664,160)	-	-	-	-	-	-	-	-	(5,000,000)	
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	6,000,000	-	-	-	6,000,000	
BEG. CASH BALANCE, AFTER TRAN	6,506,389	8,228,191	10,491,742	13,840,152	13,498,509	13,902,240	17,682,951	17,687,433	11,203,696	8,280,521	8,217,389	2,673,890	4,587,598		
NET CHANGE IN CASH	1,721,802	2,263,551	3,348,410	(341,644)	403,732	3,780,711	4,482	(6,483,738)	(2,923,174)	(63,132)	(5,543,499)	1,913,709	-	(1,918,791)	
END. CASH BALANCE, AFTER TRAN	8,228,191	10,491,742	13,840,152	13,498,509	13,902,240	17,682,951	17,687,433	11,203,696	8,280,521	8,217,389	2,673,890	4,587,598	4,587,598		
Princ. Apportionment Repayment (2)	5,560,203	4,559,366	4,559,366	4,559,366	2,946,908									22,185,210	

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

WESTSIDE UNION SCHOOL DISTRICT

Westside Union School District
41914 50th Street W
Quartz Hill, CA 93536
Attn: Assistant Superintendent, Administrative Services

General

The Westside Union School District (the “District”) was established in 1946. The District is located in Los Angeles County, California, and is comprised of approximately 346 square miles. The District includes primarily the communities of West Lancaster, Quartz Hill, West Palmdale and Leona Valley. The District consists of twelve schools: seven TK-6 elementary schools, two TK-8 schools, one K-6 school, and three 6-8 middle schools.

Organization

The governing board of the District is the Board of Education of the Westside Union School District (the “Board”). The Board consists of five members who reside within the District boundaries and are elected to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

<u>Description</u>	<u>Balance</u>
General obligation bonds payable and related premium	\$53,302,963
Net pension liability	88,379,530
Compensated Absences	533,213
Community Facilities Districts	18,323,841
OPEB obligation – net	13,593,260
TOTAL LONG-TERM OBLIGATIONS	<u><u>\$174,132,807</u></u>

Source: District’s Fiscal Year 2019-20 Audit.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Westside Union Teachers Association (“WUTA”), for Fiscal Year 2020-21. The new agreement with the WUTA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The agreement was presented to the governing board of the District for approval on June 16, 2020. The District has settled with its classified bargaining unit, the California School Employees Association and its Westside Chapter 398 (“CSEA”), for Fiscal Year 2020-21. The new agreement with the CSEA does not include salary increases or any other stipend or monetary increases that would fiscally impact the District. The agreement was presented to the governing board of the District for approval on June 27, 2020.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

WESTSIDE UNION SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	8,735	\$7,452
2016-17 ⁽¹⁾	8,977	7,918
2017-18 ⁽¹⁾	9,055	8,144
2018-19 ⁽¹⁾	9,203	8,782
2019-20 ⁽¹⁾	9,239	9,089
2020-21 ⁽²⁾	9,239	8,376

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

WESTSIDE UNION SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2016-17	\$6,917,105,777	\$143,650	\$122,084,299	\$7,039,333,726
2017-18	7,312,375,727	95,000	119,506,782	7,431,977,509
2018-19	7,701,462,146	95,000	110,822,483	7,812,379,629
2019-20	8,043,117,899	95,000	305,775,314	8,348,988,213
2020-21	8,413,872,028	95,000	298,147,285	8,712,114,313

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$4,729,940
2017-18 ⁽¹⁾	5,686,657
2018-19 ⁽¹⁾	6,754,530
2019-20 ⁽¹⁾	7,297,606
2020-21 ⁽²⁾	6,606,819

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$1,120,664
2017-18 ⁽¹⁾	1,360,129
2018-19 ⁽¹⁾	1,686,736
2019-20 ⁽¹⁾	1,872,752
2020-21 ⁽²⁾	1,926,563

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$13,593,260	\$13,593,260	\$897,375

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Audit.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Cafeteria Fund (Fund 13.0)	\$ 3,766,041	\$ 1,793,795	\$ 1,222,302
Capital Facilities Fund (Fund 25.0)	3,273,790	3,522,912	3,292,526
County School Facilities Fund (Fund 35.0)	2,355,674	-	-
Special Reserve Fund (Fund 40.1)	<u>3,459,085</u>	<u>55,000</u>	<u>-</u>
Total	\$ 12,854,590	\$ 5,371,707	\$ 4,514,828

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20.

**WESTSIDE UNION SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
BEGINNING FUND BALANCE	\$18,101,944	\$17,956,011	\$20,468,701
Total Revenues	90,115,083	103,026,052	102,212,939
Total Beginning Fund Balance and Revenues	108,217,027	120,982,063	122,904,290
Total Expenditures	90,261,016	100,290,712	99,505,985
Other Financing Sources (Uses)	-	-	-
ENDING FUND BALANCE	<u>\$17,956,011</u>	<u>\$20,691,351</u>	<u>\$23,175,655</u>

Source: District's Audited Financial Statements; Fiscal Year 2019-20 beginning fund balance is restated by (\$222,650).

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**WESTSIDE UNION SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$20,691,351	\$25,661,906
Total Revenues	97,670,289	94,293,912
Total Beginning Fund Balance and Revenues	118,361,640	119,955,818
Total Expenditures	101,544,994	101,243,223
Other Financing Sources (Uses)	-	-
ENDING FUND BALANCE	<u>\$16,816,646</u>	<u>\$18,712,595</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20.

**WESTSIDE UNION SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 AUDITED
Total Assets	\$23,031,728	\$26,796,440	\$30,810,136
Total Liabilities	5,075,717	6,105,089	7,634,481
Fund Balance			
Nonspendable	140,258	292,988	71,047
Restricted	4,265,312	5,566,019	7,267,342
Assigned	4,760,559	4,972,705	600,000
Unassigned	8,789,882	9,859,639	15,237,266
Total Fund Balance	17,956,011	20,691,351	23,175,655
Total Liabilities and Fund Balance	\$23,031,728	\$26,796,440	\$30,810,136

Source: District's Audited Financial Statements.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

**WESTSIDE UNION SCHOOL DISTRICT
SECURED TAX CHARGES AND DELINQUENCIES**

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$4,551,700	\$64,584	1.42%
2016-17	4,781,954	56,825	1.19
2017-18	5,090,924	63,279	1.24
2018-19	5,348,947	73,106	1.37
2019-20	5,756,646	129,880	2.26

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$5,271,353	\$112,553	2.14%
2016-17	5,437,786	116,305	2.14
2017-18	5,723,814	116,109	2.03
2018-19	6,032,744	116,548	1.93
2019-20	6,020,716	179,397	2.98

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

**WESTSIDE UNION SCHOOL DISTRICT
LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS**

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	Grandis Land Holding LLC	Vacant Residential	\$ 47,165,052	0.56%
2.	Ritter Holdings LLC	Vacant Residential	42,338,646	0.50
3.	City Ventures Homebuilding LLC	Residential Properties	27,021,536	0.32
4.	IH3 Property West LP	Residential Properties	25,007,870	0.30
5.	Sygma Network Inc.	Industrial	<u>24,680,577</u>	<u>0.29</u>
			\$166,213,681	1.98%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$8,413,872,028.

Source: California Municipal Statistic, Inc.

**WESTSIDE UNION SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Westside Union Elementary

	FY 2019-20 Cash Flows													
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	2,853,994	2,853,994	10,309,393	5,137,189	5,137,189	8,814,409	5,137,189	5,223,216	9,192,777	5,223,216	5,223,216	6,815,642	(1,472,331)	70,449,093
Property Taxes	110,055	223,751	142,325	-	198,522	2,111,288	1,156,861	311,624	428,079	1,403,938	2,472,731	4,962,859	(4,287)	13,517,746
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	10,141	25,710	(2,541,830)	1,002,878	160,271	8,975	321,650	1,758,037	71,589	-	-	3,114,216	(781,348)	3,150,289
Other State Revenue	650	631,253	(116,705)	(493,939)	-	1,134,099	-	-	495,684	453,707	-	982,929	5,230,760	8,318,436
Other Local Revenue	467	36,057	(347,562)	37,748	101,125	102,369	101,888	2,357,889	160,407	3,995	80,278	3,659,577	483,134	6,777,373
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,975,307	3,770,765	7,445,621	5,683,876	5,597,107	12,171,139	6,717,588	9,650,766	10,348,536	7,084,856	7,776,225	19,535,222	3,455,928	102,212,937
EXPENDITURES														
Certificated Salaries	3,409,363	3,695,249	3,571,444	3,632,447	3,697,719	3,892,823	3,580,380	3,623,045	3,651,463	3,582,883	3,523,635	4,229,104	-	44,089,556
Classified Salaries	74,825	1,007,919	1,288,502	1,370,711	1,420,667	1,304,759	1,057,886	1,376,156	1,292,902	1,031,235	1,265,193	1,878,802	950	14,370,507
Employee Benefits	1,206,603	1,721,368	1,756,508	1,855,540	1,773,275	1,720,050	1,713,778	1,764,427	1,750,921	1,693,751	1,719,441	2,006,591	5,047,050	25,729,301
Books and Supplies	160,970	162,775	306,443	354,875	97,814	262,217	755,809	147,821	105,525	159,547	125,435	189,969	(57,969)	2,771,230
Services	180,755	1,228,451	1,028,698	1,323,500	200,332	826,385	1,222,465	680,006	597,370	974,880	457,541	1,756,739	21,744	10,498,868
Capital Outlay	-	178,597	145,240	37,666	1,766	41,453	59,902	-	44,792	33,118	23,507	442,429	81,162	1,089,633
Other Outgo	-	-	(249,923)	10,521	40,300	71,152	84,057	74,994	-	-	49,643	993,854	(117,709)	956,889
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	8	-	(8)	-	-
TOTAL EXPENDITURES	5,032,515	7,994,359	7,846,911	8,585,260	7,231,873	8,118,839	8,474,278	7,666,449	7,442,974	7,475,422	7,164,396	11,497,480	4,975,228	99,505,985
REVENUES MINUS EXPENDITURES	(2,057,209)	(4,223,594)	(401,290)	(2,901,385)	(1,634,765)	4,052,300	(1,756,690)	1,984,317	2,905,562	(390,566)	611,829	8,037,742	(1,519,301)	2,706,953
BALANCE SHEET TRANSACTIONS														
Total Current Assets	(4,515)	1,463	3,724,664	506,590	(39,502)	30,954	281,046	502,333	(23,084)	800,006	732	(3,199,165)	(11,944,366)	(9,362,844)
Total Current Liabilities	(2,322,235)	523,196	(1,861,349)	(1,488,250)	(703,095)	147,623	308,499	371,808	(450,933)	(4,810)	100,380	(635,402)	8,492,207	2,477,640
TOTAL BALANCE SHEET TRANS.	(2,326,750)	524,659	1,863,316	(981,660)	(742,597)	178,577	589,545	874,141	(474,017)	795,196	101,113	(3,834,567)	(3,452,159)	(6,885,204)
BEG. CASH BALANCE, BEFORE TRAN	21,596,435	17,212,476	13,513,541	14,975,567	11,092,523	8,715,160	12,946,037	11,778,892	14,637,351	17,068,896	17,473,526	18,186,468	22,389,643	
NET CHANGE IN CASH	(4,383,958)	(3,698,935)	1,462,026	(3,883,044)	(2,377,363)	4,230,877	(1,167,145)	2,858,458	2,431,545	404,630	712,942	4,203,175	(4,971,460)	(4,178,251)
END. CASH BALANCE, BEFORE TRAN	17,212,476	13,513,541	14,975,567	11,092,523	8,715,160	12,946,037	11,778,892	14,637,351	17,068,896	17,473,526	18,186,468	22,389,643	17,418,183	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	21,596,435	17,212,476	13,513,541	14,975,567	11,092,523	8,715,160	12,946,037	11,778,892	14,637,351	17,068,896	17,473,526	18,186,468	22,389,643	
NET CHANGE IN CASH	(4,383,958)	(3,698,935)	1,462,026	(3,883,044)	(2,377,363)	4,230,877	(1,167,145)	2,858,458	2,431,545	404,630	712,942	4,203,175	(4,971,460)	(4,178,251)
END. CASH BALANCE, AFTER TRAN	17,212,476	13,513,541	14,975,567	11,092,523	8,715,160	12,946,037	11,778,892	14,637,351	17,068,896	17,473,526	18,186,468	22,389,643	17,418,183	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Westside Union Elementary

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	5,729,403	2,559,340	8,896,371	4,606,813	(8,027,656)	8,896,370	4,606,813	9,961,341	5,312,182	1,022,624	1,022,624	4,289,557	22,668,156	71,543,937
Property Taxes	88,141	248,053	89,248	-	174,078	2,292,708	1,263,017	311,624	428,079	1,403,938	2,472,731	3,777,846	-	12,549,463
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	-	4,899,108	-	(2,269,286)	940,772	146,740	1,946,607	790,686	145,938	-	191,971	3,034,640	9,827,176
Other State Revenue	-	-	1,134,359	-	(186,362)	508,635	-	-	-	-	-	486,145	5,138,092	7,080,868
Other Local Revenue	226,690	99,362	36,772	242,744	(747,224)	(745,617)	3,118,971	823,853	1,916	1,916	29,045	(34,681)	3,699,281	6,753,027
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	6,044,234	2,906,755	15,055,858	4,849,557	(11,056,450)	11,892,868	9,135,541	13,043,426	6,532,862	2,574,415	3,524,399	8,710,837	34,540,168	107,754,471
EXPENDITURES														
Certificated Salaries	3,339,308	3,477,405	3,481,847	3,401,261	3,405,219	3,383,427	3,364,346	3,442,091	3,447,822	3,447,822	3,447,822	3,447,822	385,144	41,471,337
Classified Salaries	9,190	875,544	1,195,965	1,146,761	1,134,313	1,093,743	935,947	1,278,981	1,278,981	1,278,981	1,278,981	1,278,981	143,799	12,930,169
Employee Benefits	1,249,268	1,548,668	1,719,200	1,867,288	1,756,013	1,607,006	1,640,966	1,714,869	1,714,869	1,714,869	1,714,869	1,714,869	4,359,489	24,322,244
Books and Supplies	434,779	1,219,430	640,509	324,441	167,152	156,846	627,955	668,237	2,016,898	668,237	668,237	668,237	668,237	8,929,194
Services	1,042,382	476,405	549,012	600,204	341,389	1,379,224	645,966	1,464,582	1,464,582	1,464,582	1,464,582	1,464,582	1,378,700	13,736,195
Capital Outlay	191,835	543,439	96,722	49,451	3,406	561,856	114,624	147,949	147,949	147,949	147,949	147,949	147,849	2,448,929
Other Outgo	-	323,583	-	8,148	-	96,338	(506,257)	-	-	811,550	-	-	135,650	869,012
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	6,000	6,000
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	6,266,763	8,464,474	7,683,255	7,397,555	6,807,492	8,278,441	6,823,547	8,716,710	10,071,102	9,533,991	8,722,441	8,722,441	7,224,869	104,713,081
REVENUES MINUS EXPENDITURES	(222,529)	(5,557,719)	7,372,603	(2,547,998)	(17,863,942)	3,614,427	2,311,995	4,326,716	(3,538,240)	(6,959,575)	(5,198,042)	(11,604)	27,315,299	3,041,390
BALANCE SHEET TRANSACTIONS														
Total Current Assets	288,064	9,655	(170)	(34,944)	13,764,355	673,033	687,611	(556,733)	20,729	20,729	20,729	20,729	(34,540,168)	(19,626,383)
Total Current Liabilities	(1,627,489)	(112,140)	(149,255)	90,261	2,216,628	296,385	(887,821)	(8,790,233)	-	-	-	-	7,224,869	(1,738,794)
TOTAL BALANCE SHEET TRANS.	(1,339,426)	(102,484)	(149,425)	55,317	15,980,983	969,418	(200,211)	(9,346,966)	20,729	20,729	20,729	20,729	(27,315,299)	(21,365,178)
BEG. CASH BALANCE, BEFORE TRAN	17,418,183	15,856,228	10,196,024	17,419,202	14,926,521	13,043,562	17,627,407	19,739,191	14,718,941	11,201,430	4,262,584	(914,729)	(905,604)	
NET CHANGE IN CASH	(1,561,955)	(5,660,204)	7,223,178	(2,492,681)	(1,882,959)	4,583,845	2,111,784	(5,020,250)	(3,517,511)	(6,938,847)	(5,177,313)	9,125	-	(18,323,787)
END. CASH BALANCE, BEFORE TRAN	15,856,228	10,196,024	17,419,202	14,926,521	13,043,562	17,627,407	19,739,191	14,718,941	11,201,430	4,262,584	(914,729)	(905,604)	(905,604)	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	6,000,000	-	-	-	6,000,000
BEG. CASH BALANCE, AFTER TRAN	17,418,183	15,856,228	10,196,024	17,419,202	14,926,521	13,043,562	17,627,407	19,739,191	14,718,941	11,201,430	10,262,584	5,085,271	5,094,396	
NET CHANGE IN CASH	(1,561,955)	(5,660,204)	7,223,178	(2,492,681)	(1,882,959)	4,583,845	2,111,784	(5,020,250)	(3,517,511)	(938,847)	(5,177,313)	9,125	-	(12,323,787)
END. CASH BALANCE, AFTER TRAN	15,856,228	10,196,024	17,419,202	14,926,521	13,043,562	17,627,407	19,739,191	14,718,941	11,201,430	10,262,584	5,085,271	5,094,396	5,094,396	

Princ. Apportionment Deferrals (1)	(2,780,694)	(4,302,206)	(4,302,206)	(4,302,206)	(5,246,592)	(20,933,904)
------------------------------------	-------------	-------------	-------------	-------------	-------------	--------------

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C-2
Westside Union Elementary

	FY 2021-22 Cash Flows													
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Accruals &	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment	2,880,340	2,880,340	9,474,169	5,184,612	5,184,612	9,474,169	5,184,612	2,436,768	5,222,788	933,230	933,230	4,289,558	20,686,603	74,765,032
Property Taxes	107,202	232,205	96,156	(2,341)	177,422	2,012,128	1,049,665	379,451	363,688	1,149,079	3,021,818	3,962,990	-	12,549,463
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	-	-	-	-	-	300,288	146,084	4,593	446,372	-	-	6,890	2,282,649	3,186,877
Other State Revenue	-	-	-	-	297,315	392,989	-	-	491,236	-	-	-	5,088,149	6,269,688
Other Local Revenue	-	250	7,458	2,088	75,947	-	2,498,669	57,747	1,988	7,874	66,174	-	4,080,810	6,799,004
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,987,542	3,112,795	9,577,783	5,184,359	5,735,296	12,179,574	8,879,030	2,878,559	6,526,072	2,090,183	4,021,222	8,259,438	32,138,210	103,570,064
EXPENDITURES														
Certificated Salaries	3,801,342	3,032,771	3,237,822	3,479,210	3,536,760	3,665,014	3,435,681	3,534,187	3,528,525	3,502,890	3,493,781	4,852,198	394,919	43,495,101
Classified Salaries	214,821	770,405	1,227,747	1,257,001	1,318,900	1,262,263	962,712	1,335,230	1,260,398	1,024,861	1,299,329	2,203,881	155,386	14,292,933
Employee Benefits	1,253,042	1,573,124	1,676,863	1,948,303	1,746,792	1,717,832	1,679,333	1,761,405	1,744,709	1,709,365	1,734,152	2,231,132	4,480,314	25,256,364
Books and Supplies	269,546	296,500	391,807	194,820	93,263	90,917	384,111	404,356	655,433	404,356	404,356	404,356	404,356	4,398,176
Services	891,585	419,689	490,528	521,285	315,613	1,189,489	576,766	1,301,245	1,301,245	1,301,245	1,301,245	1,301,245	1,214,542	12,125,721
Capital Outlay	43,710	206,827	62,906	5,612	2,987	15,207	164,130	119,528	119,528	119,528	119,528	119,528	119,528	1,218,550
Other Outgo	20,208	359,648	20,208	28,756	20,208	121,268	(510,857)	20,208	20,208	871,527	20,208	20,208	147,749	1,159,548
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	6,494,255	6,658,964	7,107,881	7,434,985	7,034,523	8,061,990	6,691,874	8,476,159	8,630,047	8,933,772	8,372,599	11,132,548	6,916,794	101,946,393
REVENUES MINUS EXPENDITURES	(3,506,713)	(3,546,169)	2,469,902	(2,250,627)	(1,299,227)	4,117,584	2,187,155	(5,597,600)	(2,103,975)	(6,843,589)	(4,351,377)	(2,873,110)	25,221,417	1,623,671
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	5,681,242	4,658,618	7,033,021	7,033,021	5,385,461	2,374,403	2,374,403	-	-	-	-	-	(32,138,210)	2,401,958
Total Current Liabilities	(1,806,217)	(1,806,217)	(1,806,217)	(1,806,217)	-	-	-	-	-	-	-	-	6,916,794	(308,076)
TOTAL BALANCE SHEET TRANS.	3,875,025	2,852,401	5,226,803	5,226,803	5,385,461	2,374,403	2,374,403	-	-	-	-	-	(25,221,417)	2,093,882
BEG. CASH BALANCE, BEFORE TRAN	5,094,396	5,462,708	4,768,940	12,465,645	15,441,822	19,528,056	26,020,042	30,581,600	24,984,000	22,880,025	16,036,436	11,685,059	8,811,949	
NET CHANGE IN CASH	368,312	(693,768)	7,696,706	2,976,177	4,086,233	6,491,986	4,561,558	(5,597,600)	(2,103,975)	(6,843,589)	(4,351,377)	(2,873,110)	-	3,717,553
END. CASH BALANCE, BEFORE TRAN	5,462,708	4,768,940	12,465,645	15,441,822	19,528,056	26,020,042	30,581,600	24,984,000	22,880,025	16,036,436	11,685,059	8,811,949	8,811,949	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(1,503,759)	(1,233,083)	(1,233,083)	(1,233,083)	(796,993)	-	-	-	-	-	-	-	-	(6,000,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	5,094,396	3,958,949	2,032,098	8,495,721	10,238,815	13,528,056	20,020,042	24,581,600	18,984,000	16,880,025	10,036,436	5,685,059	2,811,949	
NET CHANGE IN CASH	(1,135,447)	(1,926,851)	6,463,623	1,743,094	3,289,241	6,491,986	4,561,558	(5,597,600)	(2,103,975)	(6,843,589)	(4,351,377)	(2,873,110)	-	(2,282,447)
END. CASH BALANCE, AFTER TRAN	3,958,949	2,032,098	8,495,721	10,238,815	13,528,056	20,020,042	24,581,600	18,984,000	16,880,025	10,036,436	5,685,059	2,811,949	2,811,949	

Princ. Apportionment Repayment (2)	5,246,592	4,302,206	4,302,206	4,302,206	2,780,694										20,933,904
------------------------------------	-----------	-----------	-----------	-----------	-----------	--	--	--	--	--	--	--	--	--	------------

(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets

WHITTIER CITY SCHOOL DISTRICT

Whittier City School District
7211 Whittier Avenue
Whittier, CA 90602
Attn: Chief Business Official

General

The Whittier City School District (the “District”) was first established on February 21, 1898. The District is located in Los Angeles County, California, and is comprised of approximately 15 square miles. The District is bound by the San Gabriel River on the north and west, by Washington and Whittier Boulevards on the south and by the East Whittier City Elementary School District on the east and is located about 13 miles east of downtown Los Angeles. The District includes eight elementary schools, two middle schools, and one K-8 school.

Organization

The governing board of the District is the Board of Education of the Whittier City School District (the “Board”). The Board consists of five members who are elected by geographic area to overlapping four-year terms at elections held every two years.

Outstanding Obligations

As of June 30, 2020, the District had the following long-term obligations:

Description	Balance
General obligation bonds payable and related premium	\$70,143,238
Compensated Absences	179,967
Certificates of Participation	9,121,462
OPEB obligation – net	37,736,178
TOTAL LONG-TERM OBLIGATIONS	\$117,180,845

Source: District’s Fiscal Year 2019-20 Unaudited Actuals.

Collective Bargaining Agreements

The District has settled with its certificated bargaining unit, the Whittier Elementary Teachers Association (“WETA”) for Fiscal Year 2019-20. The District negotiated a percentage increase of 2% to the WETA salary schedule retroactive to January 1, 2020. No steps, columns or ranges were added. The governing Board took action on April 14, 2020.

The District has settled with its classified bargaining unit, the Classified School Employees Association (“CSEA”) for Fiscal Year 2019-20. The District negotiated a percentage increase of 2% to the CSEA salary schedule retroactive to January 1, 2020. The District also increased longevity rates. The new longevity monthly rates are \$75 (over 10 years), \$90 (over 15 years), \$105 (over 20 years), and \$120 (over 25 years). The governing Board took action on May 12, 2020.

Cash Flow Assumptions

The District made the following assumptions in its cash flows:

- Because of the State’s Hold Harmless provisions for Fiscal Year 2020-21 regarding average daily attendance (“ADA”), the District is assuming stable ADA for Fiscal Year 2020-21 from Fiscal Year 2019-20.
- The District is using the State Adopted Budget assumptions for its Fiscal Year 2020-21 budget. These include flat funding to the LCFF base and the following State Aid deferrals:
 - 53% of February 2021 deferred until November 2021
 - 82% of March 2021 deferred until October 2021
 - 82% of April 2021 deferred until September 2021
 - 82% of May 2021 deferred until August 2021
 - 100% of June 2021 deferred until July 2021
- Elementary and Secondary School Emergency Relief Fund (ESSER II Fund) monies from the Federal Government have not been included.
- The Governor’s approved 2020-21 Cost-of-Living Adjustment (COLA) has not been included.
- The total TRAN amount for the District is less than its State Principal Apportionment Deferrals.

LCFF Funding History and Projection

The following table sets forth funded ADA and LCFF figures for the District for Fiscal Years 2015-16 through 2019-20 and an estimate for Fiscal Year 2020-21.

WHITTIER CITY SCHOOL DISTRICT SUMMARY OF ADA AND LCFF

<u>Fiscal Year</u>	<u>Funded ADA</u>	<u>LCFF per ADA</u>
2015-16 ⁽¹⁾	5,855	\$8,677
2016-17 ⁽¹⁾	5,832	9,358
2017-18 ⁽¹⁾	5,854	9,601
2018-19 ⁽¹⁾	5,853	10,243
2019-20 ⁽¹⁾	5,811	10,392
2020-21 ⁽²⁾	5,759	10,501

⁽¹⁾ Source: California Department of Education.

⁽²⁾ Source: District’s Fiscal Year 2020-21 2nd Interim Report.

Assessed Value

The following table sets forth assessed values for the District for the past five Fiscal Years:

WHITTIER CITY SCHOOL DISTRICT SUMMARY OF ASSESSED VALUE

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2016-17	\$5,959,948,791	\$28,952	\$165,476,818	\$6,125,454,561
2017-18	6,279,124,134	28,841	165,154,877	6,444,307,852
2018-19	6,582,215,084	26,235	181,732,955	6,763,974,274
2019-20	6,938,522,316	26,235	183,386,594	7,121,935,145
2020-21	7,243,142,517	41,916	184,019,358	7,427,203,791

Source: California Municipal Statistics, Inc.

Retirement Systems

The District participates in STRS for qualified certificated employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to STRS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$3,580,095
2017-18 ⁽¹⁾	4,136,834
2018-19 ⁽¹⁾	4,857,269
2019-20 ⁽²⁾	5,260,841
2020-21 ⁽³⁾	4,947,930

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Unaudited Actuals.

⁽³⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

The District also participates in PERS for all full-time and some part-time classified employees. The contribution requirements of the plan members are established by State statute. The following table sets forth the District's contributions to PERS for Fiscal Years 2016-17 through 2020-21. These amounts are the required contributions for each Fiscal Year.

<u>Fiscal Year</u>	<u>Contribution</u>
2016-17 ⁽¹⁾	\$ 1,394,776
2017-18 ⁽¹⁾	1,591,013
2018-19 ⁽¹⁾	1,663,119
2019-20 ⁽²⁾	2,173,958
2020-21 ⁽³⁾	2,376,731

⁽¹⁾ Source: District's Audited Financials.

⁽²⁾ Source: District's Fiscal Year 2019-20 Unaudited Actuals.

⁽³⁾ Source: District's Fiscal Year 2020-21 2nd Interim Report.

Other Post-Employment Benefits

The District pays a portion of the medical costs for eligible retirees through a retiree benefit plan (“OPEB Plan”), which is a defined benefit plan for OPEB. For a general discussion of the calculation of the OPEB liabilities, see “PARTICIPANT FINANCES-- Financial Statements and Accounting Practices-- GASB Statement 75.” For the fiscal year ended June 30, 2020, the District reported total and net OPEB liabilities and OPEB contributions for its OPEB Plan as set forth in the following table:

<u>OPEB Plan</u>	<u>Total OPEB</u>	<u>Net OPEB</u>	<u>District</u>
<u>District Plan⁽¹⁾</u>	<u>Liability</u>	<u>Liability</u>	<u>Contribution</u>
	\$37,736,178	\$37,736,178	\$474,217

⁽¹⁾ Based on a measurement date of June 30, 2019.

Source: District’s Fiscal Year 2019-20 Unaudited Actuals.

Sources of Alternate Liquidity

The District has moneys in certain accounts which are designated for certain uses but which can be used on a temporary basis for its other obligations, including its Note.

<u>Name or Type of Fund</u>	<u>Balance as of</u>	<u>Projected Balance</u>	<u>Projected Balance</u>
	<u>June 30, 2020</u>	<u>as of June 30, 2021</u>	<u>as of June 30, 2022</u>
Special Reserve for Capital Outlay	-	\$4,000,000	\$4,000,000

Prospective purchasers of the Certificates should be aware that such funds have restricted uses but can be used as alternative sources of liquidity for the payment of District obligations; no representation is made by the District that such funds would in fact be made available for the payment of its Note in the absence of other revenues.

Financial Reports

The General Fund is the major fund classification of the District. The following table is a summary of the District’s General Fund during Fiscal Years 2017-18, 2018-19 and 2019-20 (Unaudited Actuals).

**WHITTIER CITY SCHOOL DISTRICT
SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCES FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 UNAUDITED ACTUALS
BEGINNING FUND BALANCE	\$7,035,089	\$4,751,913	\$6,632,246
Total Revenues	70,223,025	78,130,017	72,646,780
Total Beginning Fund Balance and Revenues	77,258,114	82,881,930	79,279,026
Total Expenditures	71,024,710	76,249,685	70,086,302
Other Financing Sources (Uses)	(1,481,491)	-	-
ENDING FUND BALANCE	<u>\$4,751,913</u>	<u>\$6,632,245</u>	<u>\$9,192,724</u>

Source: District's Audited Financial Statements for Fiscal Years 2017-18 and 2018-19; Fiscal Year 2019-20 Unaudited Actuals.

District General Fund Budgets

The following table is a summary of the District's General Fund budgets for Fiscal Years 2019-20 and 2020-21.

**WHITTIER CITY SCHOOL DISTRICT
SUMMARY OF 2019-20 BUDGET AND 2020-21 BUDGET⁽¹⁾
FOR DISTRICT GENERAL FUND**

	GENERAL FUND 2019-20 BUDGET	GENERAL FUND 2020-21 BUDGET
BEGINNING FUND BALANCE	\$6,632,247	\$ 9,192,724
Total Revenues	71,663,637	68,014,313
Total Beginning Fund Balance and Revenues	78,295,883	77,207,037
Total Expenditures	71,631,749	71,372,316
Other Financing Sources (Uses)	-	5,000,000
ENDING FUND BALANCE	<u>\$6,664,135</u>	<u>\$10,834,721</u>

⁽¹⁾ District's Fiscal Year 2019-20 and 2020-21 Adopted Budgets.

District General Fund Balance Sheets

The following table is a summary of the District's General Fund Balance Sheets for Fiscal Years 2017-18, 2018-19 and 2019-20 (Unaudited Actuals).

**WHITTIER CITY SCHOOL DISTRICT
GENERAL FUND BALANCE SHEET
FOR FISCAL YEARS ENDING
JUNE 30, 2018, 2019 AND 2020**

	GENERAL FUND 2017-18 AUDITED	GENERAL FUND 2018-19 AUDITED	GENERAL FUND 2019-20 UNAUDITED ACTUALS
Total Assets	\$12,054,798	\$13,548,761	\$22,841,448
Total Liabilities	7,302,885	6,916,516	13,648,724
Fund Balance			
Nonspendable	82,964	91,296	104,626
Restricted	1,764,552	2,405,168	3,021,521
Assigned	699,272	2,007,406	3,963,988
Unassigned	2,205,125	2,128,375	2,102,589
Total Fund Balance	4,751,913	6,632,245	9,192,724
Total Liabilities and Fund Balance	<u>\$12,054,798</u>	<u>\$13,548,761</u>	<u>\$22,841,448</u>

Source: District's Audited Financial Statements for Fiscal Years 2017-18 and 2018-19; Fiscal Year 2019-20 Unaudited Actuals.

Secured Tax Charges and Delinquencies

The following table sets forth the secured tax charges and delinquencies for the District for Fiscal Years 2015-16 through 2019-20.

WHITTIER CITY SCHOOL DISTRICT SECURED TAX CHARGES AND DELINQUENCIES

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$4,688,722	\$66,270	1.41%
2016-17	4,974,280	58,897	1.18
2017-18	5,265,823	65,222	1.24
2018-19	5,518,496	75,161	1.36
2019-20	5,836,495	131,206	2.25

	Secured Tax Charge ⁽²⁾	Amt. Del. June 30	% Del. June 30
2015-16	\$3,206,992	\$36,965	1.15%
2016-17	3,224,497	35,309	1.10
2017-18	2,959,065	35,194	1.19
2018-19	3,614,729	41,131	1.14
2019-20	3,520,859	71,100	2.02

⁽¹⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects Countywide delinquency rate.

⁽²⁾ Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Largest Fiscal Year 2020-21 Local Secured Taxpayers

21. The following table sets forth the largest local secured taxpayers in the District in Fiscal Year 2020-

WHITTIER CITY SCHOOL DISTRICT LARGEST FISCAL YEAR 2020-21 LOCAL SECURED TAXPAYERS

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total ⁽¹⁾
1.	R R and C Development Co.	Office Building	\$143,971,733	1.99%
2.	Prologis USLV Newca 6 LLC	Industrial	93,445,725	1.29
3.	Rose Hills Inc.	Cemetery	90,871,404	1.25
4.	Q4G Properties LP, Lessor	Industrial	81,305,760	1.12
5.	PPF Industrial Peck Center I & II LP	Industrial	<u>53,060,394</u>	<u>0.73</u>
			\$462,655,016	6.39%

⁽¹⁾ 2020-21 Local Secured Assessed Valuation: \$7,243,142,517.
Source: California Municipal Statistic, Inc.

District Fiscal Year 2019-20 Audit

The District expects to present audited financial statements for the fiscal year ended June 30, 2020 to its Governing Board on or about April 13, 2021, which will then be posted at <https://www.lacoe.edu/BusinessServices/BusinessAdvisoryServices/PooledFinancing/TRANS.aspx>. District officials anticipate the audit to be in-line with the unaudited information presented in the Official Statement and do not expect that the audit will contain any information that would materially or adversely affect the District's financial condition.

**WHITTIER CITY SCHOOL DISTRICT
CASH FLOWS**

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C
Whittier City Elementary

	FY 2019-20 Cash Flows												Accruals & Adjustments	Total
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20		
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
REVENUES														
LCFF Sources														
Principal Apportionment	2,110,310	2,104,984	6,135,112	3,798,558	3,798,558	6,135,113	3,798,558	3,659,307	6,083,623	3,659,307	3,659,307	-	4,097,704	49,040,441
Property Taxes	78,864	152,771	71,825	-	121,495	2,030,140	1,293,139	315,089	449,434	1,382,528	2,032,012	3,300,922	(5,654)	11,222,565
Miscellaneous Funds	-	-	-	-	568,960	-	98,714	-	35,850	-	-	71,906	-	775,430
Federal Revenue	83,500	38,444	304,780	505,393	(510,364)	19,201	658,001	13,841	336,733	93,084	474,130	290,755	964,175	3,271,673
Other State Revenue	855	122,210	328,960	132,610	(132,610)	956,893	-	934,373	314,962	906,196	-	314,724	361,482	4,240,655
Other Local Revenue	538	23,392	443,950	79,725	416,268	32,487	203,897	455,383	652,774	549,373	350,502	176,260	711,467	4,096,016
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,274,067	2,441,801	7,284,626	4,516,287	4,262,307	9,173,833	6,052,309	5,377,993	7,873,377	6,590,488	6,515,951	4,154,567	6,129,175	72,646,780
EXPENDITURES														
Certificated Salaries	16,452	466,907	2,729,015	2,769,883	2,797,368	2,807,021	2,727,733	2,817,749	2,829,790	2,877,673	2,778,591	5,551,293	-	31,169,476
Classified Salaries	7,595	469,577	943,859	1,061,837	982,949	954,615	928,038	980,270	998,940	948,279	1,039,441	1,558,795	-	10,874,195
Employee Benefits	56,859	279,246	1,607,425	1,612,837	1,618,753	1,610,086	1,709,003	1,725,060	1,723,151	1,718,404	1,742,017	2,438,433	(12,045)	17,829,229
Books and Supplies	55,119	74,387	168,422	190,660	173,716	132,806	96,937	116,814	63,117	22,763	48,799	174,911	41,029	1,359,478
Services	385,111	556,006	707,813	563,098	359,438	477,165	922,887	799,069	596,809	386,836	735,887	1,209,743	220,153	7,920,015
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	2,554	-	-	-	-	-	168,983	13,903	41,638	13,903	13,903	269,609	409,416	933,909
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	523,690	1,846,124	6,156,534	6,198,314	5,932,224	5,981,694	6,553,580	6,452,864	6,253,445	5,967,858	6,358,639	11,202,784	658,553	70,086,302
REVENUES MINUS EXPENDITURES	1,750,377	595,677	1,128,092	(1,682,028)	(1,669,917)	3,192,139	(501,271)	(1,074,870)	1,619,932	622,630	157,312	(7,048,217)	5,470,622	2,560,478
BALANCE SHEET TRANSACTIONS														
Total Current Assets	(18,072)	(24,105)	318,831	215,080	1,227,525	17,474	957,489	18,470	6,400	(2,403)	(35,009)	303,036	(8,517,970)	(5,533,254)
Total Current Liabilities	(2,136,817)	(1,372,235)	441,166	91,375	(61,160)	769,025	(61,275)	(82,211)	(225,408)	426,927	(3,017,101)	8,635,349	3,324,573	6,732,209
TOTAL BALANCE SHEET TRANS.	(2,154,889)	(1,396,341)	759,996	306,454	1,166,365	786,499	896,214	(63,741)	(219,008)	424,525	(3,052,109)	8,938,385	(5,193,396)	1,198,955
BEG. CASH BALANCE, BEFORE TRAN	8,633,617	8,229,105	7,428,441	9,316,530	7,940,956	7,437,404	11,416,042	11,810,985	10,672,374	12,073,298	13,120,453	10,225,656	12,115,824	
NET CHANGE IN CASH	(404,512)	(800,663)	1,888,088	(1,375,574)	(503,552)	3,978,638	394,943	(1,138,611)	1,400,924	1,047,155	(2,894,797)	1,890,168	277,226	3,759,432
END. CASH BALANCE, BEFORE TRAN	8,229,105	7,428,441	9,316,530	7,940,956	7,437,404	11,416,042	11,810,985	10,672,374	12,073,298	13,120,453	10,225,656	12,115,824	12,393,049	
TRAN BORROWING														
FY 2018-19 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEG. CASH BALANCE, AFTER TRAN	8,633,617	8,229,105	7,428,441	9,316,530	7,940,956	7,437,404	11,416,042	11,810,985	10,672,374	12,073,298	13,120,453	10,225,656	12,115,824	
NET CHANGE IN CASH	(404,512)	(800,663)	1,888,088	(1,375,574)	(503,552)	3,978,638	394,943	(1,138,611)	1,400,924	1,047,155	(2,894,797)	1,890,168	277,226	3,759,432
END. CASH BALANCE, AFTER TRAN	8,229,105	7,428,441	9,316,530	7,940,956	7,437,404	11,416,042	11,810,985	10,672,374	12,073,298	13,120,453	10,225,656	12,115,824	12,393,049	

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C
Whittier City Elementary

	FY 2020-21 Cash Flows													
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Accruals &	
	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Adjustments	Total
REVENUES														
LCFF Sources														
Principal Apportionment (1)	3,937,419	(169,263)	6,087,120	3,391,340	3,391,340	6,087,121	3,203,609	1,843,760	3,401,901	706,121	706,121	2,695,780	14,042,227	49,324,596
Property Taxes	67,910	182,080	76,179	-	114,812	2,175,992	1,293,139	315,089	449,434	1,518,932	2,782,012	2,010,447	-	10,986,026
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	48,409	-	6,706,772	447,524	133	845,818	512,665	250,966	742,530	371,819	951,625	442,168	542,576	11,863,006
Other State Revenue	-	-	874,261	175,282	185,335	307,099	-	376,160	225,852	356,104	-	286,756	258,918	3,045,767
Other Local Revenue	365,978	(363,103)	77,881	640	156,381	254,660	205,224	467,955	766,626	562,580	412,682	177,779	1,236,853	4,322,135
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,419,715	(350,287)	13,822,213	4,014,786	3,848,002	9,670,690	5,214,638	3,253,931	5,586,343	3,515,555	4,852,440	5,612,930	16,080,575	79,541,530
EXPENDITURES														
Certificated Salaries	22,094	426,748	2,682,179	2,690,380	2,697,854	2,720,371	2,671,986	2,759,148	2,771,171	2,819,261	2,755,084	2,755,083	2,733,567	30,504,925
Classified Salaries	3,515	601,608	838,415	973,243	969,420	957,487	938,077	990,660	1,010,641	959,110	1,086,309	1,087,360	741,762	11,157,607
Employee Benefits	187,595	140,929	1,611,433	1,655,821	1,601,739	1,638,590	1,737,890	1,755,678	1,752,121	1,748,563	1,798,546	1,796,767	703,034	18,128,707
Books and Supplies	63,015	363,044	422,202	106,223	237,331	2,154,196	645,507	794,109	713,600	653,034	692,180	881,635	101,335	7,827,411
Services	204,953	525,275	247,529	636,204	111,036	430,785	1,892,248	1,304,063	1,071,872	829,237	1,230,951	1,756,450	253,080	10,493,684
Capital Outlay	-	6,813	-	-	(6,813)	-	-	-	-	-	-	-	-	-
Other Outgo	16,201	3,420	6,155	36,920	6,155	6,155	113,428	9,276	27,974	9,276	9,276	137,913	209,900	592,048
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	497,372	2,067,838	5,807,913	6,098,791	5,616,723	7,907,584	7,999,136	7,612,935	7,347,379	7,018,480	7,572,345	8,415,208	4,742,678	78,704,382
REVENUES MINUS EXPENDITURES	3,922,343	(2,418,124)	8,014,300	(2,084,005)	(1,768,721)	1,763,105	(2,784,498)	(4,359,003)	(1,761,036)	(3,502,925)	(2,719,906)	(2,802,279)	11,337,896	837,147
BALANCE SHEET TRANSACTIONS														
Total Current Assets	(2,447)	4,830,556	93,558	7,709	58,480	(7,453)	3,030,709	-	-	-	-	-	(16,080,575)	(8,069,463)
Total Current Liabilities	(5,825,137)	(3,635,738)	(691,787)	442,149	40,128	1,605,277	-	-	-	-	-	(4,000,000)	4,742,678	(7,322,430)
TOTAL BALANCE SHEET TRANS.	(5,827,584)	1,194,818	(598,229)	449,858	98,608	1,597,823	3,030,709	-	-	-	-	(4,000,000)	(11,337,896)	(15,391,893)
BEG. CASH BALANCE, BEFORE TRAN	12,393,049	10,487,808	9,264,502	16,680,573	15,046,426	13,376,313	16,737,241	16,983,452	12,624,448	10,863,413	7,360,488	4,640,582	(2,161,696)	
NET CHANGE IN CASH	(1,905,241)	(1,223,306)	7,416,071	(1,634,147)	(1,670,113)	3,360,928	246,211	(4,359,003)	(1,761,036)	(3,502,925)	(2,719,906)	(6,802,279)	-	(14,554,746)
END. CASH BALANCE, BEFORE TRAN	10,487,808	9,264,502	16,680,573	15,046,426	13,376,313	16,737,241	16,983,452	12,624,448	10,863,413	7,360,488	4,640,582	(2,161,696)	(2,161,696)	
TRAN BORROWING														
FY 2019-20 Cross FY TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2020-21 Cross FY TRAN	-	-	-	-	-	-	-	-	-	10,150,000	-	-	-	10,150,000
BEG. CASH BALANCE, AFTER TRAN	12,393,049	10,487,808	9,264,502	16,680,573	15,046,426	13,376,313	16,737,241	16,983,452	12,624,448	10,863,413	17,510,488	14,790,582	7,988,304	
NET CHANGE IN CASH	(1,905,241)	(1,223,306)	7,416,071	(1,634,147)	(1,670,113)	3,360,928	246,211	(4,359,003)	(1,761,036)	6,647,075	(2,719,906)	(6,802,279)	-	(4,404,746)
END. CASH BALANCE, AFTER TRAN	10,487,808	9,264,502	16,680,573	15,046,426	13,376,313	16,737,241	16,983,452	12,624,448	10,863,413	17,510,488	14,790,582	7,988,304	7,988,304	
Princ. Apportionment Deferrals (1)								(2,079,134)	(3,216,773)	(3,216,773)	(3,216,772)	(2,312,775)		(14,042,227)

(1) FY 2020-21 Principal Apportionment Deferrals. These Deferrals have been netted out of the FY 2020-21 Principal Apportionment.

Los Angeles County Schools FY 2020-21 Cross FY Pooled TRANs, Series C
Whittier City Elementary

	FY 2021-22 Cash Flows												Accruals & Adjustments	Total
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22		
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected		
REVENUES														
LCFF Sources														
Principal Apportionment	2,001,222	2,001,222	6,297,979	3,602,199	3,602,199	6,297,979	3,602,199	1,699,463	3,346,638	650,858	650,858	2,695,781	14,427,350	50,875,947
Property Taxes	67,909	182,079	76,362	-	129,228	2,169,856	1,381,565	337,167	479,318	1,477,899	2,172,206	2,512,437	-	10,986,026
Miscellaneous Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenue	36,457	-	349,616	579,684	(585,102)	22,032	754,492	15,892	386,095	106,907	543,567	333,002	1,105,554	3,648,196
Other State Revenue	-	-	180,600	72,783	(72,783)	525,075	-	512,869	172,915	497,499	-	173,141	198,232	2,260,331
Other Local Revenue	365,978	(363,103)	446,496	80,287	418,641	32,361	205,224	457,965	656,636	552,590	352,691	177,779	715,621	4,099,166
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	2,471,566	1,820,198	7,351,053	4,334,953	3,492,183	9,047,303	5,943,480	3,023,356	5,041,602	3,285,753	3,719,322	5,892,140	16,446,757	71,869,666
EXPENDITURES														
Certificated Salaries	22,461	433,839	2,726,745	2,735,083	2,742,681	2,765,572	2,716,383	2,804,994	2,850,502	2,899,391	2,798,557	2,753,362	2,762,216	31,011,786
Classified Salaries	3,547	607,137	967,471	1,087,401	1,007,802	978,085	950,490	1,003,556	1,023,721	971,716	1,065,112	1,066,179	529,597	11,261,813
Employee Benefits	196,133	147,343	1,709,125	1,714,704	1,720,283	1,710,984	1,816,991	1,835,589	1,831,869	1,828,150	1,852,326	1,850,467	727,168	18,941,132
Books and Supplies	63,015	363,044	252,790	286,212	260,730	199,425	145,507	175,236	94,727	34,161	73,307	262,761	61,675	2,272,590
Services	204,953	525,275	815,481	648,367	413,766	548,742	1,062,133	919,926	687,735	445,100	846,814	1,393,146	253,081	8,764,519
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	-	-	187,500	-	-	187,500	-	-	187,500	-	-	187,500	(157,952)	592,048
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	490,109	2,076,638	6,659,112	6,471,767	6,145,262	6,390,308	6,691,504	6,739,301	6,676,054	6,178,518	6,636,116	7,513,415	4,175,785	72,843,888
REVENUES MINUS EXPENDITURES	1,981,457	(256,440)	691,941	(2,136,814)	(2,653,079)	2,656,995	(748,024)	(3,715,945)	(1,634,452)	(2,892,765)	(2,916,794)	(1,621,275)	12,270,972	(974,222)
BALANCE SHEET TRANSACTIONS														
Total Current Assets (2)	2,751,122	3,616,772	3,616,773	3,616,773	2,479,134	-	-	-	-	-	-	-	(16,446,757)	(366,183)
Total Current Liabilities	(2,754,988)	(2,000,000)	-	-	-	-	-	-	-	-	-	-	4,175,785	(579,203)
TOTAL BALANCE SHEET TRANS.	(3,866)	1,616,772	3,616,773	3,616,773	2,479,134	-	-	-	-	-	-	-	(12,270,972)	(945,386)
BEG. CASH BALANCE, BEFORE TRAN	7,988,304	9,965,895	11,326,227	15,634,941	17,114,900	16,940,955	19,597,951	18,849,927	15,133,981	13,499,529	10,606,764	7,689,970	6,068,695	
NET CHANGE IN CASH	1,977,591	1,360,332	4,308,714	1,479,959	(173,945)	2,656,995	(748,024)	(3,715,945)	(1,634,452)	(2,892,765)	(2,916,794)	(1,621,275)	-	(1,919,608)
END. CASH BALANCE, BEFORE TRAN	9,965,895	11,326,227	15,634,941	17,114,900	16,940,955	19,597,951	18,849,927	15,133,981	13,499,529	10,606,764	7,689,970	6,068,695	6,068,695	
TRAN BORROWING														
FY 2020-21 Cross FY TRAN	(2,293,860)	(2,085,965)	(2,085,965)	(2,085,965)	(1,598,246)	-	-	-	-	-	-	-	-	(10,150,000)
FY 2021-22 TRAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FY 2021-22 Cross FY TRAN	-	-	-	-	-	-	-	-	-	10,000,000	-	-	-	10,000,000
BEG. CASH BALANCE, AFTER TRAN	7,988,304	7,672,034	6,946,402	9,169,151	8,563,146	6,790,955	9,447,951	8,699,927	4,983,981	3,349,529	10,456,764	7,539,970	5,918,695	
NET CHANGE IN CASH	(316,269)	(725,632)	2,222,749	(606,005)	(1,772,190)	2,656,995	(748,024)	(3,715,945)	(1,634,452)	7,107,235	(2,916,794)	(1,621,275)	-	(2,069,608)
END. CASH BALANCE, AFTER TRAN	7,672,034	6,946,402	9,169,151	8,563,146	6,790,955	9,447,951	8,699,927	4,983,981	3,349,529	10,456,764	7,539,970	5,918,695	5,918,695	
Princ. Apportionment Repayment (2)	2,312,775	3,216,772	3,216,773	3,216,773	2,079,134									14,042,227
(2) FY 2020-21 Principal Apportionment Deferral Repayments are included in FY 2021-22 Total Current Assets														

APPENDIX B

PROJECTED COVERAGE AND SET-ASIDE TABLE

**Los Angeles County Schools Pooled Financing Program
2020-21 Series C Tax and Revenue Anticipation Notes
Projected Coverage and Set-Asides Table**

Series C-1			
Participant	Long Beach Community College District	Redondo Beach Unified School District	South Pasadena Unified School District
Note Amount	\$ 8,000,000	\$ 6,280,000	\$ 4,000,000
2020-21 Projected Total Revenues	\$ 140,596,570	\$ 110,457,949	\$ 55,766,536
Note Amount as % of Proj. Total Revenues	5.7%	5.7%	7.2%
Note Amount w/ Interest (1)	\$ 8,113,778	\$ 4,056,889	\$ 6,369,316
Set-Asides			
First Set-Aside - July 2021	\$ 1,600,000	\$ 1,679,398	\$ 1,002,506
Second Set-Aside - August 2021	1,600,000	1,269,997	822,055
Third Set-Aside - September 2021	1,600,000	1,265,937	822,055
Fourth Set-Aside - October 2021	1,600,000	1,254,033	822,055
Final Set-Aside - November 2021 (1)	1,713,778	899,951	588,218
Total Set-Asides	\$ 8,113,778	\$ 6,369,316	\$ 4,056,889
Projected Ending Cash Balances (2)			
After First Set-Aside - July 2021	\$ 17,650,199	\$ 5,764,248	\$ 6,506,295
After Second Set-Aside - August 2021	13,792,753	12,177,635	6,630,925
After Third Set-Aside - September 2021	16,163,703	11,681,510	6,927,889
After Fourth Set-Aside - October 2021	13,532,537	8,361,955	6,583,777
After Final Set-Aside - November 2021	13,219,336	4,822,022	5,174,920
After Maturity - December 2021	18,142,631	18,847,142	8,917,481
Alternate Cash Resources (3)	33,000,000	11,227,500	822,055
Projected Coverage Metrics (3)			
Coverage at First Set-Aside - July 2021	12.03x	4.43x	7.49x
Coverage at Second Set-Aside - August 2021	9.62x	10.59x	9.07x
Coverage at Third Set-Aside - September 2021	11.10x	10.23x	9.43x
Coverage at Fourth Set-Aside - October 2021	9.46x	7.67x	9.01x
Coverage at Final Set-Aside - November 2021	8.71x	6.36x	9.80x
Coverage at Maturity - December 2021	3.24x	3.96x	3.20x
Coverage at Maturity w/Alternate Cash Resources (4)	7.30x	5.72x	3.40x

(1) Interest calculated using 2.00% borrowing rate

(2) Projected ending cash balances do not reflect original issue premium, coupon payment, nor investment earnings

(3) Respective set-aside amounts have been added to projected ending cash balances to calculate cash coverage metrics

(4) Maximum legally borrowable amount of alternate cash resources (75% of total) as of December 31, 2021

**Los Angeles County Schools Pooled Financing Program
2020-21 Series C Tax and Revenue Anticipation Notes
Projected Coverage and Set-Asides Table**

Series C-2									
Participant	El Monte Union High School District	Keppel Union School District	Little Lake City School District	San Gabriel Unified School District	Temple City Unified School District	West Covina Unified School District	Westside Union School District	Whittier City School District	
Note Amount	\$ 12,000,000	\$ 5,000,000	\$ 5,000,000	\$ 6,870,000	\$ 6,060,000	\$ 5,000,000	\$ 6,000,000	\$ 10,150,000	
2020-21 Projected Total Revenues	\$ 142,577,390	\$ 39,331,965	\$ 55,240,738	\$ 71,014,192	\$ 66,372,535	\$ 124,664,908	\$ 107,754,471	\$ 79,541,530	
Note Amount as % of Proj. Total Revenues	8.4%	12.7%	9.1%	9.7%	9.1%	4.0%	5.6%	12.8%	
Note Amount w/ Interest (1)	\$ 12,170,667	\$ 5,071,111	\$ 5,071,111	\$ 6,967,707	\$ 6,146,187	\$ 5,071,111	\$ 6,085,333	\$ 10,294,356	
Set-Asides (1)									
First Set-Aside - July 2021	\$ 3,007,519	\$ 1,253,133	\$ 1,253,132	\$ 1,721,805	\$ 1,518,798	\$ 1,253,133	\$ 1,503,759	\$ 2,293,860	
Second Set-Aside - August 2021	2,466,165	1,027,569	1,027,569	1,411,880	1,245,413	1,027,569	1,233,083	2,085,965	
Third Set-Aside - September 2021	2,466,165	1,027,569	1,027,569	1,411,880	1,245,413	1,027,569	1,233,083	2,085,965	
Fourth Set-Aside - October 2021	2,466,165	1,027,569	1,027,569	1,411,880	1,245,413	1,027,569	1,233,083	2,085,965	
Final Set-Aside - November 2021 (1)	<u>1,764,653</u>	<u>735,271</u>	<u>735,272</u>	<u>1,010,262</u>	<u>891,150</u>	<u>735,271</u>	<u>882,325</u>	<u>1,742,601</u>	
Total Set-Asides	\$ 12,170,667	\$ 5,071,111	\$ 5,071,111	\$ 6,967,707	\$ 6,146,187	\$ 5,071,111	\$ 6,085,333	\$ 10,294,356	
Projected Ending Cash Balances (2)									
After First Set-Aside - July 2021	\$ 33,709,458	\$ 1,523,440	\$ 2,351,744	\$ 11,598,088	\$ 10,397,271	\$ 8,228,191	\$ 3,958,949	\$ 7,672,034	
After Second Set-Aside - August 2021	32,298,227	736,227	4,063,440	9,614,442	9,589,483	10,491,742	2,032,098	6,946,402	
After Third Set-Aside - September 2021	37,241,195	1,495,236	5,937,789	9,259,340	11,562,574	13,840,152	8,495,721	9,169,151	
After Fourth Set-Aside - October 2021	40,924,072	4,193,610	6,151,114	6,639,530	8,418,076	13,498,509	10,238,815	8,563,146	
After Final Set-Aside - November 2021	41,945,850	5,144,699	6,659,603	4,147,417	7,050,131	13,902,240	13,528,056	6,790,955	
After Maturity - December 2021	50,675,469	5,799,743	7,520,755	10,507,564	12,532,111	17,682,951	20,020,042	9,447,951	
Alternate Cash Resources (3)	5,547,647	1,687,500	3,279,191	737,034	2,788,715	4,977,750	3,825,000	3,000,000	
Projected Coverage Metrics (3)									
Coverage at First Set-Aside - July 2021	12.21x	2.22x	2.88x	7.74x	7.85x	7.57x	3.63x	4.34x	
Coverage at Second Set-Aside - August 2021	14.10x	1.72x	4.95x	7.81x	8.70x	11.21x	2.65x	4.33x	
Coverage at Third Set-Aside - September 2021	16.10x	2.46x	6.78x	7.56x	10.28x	14.47x	7.89x	5.40x	
Coverage at Fourth Set-Aside - October 2021	17.59x	5.08x	6.99x	5.70x	7.76x	14.14x	9.30x	5.11x	
Coverage at Final Set-Aside - November 2021	24.77x	8.00x	10.06x	5.11x	8.91x	19.91x	16.33x	4.90x	
Coverage at Maturity - December 2021	5.16x	2.14x	2.48x	2.51x	3.04x	4.49x	4.29x	1.92x	
Coverage at Maturity w/Alternate Cash Resources (4)	5.62x	2.48x	3.13x	2.61x	3.49x	5.47x	4.92x	2.21x	

(1) Interest calculated using 2.00% borrowing rate

(2) Projected ending cash balances do not reflect original issue premium, coupon payment, nor investment earnings

(3) Respective set-aside amounts have been added to projected ending cash balances to calculate cash coverage metrics

(4) Maximum legally borrowable amount of alternate cash resources (75% of total) as of December 31, 2021

**Los Angeles County Schools Pooled Financing Program
2020-21 Series C Tax and Revenue Anticipation Notes
Projected Coverage and Set-Asides Table**

Series C-3			
Participant	Bassett Unified School District	Compton Unified School District	Mountain View School District
Note Amount	\$ 5,000,000	\$ 24,380,000	\$ 9,570,000
2020-21 Projected Total Revenues	\$ 52,072,727	\$ 388,959,630	\$ 103,672,638
Note Amount as % of Proj. Total Revenues	9.6%	6.3%	9.2%
Note Amount w/ Interest (1)	\$ 5,071,111	\$ 24,726,738	\$ 9,706,107
Set-Asides (1)			
First Set-Aside - July 2021	\$ 1,253,133	\$ 6,110,276	\$ 2,398,495
Second Set-Aside - August 2021	1,027,569	5,010,426	1,966,767
Third Set-Aside - September 2021	1,027,569	5,010,426	1,966,767
Fourth Set-Aside - October 2021	1,027,569	5,010,426	1,966,767
Final Set-Aside - November 2021 (1)	735,271	3,585,184	1,407,311
Total Set-Asides	\$ 5,071,111	\$ 24,726,738	\$ 9,706,107
Projected Ending Cash Balances (2)			
After First Set-Aside - July 2021	\$ 3,517,101	\$ 37,081,332	\$ 5,219,622
After Second Set-Aside - August 2021	5,518,762	44,393,241	3,118,483
After Third Set-Aside - September 2021	6,165,768	50,751,658	8,432,233
After Fourth Set-Aside - October 2021	6,339,886	48,340,226	9,125,197
After Final Set-Aside - November 2021	7,206,205	50,891,226	7,755,606
After Maturity - December 2021	7,433,515	68,926,858	11,115,374
Alternate Cash Resources (3)	4,560,000	2,025,000	750,000
Projected Coverage Metrics (3)			
Coverage at First Set-Aside - July 2021	3.81x	7.07x	3.18x
Coverage at Second Set-Aside - August 2021	6.37x	9.86x	2.59x
Coverage at Third Set-Aside - September 2021	7.00x	11.13x	5.29x
Coverage at Fourth Set-Aside - October 2021	7.17x	10.65x	5.64x
Coverage at Final Set-Aside - November 2021	10.80x	15.19x	6.51x
Coverage at Maturity - December 2021	2.47x	3.79x	2.15x
Coverage at Maturity w/Alternate Cash Resources (4)	3.37x	3.87x	2.22x

(1) Interest calculated using 2.00% borrowing rate

(2) Projected ending cash balances do not reflect original issue premium, coupon payment, nor investment earnings

(3) Respective set-aside amounts have been added to projected ending cash balances to calculate cash coverage metrics

(4) Maximum legally borrowable amount of alternate cash resources (75% of total) as of December 31, 2021

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the delivery of the Certificates, Hawkins Delafield & Wood LLP, Bond Counsel, proposes to render its final approving opinion in substantially the following form:

County of Los Angeles
Los Angeles, California 90012

Los Angeles County Office of Education
Downey, California 90242

Ladies and Gentlemen:

We have examined a record of proceedings relating to the execution and delivery of \$18,280,000 aggregate principal amount of Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C-1 (the “Series C-1 Certificates”), \$56,080,000 aggregate principal amount of Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C-2 (the “Series C-2 Certificates”), and \$38,950,000 aggregate principal amount of Los Angeles County Schools Pooled Financing Program 2020-21 Pooled TRAN Participation Certificates, Series C-3 (the “Series C-3 Certificates” and, together with the Series C-1 Certificates and Series C-2 Certificates, the “Certificates”).

The Certificates of each Series are being executed and delivered pursuant to separate Trust Agreements (each, a “Trust Agreement” and collectively, the “Trust Agreements”), each dated as of August 1, 2019, by and between the County of Los Angeles (the “County”) and The Bank of New York Mellon Trust Company, N.A., as certificate agent (the “Certificate Agent”). The Certificates evidence and represent proportionate and undivided interests in 2020-21 Tax and Revenue Anticipation Notes (individually, a “Note” and collectively, the “Notes”) issued by certain school districts (collectively, the “Participants,” and with respect to the Series C-1 Certificates, the “Series C-1 Participants,” with respect to the Series C-2 Certificates, the “Series C-2 Participants” and with respect to the Series C-3 Certificates, the “Series C-3 Participants”) located in the County of Los Angeles (the “County”) participating in such series and the debt service payments on the Notes attributable to the Certificates to be made by the respective Participants. Each Note is issued pursuant to Article 7.6, Sections 53850 et seq., and particularly under authority of Section 53853, of the California Government Code (the “Government Code”), and separate resolutions adopted by the governing board of each Participant (collectively, the “Participant Resolutions”) and a resolution adopted by the Los Angeles County Board of Supervisors (the “Board of Supervisors”) on March 23, 2021.

Pursuant to each of the Trust Agreements, the Certificate Agent has acquired the Notes and has executed and delivered the Certificates. Each Series of Certificates evidences proportionate and undivided interests of the registered owners thereof in the related Series of Notes and the payments of principal of and interest on such Notes by the Participants. The respective Notes are general obligations of the respective Participants, payable as to principal and interest from certain unrestricted revenues pledged by the Participants pursuant to Section 53856 of the Government Code of the State of California (the “Government Code”) and the Participant Note Resolutions, and to the extent not paid from such pledged revenues, the Notes shall be paid with interest thereon from any other moneys of the respective Participants lawfully available therefor, pursuant to Section 53857 of the Government

Code. No Participant has any obligation to pay the principal of or interest on the Notes of any other Participant.

In our capacity as Bond Counsel, we have examined certain estimates, expectations and assumptions made by or on behalf of the Participants, originals, or copies identified to our satisfaction as being true copies, of such records and proceedings of the County and the Participants, certificates of officials of the Participants and others, including a certificate of each Participant relating to certain federal income tax matters (each, a “Tax Certificate”), and such other documents, records and matters of law as we have deemed necessary for the purpose of rendering the opinions expressed below.

We are of the opinion that:

1. Each Note has been duly authorized, executed, issued and delivered by, and constitutes a valid and legally binding obligation of the Participants, and is payable from the first unrestricted revenues of the respective Participant in the amounts and on the dates set forth in the respective Note, and, to the extent not so paid, from taxes, income, revenue, cash receipts and other moneys which are received by the respective Participant during or attributable to Fiscal Year 2020-21 of such Participant and lawfully available for payment of the respective Note. Such obligation, however, is subject to and may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditors’ rights or remedies and is subject to general principals of equity (regardless of whether such enforceability is considered in equity or at law).

2. The Trust Agreements have been duly authorized, executed and delivered by the County and, assuming due authorization, execution and delivery by the Certificate Agent, each Trust Agreement constitutes a valid and legally binding obligation of the County, enforceable in accordance with its respective terms.

3. Under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described below, (i) interest on the Notes designated as and comprising interest with respect to the Certificates is excluded from gross income for federal income tax purposes pursuant to Section 103 the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Notes designated as and comprising interest with respect to the Certificates is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

The Code establishes certain requirements that must be met subsequent to the issuance of the Notes and the execution and delivery of the Certificates in order that, for federal income tax purposes, interest on the Notes designated as and comprising interest with respect to the Certificates is excluded from gross income pursuant to Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Notes, restrictions on the investment of proceeds of the Notes prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause interest on the Notes and the Certificates to become subject to federal income taxation retroactive to their date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of delivery of the Notes, each Participant will execute a Tax Certificate with respect to the Notes containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, each Participant will covenant that it will comply with the provisions and procedures set forth therein and that they will do and perform all acts and things

necessary or desirable to assure that interest paid on the Notes and Certificates will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 3, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectation, and certifications of fact contained in each Participant's Tax Certificate with respect to matters affecting the status of interest paid on the Notes, and (ii) compliance by each Participant with the procedures and covenants set forth in its respective Tax Certificate as to such tax matters.

4. Under existing statutes, interest on the Notes designated as and comprising interest with respect to the Certificates is exempt from present State of California personal income taxes.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Notes or the Certificates, or the ownership or disposition thereof, except as stated in paragraphs 3 and 4 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Notes designated as and comprising interest with respect to the Certificates.

The foregoing opinions are qualified to the extent that the enforceability of the Certificates, the Notes, the Trust Agreements and each Tax Certificate may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and are subject to general principles of equity (regardless of whether such enforceability is considered in equity or at law).

Very truly yours,

