

PRELIMINARY OFFICIAL STATEMENT DATED MAY 8, 2026

NEW ISSUE - FULL BOOK-ENTRY

RATING: Moody's: "Aa2"
See "RATING" herein.

In the opinion of Jones Hall LLP, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Series A Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Series A Bonds may be subject to the corporate alternative minimum tax. Interest on the Series B Bonds is not excluded from gross income for federal income tax purposes. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

\$2,260,000*

BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)
2026 General Obligation Refunding Bonds,
Series A

\$2,775,000*

BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)
2026 General Obligation Refunding Bonds,
Series B
(Federally Taxable)

Dated: Date of Delivery

Due: August 1, as shown on inside front cover

Authority and Purpose. The above-captioned 2026 General Obligation Refunding Bonds, Series A (the "Series A Bonds"), and 2026 General Obligation Refunding Bonds, Series B (Federally Taxable) (the "Series B Bonds," and, together with the Series A Bonds, the "Bonds") are being issued pursuant to certain provisions of the California Government Code and a resolution of the Board of Trustees of the District adopted on March 11, 2026. The Bonds are being issued to refund certain outstanding general obligation bonds of the District, and to pay costs of issuance of the Bonds. See "THE BONDS – Authority for Issuance" and "- Purpose of Issue" herein.

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

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

Payments. The Bonds are dated the date of delivery set forth below and accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing August 1, 2026. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, as the designated paying agent, registrar and transfer agent (the "Paying Agent") to DTC for subsequent disbursement to DTC Participants, which will remit such payments to beneficial owners of the Bonds. See "THE BONDS - Description of the Bonds."

Redemption.* The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption."

MATURITY SCHEDULE

(See inside cover)

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

The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall LLP, Bond Counsel to the District, and subject to certain other conditions. Jones Hall LLP is also serving as Disclosure Counsel to the District. Aparicio Law is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC, on or about June 9, 2026*.



The date of this Official Statement is _____, 2026.

* Preliminary; subject to change.

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

MATURITY SCHEDULES

\$ _____ *

BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)
2026 General Obligation Refunding Bonds,
Series A

Base CUSIP†: 105727

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
---	-----------------------------------	----------------------	--------------	---------------

\$ _____ % Term Bond due August 1, 20 __; Yield __%; CUSIP† ____

(continued on next page)

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. All rights reserved. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc on behalf of The American Bankers Association. CUSIP numbers are provided for convenience of reference only. Neither the District nor the Underwriter take any responsibility for the accuracy of the CUSIP data.

MATURITY SCHEDULES

(continued from previous page)

\$ _____ *

BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)
2026 General Obligation Refunding Bonds,
Series B
(Federally Taxable)

Base CUSIP[†]: 105727

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP[†]</u>
---	-----------------------------------	----------------------	--------------	--------------------------

\$ _____ % Term Bond due August 1, 20 __; Yield ___%; CUSIP[†] ____

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. All rights reserved. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc on behalf of The American Bankers Association. CUSIP numbers are provided for convenience of reference only. Neither the District nor the Underwriter take any responsibility for the accuracy of the CUSIP data.

BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)

BOARD OF TRUSTEES

Estella Sanchez-Galvan, *President*
Gloria Santillan, *Vice President*
Tony Leon, *Clerk*
Joel Gonzalez, *Member*
Karin Morgan, *Member*

DISTRICT ADMINISTRATION

Simon Canalez, *Superintendent*
Jennifer Layaye, *Chief Business Officer*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

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

BOND COUNSEL AND DISCLOSURE COUNSEL

Jones Hall LLP
San Mateo, California

UNDERWRITER'S COUNSEL

Aparicio Law
Pasadena, California

PAYING AGENT and ESCROW BANK

U.S. Bank Trust Company, National Association
Los Angeles, California

VERIFICATION AGENT

Causey Public Finance, LLC
Denver, Colorado

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

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

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

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

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

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

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

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

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

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

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
THE REFINANCING PLAN.....	4
THE BONDS	6
Authority for Issuance	6
Description of the Bonds	6
Book-Entry Only System.....	6
Redemption.....	7
Notice of Redemption.....	8
Partial Redemption of Bonds	8
Effect of Redemption.....	8
Right to Rescind Notice of Redemption	9
Registration, Transfer and Exchange of Bonds	9
Defeasance and Discharge of Bonds.....	9
DEBT SERVICE SCHEDULES.....	11
SOURCES AND USES OF FUNDS	13
SECURITY FOR THE BONDS	14
<i>Ad Valorem</i> Taxes.....	14
Debt Service Fund	15
Not a County Obligation	15
PROPERTY TAXATION	16
Property Tax Collection Procedures	16
Taxation of State-Assessed Utility Property.....	16
Assessed Valuation.....	17
Reassessments and Appeals of Assessed Value.....	21
Tax Rates.....	22
Tax Levies and Delinquencies	23
Top 20 Property Owners	24
Direct and Overlapping Debt.....	25
TAX MATTERS.....	26
Tax Exemption – Series A Bonds	26
No Federal Tax Exemption – Series B Bonds.....	27
California Tax Status.....	27
Other Tax Considerations	27
Form of Opinion	28
CERTAIN LEGAL MATTERS	28
Legality for Investment.....	28
Litigation.....	28
Compensation of Certain Professionals.....	28
CONTINUING DISCLOSURE	29
ESCROW VERIFICATION.....	29
RATING	30
UNDERWRITING.....	30
ADDITIONAL INFORMATION	31
EXECUTION	31
APPENDIX A - GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT	
APPENDIX B - BRAWLEY UNION HIGH SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2024-25	
APPENDIX C - ECONOMIC AND DEMOGRAPHIC INFORMATION ABOUT THE CITY OF BRAWLEY AND IMPERIAL COUNTY	
APPENDIX D - PROPOSED FORM OF OPINION OF BOND COUNSEL	
APPENDIX E - FORM OF CONTINUING DISCLOSURE CERTIFICATE	
APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM	
APPENDIX G - IMPERIAL COUNTY INVESTMENT POLICY AND INVESTMENT REPORT	

\$2,260,000*
BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)
2026 General Obligation Refunding Bonds,
Series A

\$2,775,000*
BRAWLEY UNION HIGH SCHOOL DISTRICT
(Imperial County, California)
2026 General Obligation Refunding Bonds,
Series B
(Federally Taxable)

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of 2026 General Obligation Refunding Bonds, Series A (the “Series A Bonds”) and 2026 General Obligation Refunding Bonds, Series B (Federally Taxable) (the “Series B Bonds” and, together with the Series A Bonds, “**Bonds**”) by Brawley Union High School District (the “**District**”).

INTRODUCTION

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

The District. The District encompasses an area of approximately 175 square miles in Imperial County (the “**County**”) and is located in and around the City of Brawley (the “**City**”), in the State of California (the “**State**”). The District currently operates one high school, one continuation high school, one community day school and one adult school. The District’s enrollment for 2025-26 is approximately 2,052 students. The District currently has no charter schools within its boundaries.

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

Purpose of Issue. The Bonds are being issued by the District to defease the District’s outstanding General Obligation Bonds, Election of 2018, Series A (the “**Refunded Bonds**”), and to pay costs of issuance of the Bonds. See “THE REFINANCING PLAN” herein.

Authority for Issuance of the Bonds. The Bonds will be issued under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “**Refunding Law**”) and under a resolution adopted by the Board of Trustees of the District on March 11, 2026 (the “**Bond Resolution**”). See “THE BONDS - Authority for Issuance.”

Description of the Bonds. The Bonds will be issued as current interest bonds. The Bonds will be dated their date of delivery (the “**Dated Date**”) and will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. The Bonds will mature on August 1 in the years indicated on the inside cover page hereof. The Bonds will accrue interest from the Dated Date, which is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2026. See “THE BONDS – Description of the Bonds” herein.

Payment and Registration of the Bonds. The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“**DTC**”), and will be available to actual purchasers of the Bonds (the “**Beneficial Owners**”) in the denominations set forth on the cover page hereof, under the book-entry system

maintained by DTC, only through brokers and dealers who are or act through participants in DTC's book-entry only system ("**DTC Participants**") as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See APPENDIX F.

If the book-entry-only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Bond Resolution. See "THE BONDS - Registration, Transfer and Exchange of Bonds" herein.

Security and Sources of Payment for the Bonds. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property located in the portion of the District located in the County and collected by the County. The County is empowered and obligated to annually levy *ad valorem* property taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District in the County, without limitation of rate or amount (except with respect to certain personal property which is taxable at limited rates). See "SECURITY FOR THE BONDS - Ad Valorem Taxes - Bonds."

Redemption^{*}. The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption."

Legal Matters. Issuance of the Bonds is subject to the approving opinion of Jones Hall LLP, Bond Counsel, to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall LLP will serve as Disclosure Counsel to the District. Aparicio Law is serving as counsel to the Underwriter. Payment of the fees of Bond Counsel, Disclosure Counsel, and Underwriter's counsel is contingent upon issuance of the Bonds.

Tax Matters. In the opinion of Bond Counsel, interest on the Series A Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Series A Bonds may be subject to the corporate alternative minimum tax. Interest on the Series B Bonds is not excluded from gross income for federal income tax purposes. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" and Appendix D hereto for the form of Bond Counsel's opinion to be delivered concurrently with the Bonds.

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

Cyber Risks. The District, like other governmental and business entities, faces significant risks relating to the use and application of computer software and hardware for educational, operational and management purposes. The District collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, vendors and contractors. As the custodian of such information, the District may face cybersecurity threats, attacks or incidents from time to time. No assurance can be given that future cyber threats or attacks against the District or third-party entities or service providers will not directly or indirectly impact the District or the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the District's continuing disclosure undertakings, described in more detail herein. See APPENDIX A "FINANCIAL INFORMATION – Disclaimer Regarding Cyber Risks."

^{*} Preliminary; subject to change.

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

END OF INTRODUCTION

THE REFINANCING PLAN

The proceeds of the Bonds will be used to refund, on a current basis, the Refunded Bonds identified below, and to pay related costs of issuance.

On June 25, 2019, the District issued its General Obligation Bonds, Election of 2018, Series A (the “**Prior Bonds**”). The Prior Bonds were issued as current interest bonds in the aggregate principal amount of \$6,300,000. The Prior Bonds are subject to optional redemption on or after August 1, 2026, at a redemption price of 100% of the principal amount being redeemed, plus any accrued interest, without premium. The Prior Bonds are currently outstanding in the principal amount of \$4,975,000 and are being refunded in full, as more particularly described below.

The Bonds are being issued by the District to refund the Prior Bonds, on a current basis, as further identified in the following table.

BRAWLEY UNION HIGH SCHOOL DISTRICT Identification of Refunded Bonds*

Maturity Date (August 1)	CUSIP†	Principal Amount	Redemption Date	Redemption Price
2026	105727 EZ0	\$35,000	--	--
2027	105727 FA4	45,000	08/01/2026	100%
2028	105727 FB2	55,000	08/01/2026	100
2029	105727 FC0	65,000	08/01/2026	100
2030	105727 FD8	75,000	08/01/2026	100
2031	105727 FE6	85,000	08/01/2026	100
2032	105727 FF3	100,000	08/01/2026	100
2033	105727 FG1	110,000	08/01/2026	100
2035 T	105727 FH9	260,000	08/01/2026	100
2037 T	105727 FJ5	320,000	08/01/2026	100
2039 T	105727 FK2	390,000	08/01/2026	100
2044 T	105727 FL0	1,380,000	08/01/2026	100
2049 T	105727 FM8	2,055,000	08/01/2026	100
Total	--	\$4,975,000	--	

* Preliminary; subject to change.

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

T Term Bond.

Escrow Fund. The District will deliver a portion of the proceeds of the Bonds to U.S. Bank Trust Company, National Association, as escrow agent (the “**Escrow Bank**”), for deposit in an escrow fund (the “**Escrow Fund**”) established under an Escrow Agreement (the “**Escrow Agreement**”), entered into by and between the District and the Escrow Bank.

The District will deliver the net proceeds of the Bonds to the Escrow Bank, for deposit in the Escrow Fund established under Irrevocable Refunding Instructions (the “**Irrevocable Refunding Instructions**”), between the District and the Escrow Bank. The Escrow Bank will hold such proceeds in cash, uninvested. On the Redemption Date, the Escrow Bank will apply such funds to make interest and principal payments on the Refunded Bonds as they become due.

Sufficiency of the deposits in the Escrow Fund for the foregoing purposes will be verified by Causey Public Finance, LLC, Denver, Colorado (the “**Verification Agent**”). See “ESCROW VERIFICATION” herein. As a result of the deposit of funds with the Escrow Bank on the date of issuance of the Bonds, the Refunded Bonds will be legally defeased, will be payable solely from amounts held for that purpose under the Irrevocable Refunding Instructions, and will cease to be secured by *ad valorem* property taxes levied in the District.

The amounts held by the Escrow Bank in the Escrow Fund are pledged solely to the payment of the Refunded Bonds. The funds deposited in the Escrow Fund will not be available for the payment of debt service with respect to the Bonds.

THE BONDS

Authority for Issuance

The Bonds will be issued under the authority of the Refunding Law and the Bond Resolution.

Description of the Bonds

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

The Bonds shall be issued in the denominations of \$5,000 principal amount each or any integral multiple thereof. Interest on Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2026 (each, an “**Interest Payment Date**”). Each Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to July 15, 2026, in which event it will bear interest from the date of delivery of the Bonds identified on the cover page hereof. Notwithstanding the foregoing, if interest on any Bond is in default at the time of authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, as the designated paying agent, registrar and transfer agent (the “**Paying Agent**”) to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

Book-Entry Only System

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

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

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

Redemption*

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

Make-Whole Optional Redemption – Series B Bonds. The Series B Bonds are subject to optional redemption, in whole or in part, on any date prior to their stated maturity, at the option of the District, at a redemption price equal to the greater of the following:

- (a) 100% of the principal amount of Series B Bonds to be redeemed, plus interest thereon to the redemption date; and
- (b) the sum of the present value of the remaining scheduled payments of principal and interest on the Series B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series B Bonds are to be redeemed, discounted to the date on which such Series B Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate plus __ basis points, plus, in each case, accrued and unpaid interest on the Series B Bonds to be redeemed to the date fixed for redemption.

“Treasury Rate” means, with respect to any redemption date for the Series B Bonds, the yield to maturity as to such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the Authority that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Series B Bonds to be redeemed; provided however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Mandatory Sinking Fund Redemption. The Bonds maturing on August 1, 20__ and August 1, 20__ (the “**Term Bonds**”), are subject to mandatory sinking fund redemption on or before August 1 in the years and in the amounts in accordance with the schedules set forth below. The Term Bonds so called for mandatory sinking fund redemption shall be redeemed in the sinking fund payments in the amounts and on the dates set forth below, respectively, without premium.

\$ _____ Term Bonds Maturing August 1, 20__

Redemption Date (August 1)	Sinking Fund Payment

(maturity)	

Preliminary; subject to change.

\$ _____ Term Bonds Maturing August 1, 20__

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

(maturity)

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

Notice of Redemption

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

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

Partial Redemption of Bonds

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

Effect of Redemption

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

Right to Rescind Notice of Redemption

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

Registration, Transfer and Exchange of Bonds

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

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

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

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

Defeasance and Discharge of Bonds

Any or all of the Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable under the Bond Resolution by the District:

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

- (c) by delivering such Bonds to the Paying Agent for cancellation by it.

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

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

Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as described above) to pay or redeem any outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption has been given as provided in the Bond Resolution or provision satisfactory to the Paying Agent has been made for the giving of such notice, then all liability of the County and the District in respect of such Bond will cease and be completely discharged, except only that thereafter the owner thereof will be entitled only to payment of the principal of and interest on such Bond by the District, and the District will remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of the Bond Resolution will apply in all events.

“Federal Securities,” has the meaning given such term in the Bond Resolution, means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

DEBT SERVICE SCHEDULES

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

Brawley Union High School District 2026 General Obligation Refunding Bonds Debt Service Schedule

Bond Year Ending (August 1)	Series A Bonds		Series B Bonds		Total Annual Debt Service
	Principal	Interest	Principal	Interest	

TOTAL

Combined General Obligation Bonds. The following table shows the combined annual debt service schedules with respect to all outstanding general obligation bonds and general obligation refunding bonds of the District secured by *ad valorem* taxes, assuming no optional redemptions, by authorization, prior to the issuance of the Bonds. See “DISTRICT FINANCIAL INFORMATION - Existing Debt Obligations” in APPENDIX A for additional information.

**BRAWLEY UNION HIGH SCHOOL DISTRICT
General Obligation Bonds
Combined Debt Service Schedule**

Period Ending August 1	2012 Refunding Bonds	2014 Refunding Bonds	2018 Election Series A Bonds*	The Bonds	Aggregate Debt Service
2026	\$336,850.00	\$321,600.00	\$254,900.00		
2027	338,462.50	322,907.50	263,500.00		
2028	334,800.00	323,910.00	271,700.00		
2029	71,000.00	324,607.50	279,500.00		
2030	69,050.00	--	286,900.00		
2031	72,100.00	--	293,900.00		
2032	--	--	305,500.00		
2033	--	--	311,500.00		
2034	--	--	322,100.00		
2035	--	--	327,100.00		
2036	--	--	336,700.00		
2037	--	--	349,200.00		
2038	--	--	355,700.00		
2039	--	--	366,450.00		
2040	--	--	381,200.00		
2041	--	--	389,700.00		
2042	--	--	402,200.00		
2043	--	--	413,450.00		
2044	--	--	423,450.00		
2045	--	--	437,200.00		
2046	--	--	448,000.00		
2047	--	--	462,800.00		
2048	--	--	476,400.00		
2049	--	--	488,800.00		
TOTAL	\$1,222,262.50	\$1,293,025.00	\$8,647,850.00		

*Certain maturities expected to be refunded with the proceeds of the Bonds. See “THE REFINANCING PLAN” herein.

SOURCES AND USES OF FUNDS

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

<u>Sources of Funds</u>	Series A Bonds	Series B Bonds	Total
Principal Amount of Bonds			
Original Issue Premium			
Total Sources			
<hr/>			
<u>Uses of Funds</u>			
Escrow Fund			
Costs of Issuance ⁽¹⁾			
Total Uses			
<hr/>			

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

SECURITY FOR THE BONDS

Ad Valorem Taxes

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

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

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

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

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

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

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

Debt Service Fund

Amounts to pay debt service on the Bonds will be held in the fund created and established in the Bond Resolution and known as the “Brawley Union High School District 2026 General Obligation Refunding Bonds Debt Service Fund” (the “**2026 Refunding Debt Service Fund**”) for the Bonds, which will be established as a separate fund and which the County Treasurer will maintain as a separate account, distinct from all other funds of the County and the District. All taxes levied by the County, at the request of the District, for the payment of the principal of and interest on the Bonds will be deposited in the 2026 Refunding Debt Service Fund held by the County promptly upon apportionment of said levy. The 2026 Refunding Debt Service Fund is pledged for the payment of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The County Treasurer will transfer amounts on deposit in the 2026 Refunding Debt Service Fund to the Paying Agent to the extent necessary to pay the principal of and interest on the Bonds as the same becomes due and payable.

If, after payment in full of the Bonds, any amounts remain on deposit in the 2026 Refunding Debt Service Fund, the County shall transfer such amounts to the District’s general fund, to be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law.

Not a County Obligation

The Bonds are payable solely from the proceeds of an *ad valorem* property tax levied and collected by the County, for the payment of principal and interest on the Bonds. Although the County is obligated to collect the *ad valorem* property tax for the payment of the Bonds, the Bonds are not a debt (or a pledge of the full faith and credit) of the County.

PROPERTY TAXATION

Property Tax Collection Procedures

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

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

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

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

Taxation of State-Assessed Utility Property

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

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

Assessed Valuation

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

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

Assessed Valuation History. The table below shows a 10-year history of the District’s assessed valuation.

**BRAWLEY UNION HIGH SCHOOL DISTRICT
Assessed Valuations of All Taxable Property
Fiscal Years 2016-17 to 2025-26**

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2016-17	\$1,798,789,918	\$870,559	\$188,784,832	\$1,988,445,309	--%
2017-18	1,846,690,070	577,781	195,469,655	2,042,737,506	2.7
2018-19	1,928,682,016	577,781	189,469,762	2,118,729,559	3.7
2019-20	2,011,115,241	577,781	230,218,228	2,241,911,250	5.8
2020-21	2,105,155,895	577,781	217,418,327	2,323,152,003	3.6
2021-22	2,194,605,458	668,797	227,160,650	2,422,434,905	4.3
2022-23	2,319,152,051	668,797	260,296,126	2,580,116,974	6.5
2023-24	2,473,747,276	668,797	306,822,437	2,781,238,510	7.8
2024-25	2,617,942,586	668,797	321,819,737	2,940,431,120	5.7
2025-26	2,756,580,500	706,697	299,544,013	3,056,831,210	4.0

Source: California Municipal Statistics, Inc.

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

Wildfires. According to the State, fire season is starting earlier and ending later each year, with the increased length of the season corresponding to an increase in the extent of forest fires across the State. In addition to destroying land and structures, there have been human fatalities and negative impacts on air quality throughout the State. Fires in the State and neighboring states have

threatened the region's power grids, making some power lines unreliable. The Governor has issued executive orders in the past suspending penalties, costs and interest on late property tax payments for properties impacted by wildfires. The District cannot predict or make any representations regarding the effects that wildfires and related conditions have or may have on the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

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

Drought. The State has experienced drought conditions in recent years, including a period of drought followed by record-level precipitation, which resulted in related severe flooding and mudslides in certain regions. As of March 10, 2026 the U.S. Drought Monitor indicates that the State is classified as experiencing mostly no drought conditions, with some abnormally dry conditions in the northern part of the State, with the County experiencing no drought conditions at this time. During 2021, the Governor of the State proclaimed a drought state of emergency for all counties in the State, culminating with an October 19, 2021, proclamation, urging Californians to step up their water conservation efforts.

In January 2022, the State Water Board adopted emergency regulations aimed at saving water and raising drought awareness, with prohibitions focused on reducing outdoor water use, enforceable by local agencies and the State Water Board, generally with warning letters, mandatory water use audits, and fines. In January 2023, the State Water Board adopted its first five-year temporary groundwater recharge permit, in addition to adopting new statewide sanitary sewer orders and appointing eleven members to the Advisory Group on Safe Drinking Water Funding. Local agencies can impose and enforce their own drought conservation rules.

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

Public Health Emergencies. In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020, the World Health Organization announced the official name for the outbreak of the disease known as COVID-19 ("**COVID-19**"), an upper respiratory tract illness, that spread across the world and materially impacted the global economy. While the national and global health emergencies have passed, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the District's operations and finances. In addition, the District cannot predict whether future pandemics will occur and whether any such pandemics may impact its finances or operations. As of this date, several vaccines have been provided approval by federal health authorities and are widely available, and both the national emergency and state of emergency have

officially ended, and the World Health Organization declared an end to the COVID-19 global health emergency.

Assessed Valuation by Jurisdiction. The table below shows the assessed valuation by jurisdiction of properties within the District.

**BRAWLEY UNION HIGH SCHOOL DISTRICT
Assessed Valuation by Jurisdiction
Fiscal Year 2025-26**

<u>Jurisdiction:</u>	<u>Assessed Valuation in School District</u>	<u>% of School District</u>	<u>Assessed Valuation of Jurisdiction</u>	<u>% of Jurisdiction in School District</u>
City of Brawley	\$1,852,331,375	60.60%	\$1,852,331,375	100.00%
City of Westmoreland	96,045,545	3.14	\$96,045,545	100.00%
Unincorporated Imperial County	1,108,454,290	36.26	\$7,688,558,858	14.42%
Total District	\$3,056,831,210	100.00%		
Imperial County	\$3,056,831,210	100.00%	\$18,132,728,111	16.86%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table shows the land use of property in the District, as measured by assessed valuation and the number of parcels for fiscal year 2025-26. As shown, the majority of the District's assessed valuation is represented by residential property.

**BRAWLEY UNION HIGH SCHOOL DISTRICT
Local Secured Property Assessed Valuation and Parcels by Land Use
Fiscal Year 2025-26**

	2025-26 Assessed Valuation ⁽¹⁾	% of Total	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Agricultural	\$802,158,820	29.10%	1,427	12.36%
Commercial	252,534,842	9.16	453	3.93
Vacant Commercial	11,318,967	0.41	196	1.70
Industrial	136,420,629	4.95	74	0.64
Vacant Industrial	16,547,003	0.60	21	0.18
Recreational	23,726,687	0.86	64	0.55
Government/Social/Institutional	2,911,916	0.11	133	1.15
Miscellaneous/Vacant Desert	<u>38,742,677</u>	<u>1.41</u>	<u>1,081</u>	<u>9.37</u>
Subtotal Non-Residential	\$1,284,361,541	46.59%	3,449	29.88%
<u>Residential:</u>				
Single Family Residence	\$1,324,319,051	48.04%	6,303	54.61%
Mobile Home	11,589,297	0.42	112	0.97
Mobile Home Park	10,503,769	0.38	14	0.12
2-4 Residential Units	27,274,935	0.99	128	1.11
5+ Residential Units/Apartments	54,082,121	1.96	101	0.88
Vacant Residential	<u>44,449,786</u>	<u>1.61</u>	<u>1,434</u>	<u>12.43</u>
Subtotal Residential	\$1,472,218,959	53.41%	8,092	70.12%
Total	\$2,756,580,500	100.00%	11,541	100.00%

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

Assessed Valuation of Single-Family Residential Parcels. The following table shows a breakdown of the assessed valuations of improved single-family residential parcels in the District for fiscal year 2025-26, including the median and average assessed value of single-family parcels in the District.

**BRAWLEY UNION HIGH SCHOOL DISTRICT
Per Parcel Assessed Valuation of Single Family Homes
Fiscal Year 2025-26**

	<u>No. of Parcels</u>	<u>2025-26 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
Single Family Residential	6,303	\$1,324,319,051	\$210,109	\$187,153

<u>2025-26 Assessed Valuation</u>	<u>No. of Parcels ⁽¹⁾</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$24,999	128	2.031%	2.031%	\$1,906,455	0.144%	0.144%
\$25,000 - \$49,999	320	5.077	7.108	12,465,171	0.941	1.085
\$50,000 - \$74,999	325	5.156	12.264	20,212,965	1.526	2.611
\$75,000 - \$99,999	381	6.045	18.309	33,622,483	2.539	5.150
\$100,000 - \$124,999	597	9.472	27.780	67,216,865	5.076	10.226
\$125,000 - \$149,999	587	9.313	37.093	81,076,006	6.122	16.348
\$150,000 - \$174,999	581	9.218	46.311	94,356,754	7.125	23.473
\$175,000 - \$199,999	479	7.600	53.911	89,860,921	6.785	30.258
\$200,000 - \$224,999	427	6.775	60.685	90,474,793	6.832	37.090
\$225,000 - \$249,999	404	6.410	67.095	96,042,640	7.252	44.342
\$250,000 - \$274,999	359	5.696	72.791	94,196,820	7.113	51.455
\$275,000 - \$299,999	336	5.331	78.122	96,531,990	7.289	58.744
\$300,000 - \$324,999	296	4.696	82.818	92,431,908	6.980	65.724
\$325,000 - \$349,999	286	4.538	87.355	96,423,379	7.281	73.005
\$350,000 - \$374,999	209	3.316	90.671	75,307,869	5.687	78.692
\$375,000 - \$399,999	136	2.158	92.829	52,504,397	3.965	82.656
\$400,000 - \$424,999	130	2.063	94.891	53,415,547	4.033	86.690
\$425,000 - \$449,999	73	1.158	96.050	31,837,613	2.404	89.094
\$450,000 - \$474,999	49	0.777	96.827	22,552,429	1.703	90.797
\$475,000 - \$499,999	41	0.650	97.477	19,970,065	1.508	92.305
\$500,000 and greater	<u>159</u>	<u>2.523</u>	100.000	<u>101,911,981</u>	<u>7.695</u>	100.000
	6,303	100.000%		\$1,324,319,051	100.000%	

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

Reassessments and Appeals of Assessed Value

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

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

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

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

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

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

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

Tax Rates

Below are historical typical tax rates in the District for fiscal years 2021-22 through 2025-26.

BRAWLEY UNION HIGH SCHOOL DISTRICT
Typical Total Tax Rates of Assessed Valuation
(Tax Rate Area 1-001)⁽¹⁾
Fiscal Years 2021-22 through 2025-26

	2021-22	2022-23	2023-24	2024-25	2025-26
General	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Pioneer Memorial Healthcare District	.0317	.0300	--	--	--
Brawley Union High School District	.0441	.0240	.0264	.0242	.0267
Brawley Elementary School District	.0365	.0405	.0484	.0397	.0725
Imperial Community College District	.0469	.0492	.0670	.0340	.0400
Total	\$1.1592	\$1.1437	\$1.1418	\$1.0979	\$1.1392

(1) 2025-26 assessed valuation of TRA 1-001 is \$623,843,881, which is 20.41% of the District's total assessed valuation.
 Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 *et seq.* of the State’s Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if such amount had been collected. The District participates in the Teeter Plan, and thus receives 100% of secured property taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes. Currently, the County includes general obligation bond levies, including for general obligation bonds issued by the District, in its Teeter Plan.

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

The District cannot provide any assurances that the County will maintain the Teeter Plan or have sufficient funds available to distribute the full amount of the District’s share of property tax collections. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District’s or the County’s control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression, which could be caused by many factors outside the control of the District, including interest rates, consumer confidence, wages or reduced economic activity for any reason.

Notwithstanding the County’s participation in the Teeter Plan, the following table shows historical secured tax charges and delinquencies in the District.

BRAWLEY UNION HIGH SCHOOL DISTRICT Secured Tax Charges and Delinquencies Fiscal Years 2019-20 through 2024-25

Tax Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent June 30	% Delinquent June 30
2019-20	\$893,982.88	\$12,384.61	1.39%
2020-21	988,459.91	16,436.80	1.66
2021-22	958,373.68	14,765.36	1.54
2022-23	549,769.62	8,823.07	1.60
2023-24	650,075.22	9,421.57	1.45
2024-25	619,181.42	13,065.53	2.11

⁽¹⁾ Bond debt service levy only.
Source: California Municipal Statistics, Inc.

Top 20 Property Owners

The following table shows the 20 largest taxpayers in the District as determined by their secured assessed valuations in fiscal year 2025-26. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below. A large concentration of ownership in a single individual or entity results in a greater amount of tax collections which are dependent upon that property owner's ability or willingness to pay property taxes.

BRAWLEY UNION HIGH SCHOOL DISTRICT Top 20 Secured Property Taxpayers Fiscal Year 2025-26

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2025-26 Assessed Valuation</u>	<u>% of Total ⁽¹⁾</u>
1.	OWB Real Estate Holdings LLC	Industrial	\$46,512,355	1.69%
2.	Alphabet Farms LLC	Agricultural	38,525,751	1.40
3.	Five Crowns Inc.	Industrial	25,916,750	0.94
4.	Steven G. Dahm, Trustee	Agricultural	20,513,753	0.74
5.	Arie H. De Jong, Trustee	Agricultural	20,266,735	0.74
6.	United States Gypsum Co.	Industrial	19,821,201	0.72
7.	GM Gabrych Family LP	Agricultural	18,089,527	0.66
8.	Jerry Lance & Carol Yvonne Reeves, Trustees	Agricultural	17,511,638	0.64
9.	Sair Partnership 6 LLC	Agricultural	16,892,041	0.61
10.	Seville Solar Holding Company LLC	Solar Power Generation	15,867,736	0.58
11.	Wal-Mart Stores Inc.	Commercial	14,717,226	0.53
12.	Lapis Land Company LLC	Agricultural	14,135,763	0.51
13.	Fredrick J. Ruegger and Max O. Ruegger	Agricultural	14,016,551	0.51
14.	Indiedwell Brawley LLC	Industrial	13,830,688	0.50
15.	Lisa Beth Hansen	Agricultural	13,817,930	0.50
16.	Three Flags Citrus LLC	Agricultural	13,287,001	0.48
17.	Van Dam Properties LLC	Agricultural	11,854,166	0.43
18.	Cattle Equipment and Land LLC	Agricultural	11,490,007	0.42
19.	Loves Country Stores of California	Commercial	10,929,111	0.40
20.	TAC Land LLC	Agricultural	<u>10,292,383</u>	<u>0.37</u>
			\$368,288,313	13.36%

(1) 2025-26 Local secured assessed valuation: \$2,756,580,500.
Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

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

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

**BRAWLEY UNION HIGH SCHOOL DISTRICT
Statement of Direct and Overlapping Bonded Debt
(Debt Issued as of April 1, 2026)**

2025-26 Assessed Valuation: \$3,056,831,210

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 4/1/26</u>
Imperial Community College District	17.316%	\$35,042,168
Brawley Union High School District	100.000	7,315,000 ⁽¹⁾
Brawley School District	100.000	40,973,731
Westmorland Union School District	100.000	3,700,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$87,030,899
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Imperial County Certificates of Participation	16.858%	\$531,870
Imperial County Pension Obligation Bonds	16.858	2,051,619
Imperial County Office of Education General Fund Obligations	16.858	797,584
Imperial Community College District General Fund Obligations	17.316	3,478,611
Brawley Union High School District General Fund Obligations	100.000	4,500,000 ⁽²⁾
Westmoreland Union School District General Fund Obligations	100.000	1,648,000
City of Brawley Pension Obligation Bonds	100.000	9,160,000
TOTAL OVERLAPPING GENERAL FUND DEBT		\$22,167,684
<u>OVERLAPPING TAX INCREMENT DEBT: (Successor Agencies):</u>		
Brawley Redevelopment Agency	100.000%	\$2,850,000
Westmorland Redevelopment Agency	100.000	55,000
TOTAL OVERLAPPING TAX INCREMENT DEBT		\$2,905,000
COMBINED TOTAL DEBT		\$112,103,583 ⁽³⁾

Ratios to 2025-26 Assessed Valuation:

DIRECT DEBT (\$7,315,000)	0.24%
Total Direct and Overlapping Tax and Assessment Debt	2.85%
Combined Direct Debt (\$11,815,000)	0.39%
Combined Total Debt	3.67%

Ratios to Redevelopment Successor Agencies Incremental Valuation (\$455,252,850):

Total Overlapping Tax Increment Debt	0.64%
--	-------

(1) Excludes the Bonds offered for sale hereunder; includes Refunded Bonds to be refunded.
 (2) Qualified Zone Academy Bonds (QZABs) (principal due at maturity).
 (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
 Source: California Municipal Statistics, Inc.

TAX MATTERS

Tax Exemption – Series A Bonds

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

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

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

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

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

advisors with respect to State of California personal income tax and federal income tax consequences of owning such Series A Bonds.

No Federal Tax Exemption – Series B Bonds

In the opinion of Bond Counsel, interest on the Series B Bonds is includible in gross income for federal income tax purposes. Ownership of the Series B Bonds may result in other federal income tax consequences to certain taxpayers. Bondholders should consult their tax advisors with respect to the inclusion of interest on the Series B Bonds in gross income for federal income tax purposes and any collateral tax consequences.

California Tax Status

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

Other Tax Considerations

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

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

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

Form of Opinion

A copy of the proposed form of opinion of Bond Counsel is attached hereto as APPENDIX D.

CERTAIN LEGAL MATTERS

Legality for Investment

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

Litigation

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

Claims and Lawsuits Against Public School Districts Generally. The District is routinely subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District. The District may be or may become a party to lawsuits and claims which are unrelated to the Bonds or actions taken with respect to the Bonds and which have arisen in the normal course of operating the District, including with respect to Assembly Bill 218 (“**AB 218**”). Enacted in 2020, AB 218 extended the statute of limitations for survivors of childhood sexual assault to file civil claims and introduced a three-year revival window for previously time-barred cases. The District maintains certain insurance policies which provide coverage under certain circumstances and with respect to certain types of incidents. The District cannot predict what types of claims may arise in the future, including but not limited to claims relating to health issues and pandemics, or claims that may be made available by future legislation.

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall LLP, as Bond Counsel and Disclosure Counsel to the District, Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District, and Aparicio Law, as counsel to the Underwriter, are contingent upon issuance of the Bonds.

CONTINUING DISCLOSURE

The District will execute the Continuing Disclosure Certificate in connection with the issuance of the Bonds, and covenant therein, for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District (an “**Annual Report**”) to the Municipal Securities Rulemaking Board Electronic Municipal Market Access website (“**EMMA**”) not later than nine months after the end of the District’s fiscal year, commencing March 31, 2027, with the report for the 2025-26 fiscal year, and to provide notices of the occurrence of certain enumerated events. Such notices will be filed by the District on EMMA. The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached as APPENDIX E. These covenants have been made in order to assist the Underwriter of the Bonds in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “**Rule**”).

The District has prior undertakings pursuant to the Rule. In the previous five years, the District has materially complied with its existing continuing disclosure undertakings. The District has engaged Isom Advisors, a Division of Urban Futures, Inc., to serve as its dissemination agent with respect to prior undertakings, as well as with respect to the Bonds.

Neither the County nor any other entity other than the District shall have any obligation or incur any liability whatsoever with respect to the performance of the District’s duties regarding continuing disclosure.

ESCROW VERIFICATION

The Verification Agent, upon delivery of the Bonds, will deliver a report of the mathematical accuracy of certain computations, contained in schedules provided to them on behalf of the District, relating to the sufficiency of the anticipated amount of proceeds of the Bonds and other funds available to pay, when due, the principal, whether at maturity or upon prior redemption, interest and redemption premium requirements of the Refunded Bonds.

The report of the Verification Agent will include the statement that the scope of their engagement is limited to verifying mathematical accuracy, of the computations contained in such schedules provided to them, and that they have no obligation to update their report because of events occurring, or data or information coming to their attention, subsequent to the date of their report.

RATING

Moody's Investors Service ("**Moody's**") has assigned a rating of "Aa2" to the Bonds. The District has provided certain additional information and materials to Moody's, some of which does not appear in this Official Statement to the extent deemed not material for investment purposes. The rating reflects only the view of Moody's, and an explanation of the significance of the rating and outlook may be obtained only from Moody's. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by Moody's if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

The District has covenanted in the Continuing Disclosure Certificate to file on EMMA notices of any ratings changes on the Bonds on EMMA, which is provided in its form as APPENDIX E hereto. Notwithstanding such covenant, information relating to ratings changes on the Bonds may be publicly available from the rating agency prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change on EMMA. Purchasers of the Bonds are directed to Moody's and its website and official media outlets for the most current ratings changes with respect to the Bonds after the initial issuance of the Bonds.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**"). The Underwriter has agreed to purchase the Bonds at a price of \$_____ which is equal to the aggregate principal amount of the Bonds of \$_____, plus [net] original issue premium of \$_____, and less an Underwriter's discount of \$_____.

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

The Underwriter and its affiliates comprise a full-service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District

ADDITIONAL INFORMATION

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

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

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

EXECUTION

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

BRAWLEY UNION HIGH SCHOOL DISTRICT

By: _____
Superintendent

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

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

GENERAL INFORMATION

The District encompasses an area of approximately 175 square miles in Imperial County (the "**County**") and is located in and around the City of Brawley (the "**City**"), in the State of California (the "**State**"). The District currently operates one high school, one continuation high school, one community day school and one adult school. The District's enrollment for 2025-26 is approximately 2,052 students. The District currently has no charter schools within its boundaries.

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

Administration

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

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Estella Sanchez-Galvan	President	December 2026
Gloria Santillan	Vice President	December 2028
Tony Leon	Clerk	December 2028
Joel Gonzalez	Member	December 2028
Karin Morgan	Member	December 2026

Administration. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Simon Canalez is the District Superintendent and Jennifer Layaye is the Chief Business Officer.

Employee Relations

For fiscal year 2025-26 the District has approximately for 92 certificated full-time equivalent (“FTE”) employees, 75 classified FTE employees, and 38 management FTE employees.

The employees of the District are represented by various bargaining units, as follows:

Employee Group	Representation	Contract Expiration Date
Certificated	Brawley Union High School Teachers’ Association	June 30, 2025*
Classified	California School Employees Association	June 30, 2026

* Employees continue to work under expired contract during negotiations.
 Source: *Brawley Union High School District.*

Recent Enrollment Trends

The following table shows enrollment history for the District, with projection figures for fiscal year 2025-26.

ANNUAL ENROLLMENT Fiscal Years 2020-21 through 2025-26 Brawley Union High School District

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>% Change</u>
2020-21	2,019	--%
2021-22	2,048	1.4
2022-23	2,055	0.3
2023-24	2,022	(1.6)
2024-25	2,047	1.2
2025-26 ⁽¹⁾	2,052	0.2

(1) Budgeted.
 Source: *California Department of Education for 2020-21 through 2024-25;*
Brawley Union High School District for 2025-26.

FINANCIAL INFORMATION

Education Funding Generally

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

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

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

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

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

Funding levels used in the LCFF entitlement calculations for fiscal year 2025-26 are set forth in the following table.

**Fiscal Year 2025-26 Base Grant Funding* Under LCFF
by Grade Span**

Entitlement Factor	TK/K-3	4-6	7-8	9-12
A. 2024-25 Base Grant per ADA	\$10,025	\$10,177	\$10,478	\$12,144
B. 2025-26 COLA for LCFF (A x 2.30%)	\$231	\$234	\$241	\$279
C. 2025-26 Base Grant per ADA before Grade Span Adjustments (A+B)	\$10,256	\$10,411	\$10,719	\$12,423
D. Grade Span Adjustments (TK-3: C x 10.4%; 9-12: C x 2.6%)	\$1,067	n/a	n/a	\$323
E. 2025-26 Base Grant/Adjusted Base Grant per ADA (C + D)	\$11,323	\$10,411	\$10,719	\$12,746

*Add-ons to the Base Grant, as may be applicable, are: (1) Supplemental Grant: For the supplemental grant funding entitlement, for each grade span, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times Unduplicated Pupil Percentage, times 20%, (2) Concentration Grant: For the concentration grant funding entitlement, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times portion (of Unduplicated Pupil Percentage that exceeds 55%, times 65%, and (3) Transitional Kindergarten Add-On: For the TK add-on funding, the amount is the rate of \$5,545 times the school district's current year TK ADA.

Source: California Department of Education.

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

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

District Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts. District accounting is organized on the basis of funds, with each group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30. For more information on the District's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

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

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

Financial Statements

General. The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's June 30, 2025 audited financial statements were prepared by Wilkinson Hadley King & Co. LLP, El Cajon, California, and are attached to the Official Statement as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the Office of the Chief Business Officer. The District has not requested, and the auditor has not provided, any review or update of such financial statements in connection with inclusion in this Official Statement.

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

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

Revenues	Audited 2020-21	Audited 2024-25	Audited 2022-23	Audited 2023-24	Audited 2024-25
State Apportionment	\$11,985,593	\$12,509,684	\$24,142,421	\$24,006,196	\$19,101,308
Education Protection Account Funds	8,155,647	10,230,888	1,887,921	3,464,314	7,821,646
Property Taxes	3,105,373	3,187,119	3,346,771	3,688,286	3,932,762
Federal Revenue	3,854,917	5,569,734	4,119,588	4,720,081	2,889,039
Other State Revenue	3,344,473	3,846,100	7,038,800	4,224,280	7,915,947
Interest	90,545	77,429	317,667	401,964	463,130
Fair Market Value Adjustment	91,795	(361,144)	(142,905)	176,138	206,254
Other Local Revenue	739,037	1,257,530	1,906,702	1,443,804	1,698,390
Total Revenues	31,367,380	36,317,340	42,616,965	42,125,063	44,028,476
Expenditures					
Current Expenditures:					
Instruction	15,672,625	18,098,229	21,499,299	21,231,788	22,190,511
Instruction-Related Services	2,472,295	2,610,638	2,601,697	2,657,678	2,424,728
Pupil Services	3,206,402	4,421,462	5,359,177	5,516,805	5,588,256
Ancillary Services	975,068	1,121,496	1,225,574	1,351,366	1,328,245
Community Services	80,812	77,751	94,228	172,576	380,276
General Administration	1,515,022	1,722,281	1,946,254	1,959,684	2,034,879
Plant services	3,043,031	3,789,063	4,553,028	4,439,739	4,913,884
Transfers Between Agencies	221,713	504,213	518,580	550,422	224,623
Capital Outlay	90,771	2,785,473	3,292,674	3,161,052	1,088,967
Debt Service - Principal	264,706	280,175	324,693	344,758	339,545
Debt Service - Interest	--	1,433	1,865	--	--
Total Expenditures	27,542,445	35,412,214	41,417,069	41,385,868	40,513,914
Excess of Revenues Over/(Under) Expenditures	3,824,935	905,126	1,199,896	739,195	3,514,562
Other Financing Sources (Uses)					
Operating transfers in	--	--	--	--	--
Operating transfers out	(222,157)	(208,000)	--	--	--
Proceeds from Subscriptions	--	--	91,137	--	--
Proceeds from Leases	--	9,422	43,799	6,622	--
Total Other Financing Sources (Uses)	(222,157)	(198,578)	134,936	6,622	--
Net change in fund balance	3,602,778	706,548	1,334,832	745,817	3,514,562
Fund Balance, July 1	8,609,585	12,212,363	12,918,910	14,253,742	14,999,559
Prior Period Adjustment	--	--	--	--	--
Fund Balance, June 30⁽¹⁾	\$12,212,363	\$12,918,910	\$14,253,742	\$14,999,559	\$18,514,120

(1) Totals may not foot due to rounding.

Source: Audited financial statements of the District.

District Budget and Interim Financial Reporting

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

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

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

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

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

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

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

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

Copies of the District's budget, interim reports and certifications may be obtained upon request from the District Office at Brawley Union High School District, 480 North Imperial Avenue, Brawley, California 92227, Telephone: (760) 312-6085. The District may impose charges for copying, mailing and handling.

District's General Fund. The following table shows the general fund figures for the District for fiscal year 2025-26 (adopted budget and second interim projections).

**BRAWLEY UNION HIGH SCHOOL DISTRICT
Revenues, Expenditures, and Changes in General Fund Balance
Fiscal Year 2025-26 (Adopted Budget and Second Interim Projections)**

	Adopted Budget 2025-26	First Interim 2025-26
Revenues		
Total LCFF Sources	\$31,258,509	\$32,024,349
Federal Revenues	2,099,113	2,099,113
Other state revenues	3,958,607	4,499,329
Other local revenues	2,586,374	2,696,153
Total Revenues	39,902,603	41,318,944
Expenditures		
Certificated Salaries	16,244,750	16,585,422
Classified Salaries	6,606,659	740,099
Employee Benefits	9,064,835	9,196,229
Books and Supplies	4,367,390	4,286,104
Services and Other Operating Expenditures	6,158,117	6,600,664
Capital Outlay	1,958,791	850,488
Other Outgo (excluding transfers of indirect costs)	543,549	636,323
Other Outgo	(41,329)	41,329
Total Expenditures	44,902,762	44,854,000
Excess of Revenues Over/(Under) Expenditures	(5,000,159)	(3,535,056)
Other Financing Sources (Uses)		
Operating transfers in	--	--
Operating transfers out	--	--
Other sources	--	--
Contributions	--	--
Total Other Financing Sources (Uses)	--	--
Net change in fund balance	(5,000,159)	(3,535,056)
Fund Balance, July 1	17,899,581	17,899,581
Fund Balance, June 30 ⁽¹⁾⁽²⁾	\$12,899,422	\$14,364,525

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

(2) The District's reserves are not accounted for in its General Fund for purposes of budgeting and projections. As such, beginning and ending fund balance figures do not correspond with presentation of audited financial statements in the previous table, because the District's audits account for reserve funds within the General Fund.

Source: *Brawley Union High School District.*

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 3% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future.

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

more than 10% of those funds. The applicability of the reserve cap is based on the balance in the State’s Public School System Stabilization Account and is triggered in any fiscal year in which when the balance is equal to or exceeds 3% of the combined total of general fund revenues appropriated for school districts. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the requirements for up to two consecutive fiscal years within a three-year period, if the school district provides documentation indicating that extraordinary fiscal circumstances, including, but not limited to, multi-year infrastructure or technology projects, substantiate the need for a combined assigned or unassigned ending general fund balance that is in excess of the reserve cap. The reserve cap has not been triggered for fiscal year 2025-26.

Attendance - LCFF Funding

Funding Trends under LCFF. As described herein, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent LCFF funding per ADA for the District for fiscal years 2020-21 through 2025-26.

**BRAWLEY UNION HIGH SCHOOL DISTRICT
ADA and LCFF Funding
Fiscal Years 2020-21 through 2025-26**

Fiscal Year	ADA	LCFF Funding Per ADA
2020-21	1,879	\$12,371
2021-22	1,616	16,048
2022-23	1,860	15,790
2023-24	1,864	16,711
2024-25	1,867	16,527
2025-26 ⁽¹⁾	1,933	16,567

⁽¹⁾ Second interim projection.
Source: California Department of Education for fiscal years 2020-21 through 2023-24; Brawley Union High School District for fiscal years 2024-25 through 2025-26.

District’s Unduplicated Student Count. Under LCFF, school districts are entitled to supplemental funding based on the unduplicated count of targeted students. The District’s percentage of unduplicated students is approximately 75.4% for purposes of calculating supplemental and concentration grant funding under LCFF. Recent federal deportation efforts may pose a risk to school districts relying on revenue from the LCFF. With the exception of community supported districts, school districts rely heavily on student attendance and enrollment, including Supplemental and Concentration Grant add-ons for serving a high percentage of English language learner and low-income students. If undocumented students, or students who have parents or caretakers that are undocumented or have been granted temporary status, face deportation, districts may experience a decrease in student enrollment or ADA. The District cannot predict potential changes to enrollment or attendance in response to such deportation efforts.

Revenue Sources

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

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

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

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238.03(c) itemizes the local revenues that are subtracted from the base entitlement to determine the amount of the State apportionment of funding. Historically, the more local property taxes a district received, the less State equalization aid it was entitled to.

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

Since Donald Trump was sworn in as President in January 2025, the federal government has announced possible cuts to federal funding for educational agencies. In addition, President Trump has signed an executive order aimed at dismantling the federal Department of Education (the "DOE"), from which California school districts receive funding aimed at low-income and special needs students.

If reductions in funding, elimination of the DOE, or staff layoffs are upheld in whole or in part, the District cannot anticipate whether the amount of federal revenues in the District's general fund will be reduced, or the extent of any reduction, or whether any reduction would occur in the current or any future fiscal year. If federal revenues are delayed, rescinded, or withheld, the District cannot predict whether such delay, rescission, or withdrawal will have a material effect on the finances or operations of the District.

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

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

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

District Retirement Systems

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

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

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

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

STRS EMPLOYER CONTRIBUTION RATES Effective Dates of July 1, 2021 through July 1, 2025

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

Source: STRS.

The State also continues to contribute to STRS, and its contribution rate is 8.328% in fiscal year 2025-26.

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

**STRS CONTRIBUTIONS
Brawley Union High School District
Fiscal Years 2020-21 through 2025-26**

Fiscal Year	Amount
2020-21	\$1,829,763
2021-22	2,161,792
2022-23	2,872,804
2023-24	2,861,523
2024-25	2,796,062
2025-26 ⁽¹⁾	4,333,075

(1) Second interim projection
Source: *Brawley Union High School District.*

The STRS defined benefit program continues to have an unfunded actuarial liability estimated at approximately \$88.7 billion, based on a market value of assets, as of June 30, 2024, which is the date of the last actuarial valuation.

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

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

**EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2020-21 through 2025-26**

Fiscal Year	Employer Contribution Rate⁽¹⁾
2020-21	20.700%
2021-22	22.910
2022-23	25.370
2023-24	26.680
2024-25	27.050
2025-26	26.810

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

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

**PERS EMPLOYER CONTRIBUTIONS
Brawley Union High School District
Fiscal Years 2020-21 through 2025-26**

Fiscal Year	Amount
2020-21	\$725,926
2021-22	862,602
2022-23	1,208,079
2023-24	1,333,524
2024-25	1,562,792
2025-26 ⁽¹⁾	1,516,328

(1) Second interim projection.
Source: Brawley Union High School District.

PERS continues to have an unfunded liability which, on a market value of assets basis, was approximately \$40.8 billion, based on a market value of assets, as of June 30, 2024, which is the date of the last actuarial valuation.

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

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

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

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

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

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

Other Post-Employment Retirement Benefits

Plan Description. The District's defined benefit Other Post-Employment Retirement Plan ("OPEB"), Brawley Union High School District Retiree Health Care Plan (the "Plan") provides OPEB for retirees that meet eligibility requirements until age 65. Retirees in the plan are eligible for the same medical plans as active employees. The Plan is a single employer defined benefit OPEB plan administered by the District. Membership of the Plan as of June 30, 2025 consisted of 11 inactive plan members or beneficiaries currently receiving benefits and 173 active plan members.

Actuarial Assumptions and Other Inputs. The District's net OPEB liability of \$5,298,430 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: inflation 3.00%, salary increases 3.00%, discount rate

of 3.97%, and healthcare cost trend rates 5.50% per year decreasing to 4.00%. The discount rate was based on an index of 20-year general obligation municipal bonds. Mortality rates were based on the most recent rates used by CalPERS and CalSTRS for pension valuations. The CalPERS mortality table was developed based on CalPERS specific data.

Changes in OPEB Liability of the District. The changes in OPEB liability of the District as of June 30, 2025, is shown in the following table:

**CHANGES IN TOTAL OPEB LIABILITY
Brawley Union High School District
(Amounts in Thousands)**

	Total OPEB Liability
Balance at June 30, 2024	\$5,105,200
Service Cost	230,225
Interest	202,113
Changes of assumptions	(38,560)
Benefit payments	<u>(200,548)</u>
Net changes	<u>193,230</u>
Balance at June 30, 2025	\$5,298,430

Source: Brawley Union High School District.

OPEB Expense. For the year ended June 30, 2025, the District recognized an OPEB expense of \$561,125. For additional information about the District’s other postemployments benefits, see Note O of the District’s audited financial statements for fiscal year ended June 30, 2025, attached to the Official Statement as APPENDIX B.

Insurance-Joint Powers Agreements

The District is a member of the Self Insured Schools of California (“**SISC**”), for the operation of a common risk management and insurance program for property and liability coverage, workers compensation, health insurance, dental, and vision benefits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

For more information regarding the District’s risk management and membership in JPAs, see Note Q of APPENDIX B to the Official Statement.

Disclaimer Regarding Cyber Risks

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

and security will, in all cases, be successful. The District cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances.

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

Existing Debt Obligations

General Obligation Bonds. The District has voter-approved general obligation bonds which have been issued pursuant to the authority obtained from voters at elections in past years, which are secured by *ad valorem* property taxes levied and collected in the District. The following table shows the outstanding general obligation bonded debt of the District.

SUMMARY OF OUTSTANDING GENERAL OBLIGATION BONDS* Brawley Union High School District

<u>Issue Date</u>	<u>Series</u>	<u>Outstanding March 1, 2026</u>
12/20/2012	2012 Refunding Bonds	\$1,140,000
05/06/2014	2014 Refunding Bonds	1,200,000
06/25/2019	Election of 2018, Series A**	4,975,000
Total		\$7,315,000

*Does not include the Bonds offered for sale in the Official Statement.

**Certain maturities expected to be refunded with the Bonds proceeds as described in the Official Statement.

Source: *The District; the Municipal Advisor.*

Compensated Absences. Total unpaid employee compensated absences as of June 30, 2025, amounted to \$2,128,095. This amount is included as part of long-term liabilities in the government-wide financial statements.

Investment of District Funds

In accordance with California Government Code Sections 53600 *et seq.*, the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the California Government Code. See APPENDIX G to the Official Statement for the County’s current investment policy and recent investment report.

Effect of State Budget on Revenues

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

LCFF funding. School districts also receive funding from the State for some specialized programs such as special education.

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

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

The information in this section concerning the State’s budget or budgets has been compiled from publicly-available information provided by the State or the Legislative Analyst’s Office (the “LAO”). None of the District, the Underwriter or the County is responsible for the information provided in this section.

State Funding of Education Generally

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

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

The State Budget Process

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

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a majority vote of each house of the Legislature. The Governor may reduce or

eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

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

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

Resources Relating to State Budgets

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

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

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

The 2025-26 State Budget

On June 27, 2025, the Governor signed the fiscal year 2025-26 State Budget (the “**2025-26 State Budget**”). Despite continued uncertainty driven by recent federal policy changes, including broad-based tariffs that have slowed economic growth, the 2025-26 State Budget outlines a balanced fiscal plan while maintaining significant reserves.

The 2025-26 State Budget reflects a decrease of \$11.0 billion in General Fund revenues from 2024-25 (\$215.7 billion in 2025-26 compared to \$226.7 billion in 2024-25) primarily due to projected decreases in corporation and personal income tax collections. The 2025-26 State Budget reflects a decrease in General Fund expenditures of \$5.2 billion from 2024-25 (\$228,366 billion in 2025-26 compared to \$233.5 billion in 2024-25) primarily reflecting broad spending decreases for all major spending categories with the exception of expenditures for health and human services, which sees a significant funding increase driven by the expansion of Medi-Cal.

Regarding the State's reserves and fund balances, the 2025-26 State Budget continues the drawing down of the State's Budget Stabilization account that began in fiscal year 2024-25 with a withdrawal of \$7.1 billion and completes the drawdown of the Public School System Stabilization Account with a withdrawal of the remaining \$0.4 billion.

The 2025-26 State Budget projects an \$11.8 billion General Fund shortfall after accounting for reserves drawdowns, driven by rising costs due to growth in Medi-Cal and other core State programs. The 2025-26 State Budget addresses the shortfall primarily through spending reductions and structural reforms, while maintaining support for key programs. The specific solutions used to close the budget gap include the following:

- *Medi-Cal Enrollment Freeze* - \$77.9 million reduction in fiscal year 2025-26, increasing to \$3.3 billion by fiscal year 2028-29.
- *Medi-Cal Premium Collection For Certain Adults* – Initial cost of \$30 million in fiscal year 2026-27, shifting to \$675 million in savings in fiscal year 2028-29 due to collection of Medi-Cal premiums from undocumented adults.
- *Medi-Cal Asset Limit Implementation* – \$61.3 million in fiscal year 2025-26, rising to \$827.4 million by fiscal year 2028-29.
- *Programmatic Reductions* – Reductions in rural health clinics, specialty drug coverage, and pharmacy rebates totaling over \$3.5 billion by fiscal year 2028-29.
- *Ongoing Reductions* – \$221.7 million annually beginning in fiscal year 2026-27 for Quality Incentive Payment Program changes.

The 2025-26 State Budget raises an estimated \$7.8 billion in additional resources, including \$1.3 billion from Medi-Cal rate increase in fiscal year 2025-26, \$4.4 billion in loans from the Medical Providers Interim Payment Fund, \$1.5 billion in loans from additional special funds and interfund borrowing, and a \$7.1 billion withdrawal from the Budget Stabilization Account, as authorized by the prior fiscal year.

Additional balancing measures comprise \$1.2 billion in funding shifts primarily related to the costs of CalFIRE operations moving from the General Fund to the Greenhouse Reduction Fund for Forestry and Fire Protection. The 2025-26 State Budget also makes two future commitments (subject to appropriation) totaling \$457.1 million in fiscal year 2027-28, growing to \$163.2 million in fiscal year 2028-29, for California Food Assistance Program expansion and \$338.9 million in fiscal year 2027-28, growing to \$522.1 million in fiscal year 2028-29, for payment to the State's foster care tiered rate structure.

The 2025-26 State Budget projects total resources available in fiscal year 2024-25 of approximately \$268.7 billion, including revenues and transfers of approximately \$226.7 billion and a prior year balance of approximately \$42.0 billion, and total expenditures in fiscal year 2024-25 of approximately \$233.6 billion. The 2025-26 State Budget projects total resources available for fiscal year 2025-26 of approximately \$250.9 billion, inclusive of revenues and transfers of approximately \$215.7 billion and a prior year balance of approximately \$35.1 billion. The 2025-26 State Budget projects total expenditures in fiscal year 2025-26 of approximately \$228.4 billion, inclusive of non-Proposition 98 expenditures of approximately \$147.6 billion and Proposition 98 expenditures of approximately \$80.7 billion. The 2025-26 State Budget projects total reserve balances of \$15.7 billion at the end of fiscal year 2025-26. This includes \$11.2 billion in the State Rainy Day Fund, \$4.5 billion in the State's SFEU, and \$0 in the Proposition 98 Rainy Day Fund.

The 2025-26 State Budget includes total funding of \$137.6 billion for all K-12 education programs, including \$80.5 billion from the State's general fund and \$57.1 billion from other funds. The 2025-26 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2025-26 State Budget include:

Proposition 98 Minimum Guarantee. The 2025-26 State Budget reflects updated estimates of general fund revenues, which result in adjustments to the Proposition 98 minimum guarantee. The revised minimum guarantee for TK-14 schools is estimated at \$98.5 billion for 2023-24, \$119.9 billion for 2024-25, and \$114.6 billion for 2025-26, an increase of approximately \$3.9 billion over the three-year period relative to the 2023-24 State Budget. Because the minimum guarantee for 2024-25 will not be finalized until the fiscal year is certified in calendar year 2026, the 2025-26 State Budget proactively appropriates the 2024-25 minimum guarantee at \$118 billion, establishing a \$1.9 billion "settle up" to avoid over-appropriation. The 2025-26 State Budget expresses intent to apply any realized settle-up funds toward reducing ongoing TK-14 deferrals and safeguarding core program funding for school districts and community colleges, including funding for growth and cost-of-living adjustments.

The minimum guarantee remains in a Test 2 for 2023-24, though suspended at \$98.5 billion, and shifts to a Test 1 in both 2024-25 and 2025-26. In Test 1 years, the guarantee equals approximately 40 percent of general fund revenues, in addition to local property tax revenues. Under Proposition 98, this calculation is not adjusted for enrollment, which results in increased per-pupil funding. The guarantee is "rebenched" to reflect both the continued implementation of universal TK and property tax backfills resulting from the January 2025 wildfires in Los Angeles County. As a result, the applicable Test 1 percentage increases from 39.2 percent to 39.6 percent of general fund revenues.

Proposition 98 Rainy Day Fund. The 2025-26 State Budget maintains the full withdrawal of the \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24. The May Revision to the 2024-25 State Budget Proposal, released on May 10, 2024, included a mandatory deposit of \$540 million into the Rainy Day Fund. However, revised capital gains revenue projections reduce that deposit to \$455 million in fiscal year 2024-25. A year-over-year decrease in the Proposition 98 minimum guarantee triggers a mandatory withdrawal of \$455 million in fiscal year 2025-26, fully exhausting the remaining fund balance.

Proposition 98 Funding Split. In prior years, 10.93 percent of the general fund amounts rebenched into the Proposition 98 minimum guarantee for transitional kindergarten expansion were allocated to the community colleges budget, consistent with the statutory Proposition 98 funding split. Over the three-year budget window, this resulted in \$492.4 million being directed to community colleges, leaving TK-12 schools without an equivalent amount to support transitional kindergarten expansion. Beginning in fiscal year 2025-26, the 2025-26 State Budget shifts the full amount of transitional kindergarten expansion funding (\$232.9 million) to the TK-12 portion of the Proposition 98 budget.

Local Control Funding Formula. The 2025-26 State Budget includes a 2.3 percent cost-of-living adjustment to LCFF. Combined with population growth adjustments, this results in an additional \$2.1 billion in discretionary funding for local educational agencies ("LEAs")

relative to the 2024-25 State Budget. To fully fund LCFF costs in fiscal year 2025-26, the 2025-26 State Budget withdraws approximately \$405.3 million from the Proposition 98 Rainy Day Fund.

Deferrals. The 2025-26 State Budget fully repays \$246.6 million in TK-12 education deferrals from fiscal year 2024-25. However, in order to maintain principal apportionment levels in 2025-26, the 2025-26 State Budget defers \$1.9 billion in LCFF funding from June 2026 to July 2026.

Universal Transitional Kindergarten. To support full implementation of universal transitional kindergarten by September 1, 2025, the 2025-26 State Budget provides \$2.1 billion in ongoing Proposition 98 general fund resources, inclusive of all prior years' investments. An additional \$1.2 billion in ongoing Proposition 98 general fund resources is included to reduce the average student-to-adult ratio from 12:1 to 10:1.

Before School, After School, and Summer School. To increase access to the Expanded Learning Opportunities Program, the 2025-26 State Budget provides \$515.1 million in ongoing funds, broadening eligibility from LEAs with a 75 percent unduplicated pupil rate to those with a 55 percent rate. Additionally, \$10.4 million is provided to increase the minimum grant per LEA from \$50,000 to \$100,000.

Literacy Instruction. The 2025-26 State Budget allocates \$480 million to enhance literacy instruction aligned with the English Language Arts/English Language Development Framework for all students.

Teacher Professional Development and Preparation. To support teachers and strengthen the educator pipeline, the 2025-26 State Budget provides \$300 million in one-time Proposition 98 general fund resources for a Student Teacher Stipend Program, which will offer grants to teacher candidates completing student teaching between 2026-27 and 2028-29. An additional \$70 million of one-time Proposition 98 general fund resources supports teacher residency programs, and \$30 million in one-time Proposition 98 general fund resources extends the National Board Certification Incentive Program to encourage placement of certified teachers in high-poverty schools.

Student Support and Professional Development Discretionary Block Grant. The 2025-26 State Budget provides \$1.7 billion in one-time Proposition 98 general fund resources for the Student Support and Professional Development Discretionary Block Grant to assist LEAs with rising costs and advancing statewide priorities.

State Preschool Program. To enhance early childhood education, the 2025-26 State Budget includes approximately \$19.3 million of Proposition 98 general fund resources and \$10.2 million in non-Proposition 98 general fund resources for the California State Preschool Program. It further authorizes the Department of Education to expand State Preschool Program provider contracts for three-year-olds by 10 percent, implement prospective pay, and automate contract payments.

Other Significant Budget Adjustments. The 2025-26 State Budget includes \$378.6 million in one-time Proposition 98 general fund resources for learning recovery initiatives through 2027-28, \$150 million for career technical education and pathways programs pending legislation, and \$145 million to improve school meal infrastructure. An additional \$10 million is allocated for school food service workforce requirement and \$5 million for a study of ultra-processed foods offered in State school meals.

Further allocations include \$30 million over three years for Special Olympics programs in Northern and Southern California; \$30 million for the Mathematics Professional Learning Partnership; \$21.9 million in ongoing funding for the SUN Bucks Program, which provides summer nutrition support; and \$20 million to implement the Children and Youth Behavioral Health Initiative's all-payer fee schedule.

The 2025-26 State Budget also provides approximately \$10 million for a pilot program, administered by the California Collaborative of Educational Excellence, to support middle and high school redesign and peer learning. Another \$10 million to the California Department of Education supports the development of a screener to identify multilingual learners in transitional kindergarten and authorizes the State Superintendent of Public Instruction to adopt a screening instrument for children ages 3-4 enrolled in transitional kindergarten classrooms. Finally, \$7.5 million is available through the 2026-27 fiscal year to offset potential LCFF apportionment reductions caused by the recent exemption of transitional kindergarten students from the English language proficiency assessment.

LAO Analysis of the 2025-26 State Budget. The LAO, a nonpartisan State office which provides fiscal and policy information and advice to the State legislature, released its report on the 2025-26 State Budget on October 16, 2025 (the "**2025-26 State Budget Analysis**"). In the 2025-26 State Budget Analysis, the LAO assesses the budget shortfall that was addressed in the 2025-26 State Budget and analyzes the major proposals for K-14 education.

The LAO notes that the State faced a budget shortfall for the third year in a row. The estimated budget shortfall for the fiscal year 2025-26 of \$15.0 billion was smaller compared to deficits of \$55.0 billion in fiscal year 2024-25 and \$27.0 billion in fiscal year 2023-24. Most of the reason that the State faces a budget problem is that the underlying costs of State services continue to outpace the State's revenue collections. In particular, despite higher revenues in major taxes, about \$4 billion of the budget problem results from new, discretionary General Fund spending in the budget package, as well as some budget actions adopted in a special session. The measures approved in the special session provided funding for (1) response and recovery costs related to the January 2025 Southern California wildfires and (2) activities to address federal government actions impacting the State.

The LAO notes that the 2025-26 State Budget uses various maneuvers to address the budget shortfall, including reserve withdrawals, spending reductions, revenue increases, and borrowing (for example, loaning money from other funds to the General Fund). However, the LAO indicates that the 2025-26 State Budget primarily relies on borrowing to close the gap, which accounts for \$10.0 billion and approximately two-thirds of the total solutions. This borrowing increases the total outstanding budgetary borrowing from \$12.0 billion to \$22.0 billion. The LAO notes that this borrowing is similar to the measures used during the Great Recession. After borrowing, spending-related solutions, including both spending reductions and fund shifts, total \$5.0 billion and represent nearly all of the remaining one-third of the total solutions. Revenue-related solutions, totaling about \$300.0 million, represent the small remainder. The LAO notes that while the State is also making a \$7.1 billion withdrawal from the State Rainy Day Fund in fiscal year 2025-26, this withdrawal was not reflected in the 2025-26 State Budget Analysis because it was authorized in the 2024-25 State Budget.

The LAO explains that while it had previously categorized the Proposition 98 "Settle Up" as a spending delay, it now views this action as borrowing. While the estimate for the Proposition 98 minimum guarantee is up nearly \$4.7 billion from the June 2024 level, the 2025-26 State Budget appropriates just over \$2.7 billion in additional funding for that year. Funding schools and

community colleges at this level—\$1.9 billion below the estimate of minimum requirement—provides temporary savings but requires the State to settle up using future revenues. The State will finalize its calculation of this obligation in May 2026. The LAO notes that while the 2025-26 State Budget partially addresses the State’s multi-year deficits, it expects budget deficits to persist. Based on the State’s June 2025 projections and assumptions, annual operating deficits are projected to range from roughly \$15 billion to \$25 billion throughout the outlook period (i.e., 2026-27 through 2028-29), which would need to be addressed by the Legislature. The LAO notes, however, that these multi-year estimates are subject to considerable uncertainty and should be interpreted cautiously.

In summarizing the overall condition of the General Fund budget, the condition of the school and community college budget and State appropriations limits, as estimated by the administration, the LAO notes the following: (1) the State’s reserves total nearly \$16 billion at the end of fiscal year 2025-26, with the state reserve for schools and community colleges fully withdrawn by the end of fiscal year 2025-26; (2) the State expects revenues from major tax sources to grow 10.0% from fiscal year 2023-24 to fiscal year 2024-25, however the 2025-26 State Budget also projects revenues from said tax sources to decrease by 15.0% from fiscal year 2024-25 to fiscal year 2025-26; and (3) federal funding is expected to remain flat between 2024-25 and 2025-26 but the 2025-26 State Budget projections do not include any potential effects of House Resolution 1: One Big Beautiful Bill Act, which was signed by President Trump on July 4, 2025.

The LAO explains that the 2025-26 State Budget provides \$2.2 billion to cover 2.30% cost-of-living adjustment for existing school and community college programs. For schools, the 2025-26 State Budget also provides an ongoing increase of \$607 million for the Expanded Learning Opportunities Program, funding before and after school activities and summer enrichment. This augmentation will increase the share of districts qualifying for the program’s higher “tier 1” funding rate. For community colleges, the 2025-26 State Budget also provides \$140.0 million to cover 2.35% enrollment growth across fiscal years 2024-25 and 2025-26.

The LAO notes that the 2025-26 State Budget provides \$1.7 billion for the Student Support and Professional Development Discretionary Block Grant. Districts can use these funds for any local purpose, but trailer legislation encourages them to prioritize teacher training and professional development, teacher recruitment and retention, career pathways for high school students, and dual enrollment programs. The State will distribute funds on an equal per-pupil basis (about \$312.0 per student). For community colleges, the 2025-26 State Budget provides \$60.0 million for the Student Support Block Grant. Districts can use these funds for a range of student services, including basic needs (such as food, housing, and transportation), financial aid, counseling, and job placement activities. The State will allocate funds based on student headcount and the share of students qualifying for fee waivers or nonresident tuition exemptions, with a minimum grant of \$150,000.00 per college in each district. In addition to these discretionary grants, the 2025-26 State Budget funds several smaller grants for schools related to learning recovery, teacher training and recruitment, school meals, and career technical education. It also funds several smaller grants for community colleges focusing on other student support initiatives and career technical education.

The LAO indicates that the 2025-26 State Budget reduces spending in fiscal year 2025-26 by deferring \$2.3 billion in payments to fiscal year 2026-27. Of this amount, \$1.9 billion pertains to schools. The State will implement the school deferral by shifting a portion of the June 2026 payment to July 2026. The law exempts districts and charter schools that can demonstrate the delay would make them unable to meet their financial obligations. The remaining \$408.0 million in deferrals pertains to community colleges. The purpose of these deferrals is to free up funding

for additional one-time and ongoing spending that would otherwise exceed the available Proposition 98 funding in fiscal year 2025-26.

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

The 2026-27 State Budget Proposal

On January 9, 2026, the Governor submitted the fiscal year 2026-27 state budget proposal to the Legislature (the “**2026-27 State Budget Proposal**”). The 2026-27 State Budget Proposal presents a balanced budget, including a discretionary reserve of \$4.5 billion, but projects a deficit of approximately \$22 billion in fiscal year 2027-28 and additional shortfalls in the two years thereafter. General Fund revenues over the three-year budget window of fiscal years 2024-25 through 2026-27 are projected to be more than \$42 billion higher than was assumed in the 2024-25 State Budget, an increase driven by stronger-than-anticipated stock market performance, higher cash receipts, and an improved economic outlook. However, the proposal cautions that much of this revenue growth is attributable to a relatively small number of technology companies and therefore is subject to significant volatility and unlikely to be sustained indefinitely. The proposal also identifies federal policy changes as a material risk to its revenue projections. In particular, House of Representatives Bill 1 of 2025 is projected to increase General Fund costs by approximately \$1.4 billion in fiscal year 2026-27, largely related to Medi-Cal and CalFresh programs. The 2026-27 State Budget Proposal further notes uncertainty associated with future federal policies affecting tariffs, immigration, inflation, investment activity, labor markets, and overall economic demand.

The 2026-27 State Budget Proposal provides for \$248.3 billion in General Fund expenditures and nearly \$23 billion in combined reserves, including approximately \$14.4 billion in the State’s Proposition 98 Rainy Day Fund, \$4.5 billion in the Special Fund for Economic Uncertainties, and \$4.1 billion in the Public School System Stabilization Account. While balanced for fiscal year 2026-27, the 2026-27 State Budget Proposal anticipates that expenditures will exceed revenues in future years, requiring additional budget actions at the May Revision to maintain a structural balance in the coming years. Key fiscal risk factors include stock market and asset price volatility and declines, particularly among high-income taxpayers, and continued uncertainty in federal policy.

With respect to K-12 education, the 2026-27 State Budget Proposal sets Proposition 98 funding for K-14 education at \$125.5 billion for fiscal year 2026-27, subject to settle-up adjustments. Additionally, the proposal includes an LCFF cost-of-living adjustment of 2.41% and proposes repayment of approximately \$1.9 billion in previous funding deferrals to improve school district cash flow. The proposal further reflects continued support for universal transitional kindergarten and ongoing before-, during-, and after-school programming through the Expanded Learning Opportunities Program. The 2026-27 State Budget Proposal also allocates an additional \$215 million to expand the Literacy Coaches and Reading Specialists Grant Program.

Significantly, the 2026-27 State Budget Proposal recommends governance changes to strengthen coordination across California’s education system. Consistent with recommendations in the Legislature’s 2002 report, “California’s Master Plan for Education,” the proposal would

amend the Education Code to move oversight authority of the California Department of Education and support of local educational agencies under the State Board of Education, in addition to enhancing the State Superintendent of Public Instruction's ability to improve alignment and coordination across the bodies setting policy from early childhood through postsecondary education.

The Governor's May Revision, expected in mid-May 2026, will update the proposal to reflect revised economic conditions, revenue estimates, outlooks and other estimates and assumptions, and may modify or eliminate policy initiatives included in the 2026-27 State Budget Proposal.

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

LAO Analysis of the 2026-27 State Budget Proposal. The LAO released its overview and initial analysis of the 2026-27 State Budget Proposal on January 10, 2026 (the "**2026-27 LAO Analysis**"). The 2026-27 LAO Analysis concludes that, under the Governor's assumptions, the budget is roughly balanced, reflecting an estimated deficit of approximately \$3 billion. This represents an improvement compared with the LAO's November Fiscal Outlook, which projected a budget deficit of approximately \$18 billion. The LAO attributes the State's substantially higher revenue forecast to two factors: first, the proposal does not incorporate the significant risk of a stock market downturn; and second, higher projected revenues are partially offset by increased baseline spending, including constitutionally required expenditures and growing program costs.

The LAO identifies stock market volatility as the most significant risk to the State's revenue outlook. The analysis notes that several historically reliable indicators suggest equity markets are overheated and at elevated risk of a downturn within the next year or two. A market correction would materially reduce personal income tax revenues and could quickly worsen the State's fiscal position. The LAO cautions that failing to incorporate this downside risk into the 2026-27 State Budget Proposal places the State on precarious fiscal footing, particularly given that the proposal is only marginally balanced even under optimistic revenue assumptions.

Both the 2026-27 LAO Analysis and the 2026-27 State Budget Proposal project persistent multiyear operating deficits. The LAO estimates that annual deficits could range between approximately \$20 billion to \$35 billion, while the 2026-27 State Budget Proposal projects operating deficits of roughly \$27 billion in 2027-28, \$22 billion in 2028-29, and \$23 billion in 2029-30. The LAO characterizes these deficits as structural rather than cyclical, noting that deficits have persisted despite economic growth and rising revenue in addition to the State already addressing a cumulative \$125 billion in budget problems over recent years. The LAO expresses concern that the State's fiscal challenges have become chronic and raise significant questions concerning long-term fiscal sustainability.

The LAO acknowledges that the State recognizes the risks associated with revenue volatility and multiyear structural deficits, but concludes that the 2026-27 State Budget Proposal does not materially address either challenge. The LAO recommends that the Legislature explicitly recognize downside revenue risk by adopting the LAO's more conservative revenue forecast, maintain required reserve deposits, set aside funds associated with delayed settle-up obligations into reserves rather than using them for ongoing commitments, and adopt a multiyear plan to

reduce at least half of projected structural deficits through ongoing budget solutions. The LAO cautions that delaying corrective action until further budget cycles increases fiscal risk and limits the Legislature's ability to implement deliberate and sustainable solutions.

The 2026-27 LAO Analysis is available on the LAO website at www.lao.ca.gov. *The reference to this Internet website is shown for reference and convenience only and the information contained on such website is not incorporated by reference into this Official Statement. The information contained on this website may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Disclaimer Regarding State Budgets

The execution of State budgets may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2025-26 State Budget or subsequent State budgets, or future changes (if any) in the budget due to shifts in the economy or other factors, will have on its own finances and operations. However, the Bonds described herein are secured by *ad valorem* property taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

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

Legal Challenges to State Funding of Education

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

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

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

Constitutionally Required Funding of Education

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

Article XIII A of the California Constitution

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

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

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

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

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

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

Article XIII B of the California Constitution

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

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

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

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

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

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

Unitary Property

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

Articles XIII C and XIII D of the California Constitution

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

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

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

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

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

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

Proposition 98

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

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

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

Proposition 111

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

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

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

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

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

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

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

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

Proposition 39

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

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

Proposition 1A and Proposition 22

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

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

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

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

Proposition 30 and Proposition 55

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

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

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

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

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 triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election. Proposition 2 provides for changes to State budgeting practices, including revisions to certain conditions under which transfers are made into and from the BSA 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 BSA 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 BSA (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 BSA.

In addition, for each fiscal year, Proposition 2 increases the maximum size of the BSA 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 BSA 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 BSA (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 BSA to the reduction of such State liabilities and any amount not so applied shall be transferred to the BSA 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 BSA are impacted by Proposition 2. Unilateral discretion to suspend transfers to the BSA are not retained by the Governor. Neither does the Legislature retain discretion to transfer funds from the BSA 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 XIII B 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 BSA 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 BSA, 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 school districts and community college 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. The Proposition 2 constitutional amendments related to the Rainy Day Fund (i) require deposits into the Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year’s deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year’s deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create a Proposition 98 reserve (the “Public School System Stabilization Account”) to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Public School System Stabilization Account unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

Proposition 19

On November 3, 2020, State voters approved Proposition 19, a legislatively referred constitutional amendment (“**Proposition 19**”), which amended Article XIII A to (i) expand as of April 1, 2021 special rules that govern the transfer of a residential property’s tax base value to a replacement residence for homeowners that are over the age of 55, severely disabled, or whose property has been impacted by wildfire or natural disaster, when they buy a different home anywhere within the State, (ii) narrow as of February 16, 2021 existing special rules for the valuation of inherited real property due to a transfer between family members, and (iii) allocate most resulting State revenues and savings (if any) to fire protection services and reimbursing local governments for taxation-related changes. The District cannot predict whether the implementation of Proposition 19 will increase, decrease or have no overall impact on the District’s assessed values.

Proposition 2 (2024)

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

School Facilities. Proposition 2 (2024) includes \$3.3 billion for the new construction of K-12 facilities and an additional \$4 billion for the modernization of existing K-12 facilities, up to 10% of each allocated amount to be reserved for small school districts with an enrollment of fewer than 2,501 students. Of the \$4 billion available in modernization funds, up to \$115 million is available to be used for reducing lead levels in water at school facilities. Generally, K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. However, some school districts that have lower assessed property values and meet certain other socio-economic criteria will be required to pay as low as 45% and 35% of new construction costs and modernization costs, respectively. In addition, a total of \$1.2 billion will be available for the modernization and new construction of charter school (\$600 million) and technical education (\$600 million) facilities. The State will award funds to career technical education and charter schools through an application process, and charter schools must be deemed financially sound before project approval. The District makes no guarantees that it will either pursue or qualify for Proposition 2 (2024) State facilities funding

Future Initiatives

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

**BRAWLEY UNION HIGH SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2024-25**

[THIS PAGE INTENTIONALLY LEFT BLANK]



Brawley Union High School District

County of Imperial
Brawley, California

Audit Report
June 30, 2025



Brawley Union High School District

Table of Contents

June 30, 2025

INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	11
Statement of Net Position	11
Statement of Activities.....	12
Balance Sheet – Governmental Funds	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Notes to the Financial Statement	19
REQUIRED SUPPLEMENTARY INFORMATION	62
Budgetary Comparison Schedule – General Fund.....	62
Schedule of the District’s Proportionate Share of the Net Pension Liability - CalSTRS	63
Schedule of the District’s Contributions - CalSTRS	64
Schedule of the District’s Proportionate Share of the Net Pension Liability – CalPERS.....	65
Schedule of the District’s Contributions - CalPERS	66
Schedule of Changes in the District’s Net OPEB Liability and Related Ratios – BUHSD Retiree Health Plan ...	67
Notes to Required Supplementary Information	68
COMBINING STATEMENTS AS SUPPLEMENTARY INFORMATION	72
Combining Balance Sheet – Nonmajor Governmental Funds.....	72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	73
OTHER SUPPLEMENTARY INFORMATION	74
Schedule of Average Daily Attendance.....	74
Schedule of Instructional Time.....	75
Schedule of Financial Trends & Analysis	77
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements.....	79
Schedule of Charter Schools.....	80
Schedule of Expenditures of Federal Awards.....	81
Notes to the Schedule of Expenditures of Federal Awards	82

Brawley Union High School District

Table of Contents

June 30, 2025

OTHER INFORMATION	84
Local Education Agency Organization Structure	84
OTHER INDEPENDENT AUDITORS' REPORTS	85
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	85
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	87
Independent Auditor's Report on State Compliance and on Internal Control over State Compliance.....	90
AUDITOR'S RESULTS, FINDINGS & RECOMMENDATIONS	94
Schedule of Auditor's Results	94
Schedule of Findings and Questioned Costs.....	96
Schedule of Prior Year Audit Findings.....	97

Independent Auditor's Report

To the Board of Education
Brawley Union High School District

Report on the Audit of the Financial Statements

Opinions

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

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

Emphasis of Matter – Change in Accounting Principle

As described in Note A to the financial statements, in the fiscal year ended June 30, 2025 the District adopted new accounting guidance, GASB Statement No. 101 *Compensated Absences* which had a material effect on the financial statements. Our opinion is not modified with respect to this matter.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying additional supplementary information, identified in the table of contents, as required by the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations, Section 19810* are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the accompanying combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the additional supplementary information as identified in the table of contents, are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the audit report. The other information comprises the Other Information section of the audit report as identified on the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



El Cajon, California
January 23, 2026

BRAWLEY UNION HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

The discussion and analysis of Brawley Union High School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole. To provide a complete understanding of the District's financial performance, please read it in conjunction with the Independent Auditor's Report, the District's financial statements and notes to the basic financial statements.

The Management's Discussion and Analysis (MD & A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information is required to be presented in the MD & A.

FINANCIAL HIGHLIGHTS

- The increase in Local Control Funding Formula (LCFF) sources from 2023-24 to 2024-25 was \$1.5 million (5%).
- The general fund expenditures decreased by \$903 thousand (2.18%) over the previous year amount.
- General Fund revenues and other sources exceeded expenses and other uses by \$3.5 million.
- The General Fund ended the fiscal year with 26.89% reserves in unrestricted fund balance.

Overview of the Financial Statements

This annual report consists of the following parts – management's discussion and analysis (this section), the basic financial statements, required supplementary information, other supplementary information, and findings and recommendations. These statements are organized so the reader can understand the Brawley Union High School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Basic Financial Statements

The first two statements are district-wide financial statements, the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the whole School District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the district's more significant funds with all other non-major funds presented in total in one column.

The financial statements also include notes that explain some of the supplementary information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements. A comparison of the District's general fund budget is included.

Reporting the district as a Whole

Statement of Net Position and the Statement of Activities

These two statements provide information about the District as a whole using methods similar to those used by private-sector companies. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. This basis of accounting takes in account all the current year's revenues and expenses regardless of when cash is received or paid. These statements report information on the district as a whole and its activities in a way that helps answer the question, "How did we do financially during 2024-2025?"

The change in net position is important because it tells the reader that, for the district as a whole, the financial position of the district has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Over time, the increases or decreases in the District's net position, as reported in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses indicates the District's operating results. However, the District's goal is to provide services to our students, not to generate profits as commercial entities. One must consider many non-financial factors, such as the quality of education provided to assess the overall health of the District.

- Increases or decreases in the net position of the District over time are indications of whether its financial position is improving or deteriorating, respectively.
- Additional non-financial factors such as condition of school buildings and other facilities, and changes to the property tax base of the District need to be considered in assessing the overall health of the District.

Reporting the district's Most Significant Funds

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by State law. However, the District establishes other funds to control and manage money for specific purposes.

Governmental Funds

Most of the district's activities are reported in governmental funds. The District's major funds are the General Fund, the Building Fund, the Special Reserve Fund for Capital Outlay, and the Capital Projects Fund for Blended Component Units. All other governmental funds are aggregated into one nonmajor governmental funds column. Governmental funds focus on how money flows into and out of the funds and the balances that remain at the end of the year. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

FINANCIAL ANALYSIS OF THE GOVERNMENT WIDE STATEMENTS

The district as a Whole

The District's net position was \$21.5 million at June 30, 2025. Of this amount, unrestricted net position was \$(12.1) million, net investment in capital assets was \$16.8 million, and restricted net position was \$16.9 million. A Comparative analysis of government-wide statement of net position is presented in Table 1.

The District's net position increased \$4.1 million this fiscal year (See Table 2). The District's expenses for instruction, instruction related, and pupil services represented 75% of total expenses. The administrative activities of the District accounted for just 5% of total costs. The remaining 20% was spent on plant services and other expenses like interest payments on debt. (See Figure 2).

(Table 1)
Comparative Statement of Net Position

	Governmental Activities			
	6/30/2025	6/30/2024	Change	% Change
Assets				
Cash and Investments	\$ 26,613,469	\$ 24,237,899	\$ 2,375,570	9.80%
Accounts receivable	4,512,566	1,997,535	2,515,031	125.91%
Inventory	2,791	4,015	(1,224)	-30.49%
Prepaid expenses	6,956	62,385	(55,429)	-88.85%
Lease receivable			-	100.00%
Capital assets, net	27,064,808	26,144,665	920,143	3.52%
Lease assets, net	647,863	44,555	603,308	1354.07%
Subscription assets, net	22,515	52,144	(29,629)	-56.82%
Total Assets	<u>58,870,968</u>	<u>52,543,198</u>	<u>6,327,770</u>	<u>12.04%</u>
Deferred Outflows of Resources				
Deferred outflows of resources	12,779,808	14,640,108	(1,860,300)	-12.71%
Total Deferred Outflows of Resources	<u>12,779,808</u>	<u>14,640,108</u>	<u>(1,860,300)</u>	<u>-12.71%</u>
Liabilities				
Accounts payable and other current liabilities	2,793,404	1,112,108	1,681,296	151.18%
Unearned revenue	464,131	301,314	162,817	54.04%
Long-term liabilities	42,748,229	45,627,890	(2,879,661)	-6.31%
Total Liabilities	<u>46,005,764</u>	<u>47,041,312</u>	<u>(1,035,548)</u>	<u>-2.20%</u>
Deferred Inflows of Resources				
Deferred inflows of resources	4,051,581	2,642,288	1,409,293	53.34%
Total Deferred Inflows of Resources	<u>4,051,581</u>	<u>2,642,288</u>	<u>1,409,293</u>	<u>53.34%</u>
Net Position				
Net investment in capital assets	16,792,363	15,059,245	1,733,118	11.51%
Restricted	16,926,872	14,580,212	2,346,660	16.09%
Unrestricted	(12,125,804)	(12,139,751)	13,947	-0.11%
Total Net Position	<u>\$ 21,593,431</u>	<u>\$ 17,499,706</u>	<u>\$ 4,093,725</u>	<u>23.39%</u>

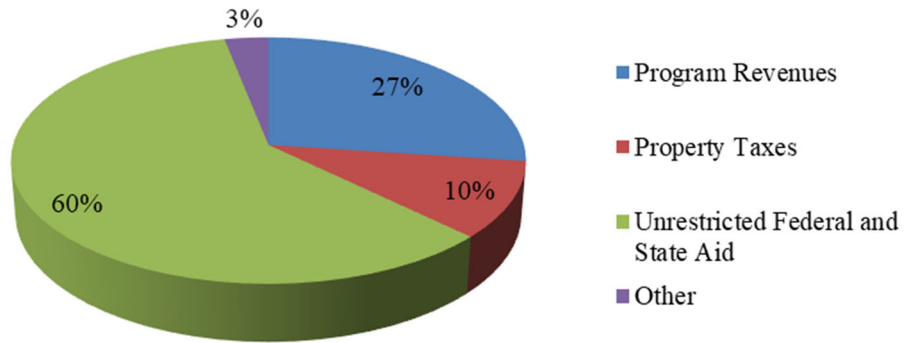
GOVERNMENTAL ACTIVITIES

As reported in the Statement of Activities, the cost of all of the District’s governmental activities this year was \$41 million. The amount that our local taxpayers financed for these activities through property taxes was \$4.7 million. Federal and State aid not restricted to specific purposes totaled \$28 million. Operating grants, capital grants, and contributions revenue was \$12.7 million. Operating grants, capital grants and unrestricted federal and state aid and covered 96.19% of the expenses of the entire District (See Figure 1).

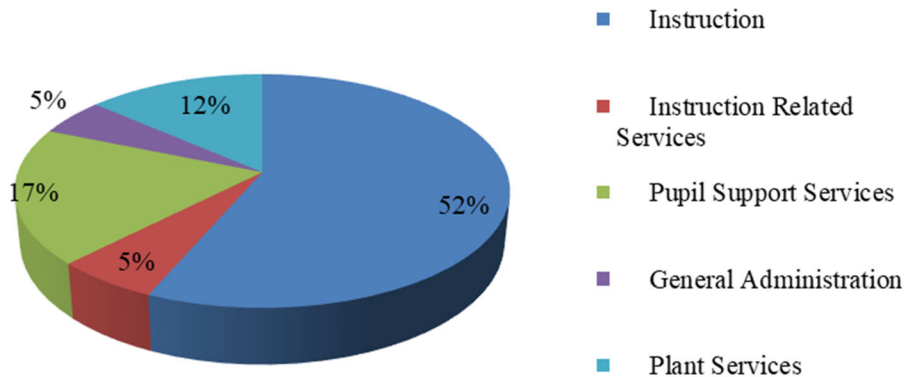
**(Table 2)
Comparative Statement of Change in Net Position**

	Governmental Activities			
	Year Ended 6/30/2025	Year Ended 6/30/2024	Change	% Change
Revenues				
Program revenues				
Charges for services	\$ 1,288,434	\$ 1,229,062	\$ 59,372	4.83%
Operating grants and contributions	11,422,283	8,225,369	3,196,914	38.87%
General revenues				
Taxes levied for general purposes	3,932,762	3,688,286	244,476	6.63%
Taxes levied for debt service	797,871	867,646	(69,775)	-8.04%
Federal and state aid not restricted	28,034,303	28,598,673	(564,370)	-1.97%
Interest and investment earnings	788,285	967,633	(179,348)	-18.53%
Miscellaneous	671,286	474,904	196,382	41.35%
Total Revenues	<u>46,935,224</u>	<u>44,051,573</u>	<u>2,883,651</u>	<u>6.55%</u>
Expenses				
Instruction	21,276,619	21,383,674	(107,055)	-0.50%
Instruction Related Services	2,222,866	2,660,637	(437,771)	-16.45%
Pupil Support Services	7,104,078	6,494,675	609,403	9.38%
General Administration	1,946,313	1,981,857	(35,544)	-1.79%
Plant Services	5,114,887	5,030,094	84,793	1.69%
Other Expenses	3,355,174	3,355,276	(102)	0.00%
Total Expenses	<u>41,019,937</u>	<u>40,906,213</u>	<u>113,724</u>	<u>0.28%</u>
Increase (Decrease) in Net Position	5,915,287	3,145,360	2,769,927	88.06%
Net Position - Beginning Balance	17,499,706	14,354,346	3,145,360	21.91%
Adjustment to Beginning Balance	(1,821,562)	-	(1,821,562)	100.00%
Net Position - Ending Balance	<u>\$ 21,593,431</u>	<u>\$ 17,499,706</u>	<u>\$ 4,093,725</u>	<u>23.39%</u>

**Sources of Revenue for the 2024-25 Fiscal Year
Figure 1**



**Expenses for the 2024-25 Fiscal Year
Figure 2**



FINANCIAL ANALYSIS OF THE FUND STATEMENTS

The fund financial statements focus on individual parts of the District’s operations in more detail than the government-wide statements. The District’s individual fund statements provide information on inflows and outflows and balances of spendable resources. The District’s governmental funds reported a combined fund balance of \$28 million, an increase of \$2.98 million from the previous fiscal year’s combined ending balance of \$25 million.

General Fund Budgetary Highlights

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

- Budget revisions to the adopted budget required after approval of the State budget.
- Budget revisions to update revenues to actual enrollment information and to update expenditures for staffing adjustments related to actual enrollments.
- Other budget revisions are routine in nature, including adjustments to categorical revenues and expenditures based on final awards, and adjustments between expenditure categories for school and department budgets.

The final revised budget for the General Fund reflected a net decrease to the ending balance of \$2.2 million.

The District ended the year with an increase of \$3.45 million to the general fund ending balance. The State recommends available reserves of 3% of total general fund expenditures and other financing uses of the general fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District has a broad range of capital assets, including school buildings, administrative buildings, site improvements, vehicles, and equipment. Table 3 demonstrates a comparative Schedule of Capital Assets.

(Table 3)
Comparative Schedule of Capital Assets
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>	<u>Net \$ Change</u>	<u>Net % Change</u>
Land	\$ 477,061	\$ 477,061	\$ -	0.0%
Work in Progress	5,191,860	3,670,741	1,521,119	41.4%
Land Improvements	8,338,022	8,338,022	-	0.0%
Buildings & Improvements	32,203,498	32,052,050	151,448	0.5%
Equipment	9,156,191	8,869,241	286,950	3.2%
Less Accumulated Depreciation for				
Land Improvements	(7,517,898)	(7,449,867)	(68,031)	0.9%
Buildings & Improvements	(14,839,218)	(14,291,297)	(547,921)	3.8%
Equipment	(5,944,708)	(5,521,286)	(423,422)	7.7%
Lease Assets	880,761	134,416	746,345	555.3%
Less Accumulated Amortization	(232,898)	(89,961)	(142,937)	158.9%
Subscription Assets	91,137	91,137	-	0.0%
Less Accumulated Amortization	(68,622)	(38,993)	(29,629)	76.0%
Total	<u>\$ 27,735,186</u>	<u>\$ 26,241,264</u>	<u>\$ 1,493,922</u>	<u>5.7%</u>

Long-Term Debt

The following represents a comparative schedule of the District's long-term debt outstanding.

(Table 4)
Comparative Schedule of Long-Term Debt
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>	<u>Net \$ Change</u>	<u>Net % Change</u>
General Obligation Bonds	\$ 8,408,096	\$ 8,694,462	\$ (286,366)	-3.29%
QZAB Payable	1,852,940	2,117,646	(264,706)	-12.50%
Leases Payable	<u>686,393</u>	<u>45,849</u>	<u>640,544</u>	<u>1397.07%</u>
Total Long-Term Debt	<u>\$ 10,947,429</u>	<u>\$ 10,857,957</u>	<u>\$ 89,472</u>	<u>0.82%</u>

FACTORS BEARING ON THE DISTRICT'S FUTURE

The state's minimum guarantee for schools is increased by \$3 billion for 2024-25; however, this increase will likely be placed into Proposition 98 reserves based on requirements in the California Constitution. The Legislative Analyst's Office (LAO) 2025-26 Budget Fiscal Outlook (Fiscal Outlook) for the state of California indicates that while better than expected state revenues are offset by higher spending, the state's budget is anticipated to be balanced for the upcoming fiscal year.

The California 2024-25 budget enacted a 1.07% cost of living adjustment (COLA) with anticipated COLAs set at 2.46% for 2025-26 and COLAs in excess of 3% for the 2026-27 through 2028-29 fiscal years.

Despite positive outlooks for school funding, costs of salaries, pensions, and other employee benefits continue to rise. The District is monitoring the budget closely to ensure all financial obligations are met and the District remains fiscally strong.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to determine the District's accountability for the money it receives. Additional financial information can be obtained by contacting the District's Business Office, Brawley Union High School District, 480 N. Imperial Ave., Brawley, CA 92227.

Basic Financial Statements

Brawley Union Highschool District

Statement of Net Position

June 30, 2025

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 26,613,469
Accounts Receivable	4,512,566
Inventory	2,791
Prepaid Expenses	6,956
Capital Assets:	
Land	477,061
Land Improvements	8,338,022
Buildings & Improvements	32,203,498
Equipment	9,156,191
Work In Progress	5,191,860
Less Accumulated Depreciation	(28,301,824)
Lease Assets:	
Equipment	880,761
Less Accumulated Amortization	(232,898)
Subscription Assets:	
Licenses and Subscriptions	91,137
Less Accumulated Amortization	(68,622)
Total Assets	<u>58,870,968</u>
Deferred Outflows of Resources	<u>12,779,808</u>
Liabilities	
Accounts Payable and Other Current Liabilities	2,793,404
Unearned Revenue	464,131
Long-Term Liabilities:	
Due Within One Year	2,175,120
Due In More Than One Year	40,573,109
Total Liabilities	<u>46,005,764</u>
Deferred Inflows of Resources	<u>4,051,581</u>
Net Position	
Net Investment in Capital Assets	16,792,363
Restricted For:	
Capital Projects	7,863,977
Debt Service	811,646
Educational Programs	6,855,867
Other Purposes (Expendable)	1,382,635
Other Purposes (Nonexpendable)	12,747
Unrestricted	(12,125,804)
Total Net Position	<u>\$ 21,593,431</u>

The accompanying notes to the financial statements are an integral part of this statement.

Brawley Union High School District

Statement of Activities

For the Year Ended June 30, 2025

Functions	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities					Governmental Activities
Instruction	\$ 21,276,619	\$ 297,619	\$ 5,440,918	\$ -	\$ (15,538,082)
Instruction-Related Services:					
Instructional Supervision and Administration	529,307	-	104,431	-	(424,876)
Instructional Library, Media and Technology	568,244	-	2,382	-	(565,862)
School Site Administration	1,125,315	4,735	373,519	-	(747,061)
Pupil Services:					
Home-to-School Transportation	1,237,795	-	12,832	-	(1,224,963)
Food Services	1,476,899	-	1,133,971	-	(342,928)
All Other Pupil Services	3,954,823	48,303	1,225,595	-	(2,680,925)
General Administration:					
Centralized Data Processing	67,872	-	-	-	(67,872)
All Other General Administration	1,878,441	30,237	238,609	-	(1,609,595)
Plant Services	5,114,887	74,818	232,637	-	(4,807,432)
Ancillary Services	2,199,425	832,722	(5,519)	-	(1,372,222)
Community Services	367,846	-	2,226,823	-	1,858,977
Interest on Long-Term Debt	563,280	-	-	-	(563,280)
Transfers Between Agencies	224,623	-	1,524	-	(223,099)
Total Governmental Activities	<u>\$ 40,585,376</u>	<u>\$ 1,288,434</u>	<u>\$ 10,987,722</u>	<u>\$ -</u>	<u>(28,309,220)</u>
General Revenues					
Taxes and Subventions:					
Property Taxes, Levied for General Purposes					\$ 3,932,762
Property Taxes, Levied for Debt Service					797,871
Federal and State Aid Not Restricted for Specific Purposes					28,034,303
Interest and Investment Earnings					788,285
Miscellaneous					671,286
Total General Revenues					<u>34,224,507</u>
Change in Net Position					5,915,287
Net Position - 7/1/2024, as Previously Stated					17,499,706
Adjustment for GASB 101 Implementation (Note A)					<u>(1,821,562)</u>
Net Position - 7/1/2024, as Restated					<u>15,678,144</u>
Net Position - 6/30/2025					<u>\$ 21,593,431</u>

The accompanying notes to the financial statements are an integral part of this statement.

Brawley Union High School District

Balance Sheet – Governmental Funds

June 30, 2025

	General Fund	Building Fund	Nonmajor Governmental Funds	Total
Assets				
Cash and Cash Equivalents	\$ 17,424,188	\$ 5,632,218	\$ 3,557,063	\$ 26,613,469
Accounts Receivable	4,156,663	48,318	307,588	4,512,569
Due From Other Funds	18,000	-	-	18,000
Stores Inventories	-	-	2,791	2,791
Prepaid Expenditures	5,226	-	1,730	6,956
Total Assets	<u>\$ 21,604,077</u>	<u>\$ 5,680,536</u>	<u>\$ 3,869,172</u>	<u>\$ 31,153,785</u>
Liabilities and Fund Balance:				
Liabilities:				
Accounts Payable	\$ 2,625,826	\$ -	\$ 40,711	\$ 2,666,537
Due To Other Funds	-	-	18,000	18,000
Unearned Revenue	464,131	-	-	464,131
Total Liabilities	<u>3,089,957</u>	<u>-</u>	<u>58,711</u>	<u>3,148,668</u>
Fund Balance:				
Nonspendable	8,226	-	4,521	12,747
Restricted	6,998,787	5,680,536	3,805,940	16,485,263
Assigned	614,540	-	-	614,540
Unassigned	10,892,567	-	-	10,892,567
Total Fund Balance	<u>18,514,120</u>	<u>5,680,536</u>	<u>3,810,461</u>	<u>28,005,117</u>
Total Liabilities and Fund Balances	<u>\$ 21,604,077</u>	<u>\$ 5,680,536</u>	<u>\$ 3,869,172</u>	<u>\$ 31,153,785</u>

The accompanying notes to the financial statements are an integral part of this statement.

Brawley Union High School District

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2025

Total fund balances governmental funds: \$ 28,005,117

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

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

Capital assets relating to governmental activities, at historical cost	55,366,632	
Accumulated depreciation	<u>(28,301,824)</u>	
Net		27,064,808

Lease assets relating to governmental activities, at historical cost	880,761	
Accumulated amortization	<u>(232,898)</u>	
Net		647,863

Subscription assets relating to governmental activities, at historical cost	91,137	
Accumulated amortization	<u>(68,622)</u>	
Net		22,515

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmatrued interest owing at the end of the period was: (126,870)

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

General obligation bonds payable	8,408,096	
Qualified zone academy bonds payable	1,852,940	
Leases payable	686,393	
Total OPEB liability	5,298,430	
Net pension liability	24,374,275	
Compensated absences	<u>2,128,095</u>	
Total		(42,748,229)

The accompanying notes to the financial statements are an integral part of this statement.

Brawley Union High School District

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position, Continued

June 30, 2025

Deferred gain or loss on debt refunding: In the government wide financial statements deferred gain or loss on debt refunding is recognized as a deferred outflow of resources (for a loss) or a deferred inflow of resources (for a gain) and subsequently amortized over the life of the debt. Deferred gain or loss on debt refunding recognized as a deferred outflow of resources or deferred inflow of resources on the statement of net position are:

153,375

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

Deferred outflows of resources relating to pensions	11,255,705	
Deferred inflows of resources relating to pensions	<u>(3,599,485)</u>	
Net		7,656,220

Deferred outflows and inflows of resources relating to other postemployment benefits (OPEB): In governmental funds, deferred outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to OPEB are reported.

Deferred outflows of resources relating to OPEB	1,370,728	
Deferred inflows of resources relating to OPEB	<u>(452,096)</u>	
Net		<u>918,632</u>

Total net position governmental activities:

\$ 21,593,431

The accompanying notes to the financial statements are an integral part of this statement.

Brawley Union High School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
 For the Year Ended June 30, 2025

	General Fund	Building Fund	Nonmajor Governmental Funds	Total
Revenues				
State Apportionment	\$ 19,101,308	\$ -	\$ -	\$ 19,101,308
Education Protection Account Funds	7,821,646	-	-	7,821,646
Property Taxes	3,932,762	-	797,871	4,730,633
Federal Revenue	2,889,039	-	900,466	3,789,505
Other State Revenue	7,915,947	-	336,930	8,252,877
Interest	463,130	-	82,616	545,746
Fair Market Value Adjustment	206,254	-	36,285	242,539
Other Local Revenue	1,698,390	308,746	1,105,917	3,113,053
Total Revenues	<u>\$ 44,028,476</u>	<u>\$ 308,746</u>	<u>\$ 3,260,085</u>	<u>\$ 47,597,307</u>
Expenditures				
Current Expenditures:				
Instruction	22,190,511	-	261,599	22,452,110
Instruction - Related Services	2,424,728	-	9,173	2,433,901
Pupil Services	5,588,256	-	1,033,411	6,621,667
Ancillary Services	1,328,245	-	881,635	2,209,880
Community Services	380,276	-	-	380,276
General Administration	2,034,879	-	31,197	2,066,076
Plant Services	4,913,884	-	111,852	5,025,736
Transfers Between Agencies	224,623	-	-	224,623
Capital Outlay	1,088,967	870,550	-	1,959,517
Debt Service:				
Principal	339,545	-	585,961	925,506
Interest	-	-	314,568	314,568
Total Expenditures	<u>40,513,914</u>	<u>870,550</u>	<u>3,229,396</u>	<u>44,613,860</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,514,562</u>	<u>(561,804)</u>	<u>30,689</u>	<u>2,983,447</u>
Net Change in Fund Balance	3,514,562	(561,804)	30,689	2,983,447
Fund Balance, Beginning of Year	14,999,558	6,242,340	3,779,772	25,021,670
Fund Balance, End of Year	<u>\$ 18,514,120</u>	<u>\$ 5,680,536</u>	<u>\$ 3,810,461</u>	<u>\$ 28,005,117</u>

The accompanying notes to the financial statements are an integral part of this statement.

Brawley Union High School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Total change in fund balances, governmental funds: \$ 2,983,447

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

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

Expenditures for capital outlay	1,959,517	
Depreciation expense	(1,039,374)	
Amortization expense	<u>(172,666)</u>	
	Net	747,477

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 925,506

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was: 6,389

Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was: 78,609

Pensions: In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: 1,571,009

Brawley Union High School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities, Continued
For the Year Ended June 30, 2025

Other postemployment benefits (OPEB): In governmental funds, OPEB expenses are recognized when employer OPEB contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year the difference between OPEB expenses and actual employer OPEB contributions was: (373,391)

Amortization of debt issue premium or discount or deferred gain or loss from debt refunding: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount, plus any deferred gain or loss from debt refunding, is amortized as interest over the life of the debt. Amortization of debt issue premium or discount, or deferred gain or loss from debt refunding for the period is: (23,759)

Change in net position of governmental activities: \$ 5,915,287

Brawley Union High School District

Notes to the Financial Statement

For the Year Ended June 30, 2025

A. Summary of Significant Accounting Policies

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

1. Reporting Entity

The District operates under a locally elected Board of Education form of government and provides educational services to grades 9-12 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, special revenue funds, capital projects funds, and debt service funds.

2. Component Units

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

3. Basis of Presentation

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

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

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

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

Major Governmental Funds

The District reports the following major governmental funds:

General Fund: The general fund is the primary operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund.

Building Fund: This fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code §15146*) and may not be used for any purposes other than those for which the bonds were issued. Other authorized revenues to the Building Fund are proceeds from the sale or lease-with-option-to-purchase of real property (*Education Code §17462*) and revenue from rentals and leases of real property specifically authorized for deposit into the fund by the governing board (*Education Code §41003*).

Non-Major Governmental Funds

The District reports the following non-major governmental funds categorized by the fund type:

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

Associated Student Body Fund: This fund is used to account separately for the activities of associated student body organizations operated by the District.

Adult Education Fund: This fund is used to account separately for federal, state, and local revenues that are restricted or committed for adult education programs.

Cafeteria Special Revenue Fund: This fund is used to account separately for federal, state, and local resources to operate the food service program (*Education Code §38091 through §38093*). The Cafeteria Special Revenue Fund shall be used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code §38091 and §38100*).

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

Capital Projects Funds: Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The District maintains the following nonmajor capital projects funds:

Capital Facilities Fund: The Capital Facilities Fund is used primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving a development (*Education Code §17620 through §17626*). The authority for these levies may be county or city ordinances (*Government Code §65970 through §65981*) or private agreements between the District and the developer. All funds, including interest earned, are restricted to the purposes specified in *Government Code §65970 through §65981* or *Government Code §65995*, or items specified in agreements with the developer (*Government Code §66006*).

Debt Service Funds: Debt service funds are established to account for the accumulation of resources for and the payment of principal and interest on general long-term debt. The District maintains the following nonmajor debt service fund:

Bond Interest and Redemption Fund: The Bond Interest and Redemption Fund is used for the repayment of bonds issued for the District (*Education Code §15125 through §15262*). The County of Imperial Auditor maintains control over the District's Bond Interest and Redemption Fund. The principal and interest on the bonds must be paid by the County Treasurer from taxes levied by the County Auditor-Controller.

4. Basis of Accounting – Measurement Focus

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

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

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

5. Encumbrances

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

6. Budgets and Budgetary Accounting

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

These budgets are revised by the District's governing board and district superintendent during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was used as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts.

7. Revenues and Expenses

a. Revenues – Exchange and Non-Exchange

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

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

b. Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 90 days. Principal and interest on long-term obligations, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the government-wide financial statements.

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

a. Deposits and Investments

Cash balances held in banks and in revolving funds are insured to \$250,000 by the Federal Depository Insurance Corporation (FDIC). All cash held by the financial institutions is fully insured or collateralized. For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

In accordance with Education Code §41001, the District maintains substantially all its cash in the Imperial County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds, except for the Tax Override Funds, in which interest earned is credited to the general fund. Any investment losses are proportionately shared by all funds in the pool.

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

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

b. Stores Inventories and Prepaid Expenditures

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. Inventories are valued using the first-in/first-out (FIFO) method and consist of expendable supplies held for consumption. Reported inventories are equally offset by a non-spendable fund balance designation, which indicates that these amounts are not “available for appropriation and expenditure” even though they are a component of net current assets.

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

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

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings & Improvements	20 - 50 Years
Land Improvements	10 - 25 Years
Equipment	5 - 15 Years

d. Lease Assets & Lease Liabilities

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles and equipment. In accordance with GASB Statement 87, the District records lease assets and lease liabilities with a capitalization threshold of \$5,000. Lease assets are amortized over the shorter of the useful life of the underlying asset (as defined in capital assets policy) or the lease term. Lease liabilities are reduced as principal payments on the lease are made.

e. Subscription Assets & Subscription Liabilities

A subscription based information technology arrangement (SBITA) is a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. SBITAs result in a subscription asset and subscription liability on the date of inception in accordance with GASB Statement 96 which are recorded at present value using an imputed interest rate based on the best available borrowing rate for the District in the year of inception. The District has established a capitalization threshold for subscription assets and liabilities of \$5,000. The subscription assets are amortized over the subscription term. The subscription liabilities are reduced as principal payments on the agreements are paid.

f. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The balance of the liabilities is recognized in the government-wide financial statements at year end.

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

g. Unearned Revenue

Unearned revenue represents amounts received in advance of the period in which the District is legally entitled to the resources. In the governmental funds, unearned revenue is reported as a liability until the underlying revenue recognition criteria have been met. Typical sources of unearned revenue include advance payments for services and grant proceeds received before all eligibility requirements have been satisfied.

h. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers in and transfers out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

i. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance represents amounts that cannot be spent because they are either not spendable form (such as inventory or prepaid items) or legally required to remain intact (such as revolving cash accounts or principal of a permanent fund).

Restricted Fund Balance represents amounts that are subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations, or may be imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget or resolution. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

Unassigned Fund Balance represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

j. Minimum Fund Balance Policy

The District has adopted a policy to maintain a minimum economic uncertainty reserve of at least 3% of the total general fund expenditures and other financing uses. The reserve may be increased from time to time in order to address specific anticipated revenue or cash flow shortfalls. The primary purpose of this reserve is to avoid the need for service level reductions in the event of economic downturn. The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. Because amounts in the nonspendable, restricted, committed, and assigned categories are subject to varying constraints in use, the Reserve for Economic Uncertainties consists of balances that are otherwise unassigned.

k. GASB 54 Fund Presentation

GASB Statement No. 54 defines a special revenue fund as a fund that has a special revenue source that is either restricted or committed to the financing of particular activities, that compose a substantial portion of the inflows of the fund, and that are reasonably expected to continue. The Special Reserve Fund for Other Than Capital Outlay (Fund 17) does not have continuing revenue sources that are either restricted or committed in nature. As such this fund does not meet the definition of special revenue funds under the provisions of GASB Statement No. 54. This fund has been combined with the general fund for reporting purposes.

l. Deferred Inflows and Deferred Outflows of Resources

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

m. Pensions

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

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain timeframes. For this report, the following time frames are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

9. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB, and OPEB expense have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require the reported results must pertain to liability and asset information within certain defined timeframes. For this report the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2024 to June 30, 2025

10. Property Taxes

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

11. Use of Estimates

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

12. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles as defined by Governmental Accounting Standards Board (GASB) Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy is detailed as follows:

- Level 1 Inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.
- Level 2 Inputs: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 Inputs: Unobservable inputs to an asset or liability.

13. New Accounting Pronouncements

The District has adopted accounting policies compliant with new pronouncements issued by the Government Accounting Standards Board (GASB) that are effective for the fiscal year ended June 30, 2025. Those newly implemented pronouncements are as follows:

Description	Date Issued
GASB Statement No. 99 <i>Omnibus 2022</i> (Portions related to financial guarantees and derivative instruments)	Apr-22
GASB Statement No. 100 <i>Accounting Changes and Error Corrections</i> (Amendment of GASB Statement No. 62)	Jun-22
GASB Statement No. 101 <i>Compensated Absences</i>	Jun-22
GASB Statement No. 102 <i>Certain Risk Disclosures</i>	Dec-23
GASB Implementation Guide No. 2023-1 <i>Implementation Guidance Update 2023</i>	Jun-23
GASB Implementation Guide No. 2025-1 <i>Implementation Guidance Update 2025 (Question 4.16 ONLY)</i>	Jun-25

The adoption of GASB Statement No. 99, GASB Statement No. 102, GASB Implementation Guide No. 2023-1 and GASB Implementation Guide No. 2025-1 did not have a material impact on the District's financial position, results of operations, or disclosures in the financial statements.

The adoption of GASB Statement No. 100 resulted in enhanced note disclosures and financial statement presentation but did not result in a material change to the District's financial position.

The adoption of GASB Statement No. 101 resulted in a material change to the District's net position for inclusion of a portion of sick leave that meets reporting requirements consistent with the requirements of the GASB pronouncement.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

14. Accounting Changes and Error Corrections

Effective for the fiscal year ended June 30, 2025, the District implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB 100 requires that changes to or within the financial reporting entity, including changes in fund classification, be reported by adjusting the beginning balances of the affected funds as if the change occurred at the start of the reporting period. The statement also requires enhanced disclosures regarding accounting changes and error corrections.

Error Corrections

No error corrections were identified or recorded during the fiscal year ended June 30, 2025.

Change in Accounting Principle

Effective July 1, 2024, the District implemented GASB Statement No. 101, *Compensated Absences*, which establishes new recognition and measurement criteria for compensated absences. As a result, the District changed its method of accounting for compensated absences to comply with the new standard. The implementation of GASB Statement No. 101 resulted in a restatement of the beginning net position of governmental activities as of July 1, 2024. The affected financial statement line item is "Compensated Absences Payable." The change in accounting principle resulted in the following restatement of beginning net position:

	<u>Government- Wide Financial Statements</u>
Beginning Net Position as Reported in June 30, 2024 Audit Report	\$ 17,499,706
Adjustments to Beginning Balance:	
GASB 101 Implementation	<u>(1,821,562)</u>
Beginning Net Position, as Restated	<u>\$ 15,678,144</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

B. Compliance and Accountability

1. Finance Related Legal and Contractual Provisions

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

<u>Violation</u>	<u>Action Taken</u>
None Reported	Not Applicable

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

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

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

C. Fair Value Measurements

The District’s investments at June 30, 2025, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

	<u>Amount</u>	<u>Fair Value Measurement Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
External investment pools measured at fair value				
Imperial County Treasury	\$ 26,314,110	\$ -	\$ 26,314,110	\$ -
Total investments by fair value level	\$ 26,314,110	\$ -	\$ 26,314,110	\$ -

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code §41001). The fair value of the District’s investments in the pool is reported in the accounting financial statements as amounts based upon the District’s pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

The Imperial County Treasury is not registered with the Securities and Exchange Commission (SEC) as an investment company; however, the County Treasury acts in accordance with investment policies monitored by a Treasury Oversight Committee consisting of members appointed by participants in the investment pool and up to five members of the public having expertise, or an academic background in, public finance. In addition, the County Treasury is audited annually by an independent auditor.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

D. Cash and Investments

As of June 30, 2025 the District held the following cash and investments:

	General Fund	Building Fund	Nonmajor Governmental Funds	Total
Cash In County Treasury	\$ 17,451,049	\$ 5,641,872	\$ 3,264,913	\$ 26,357,834
Fair Market Value Adjustment	(29,861)	(9,654)	(4,209)	(43,724)
Cash In Banks and Revolving Fund	3,000	-	296,359	299,359
Total Cash and Cash Equivalents	<u>\$ 17,424,188</u>	<u>\$ 5,632,218</u>	<u>\$ 3,557,063</u>	<u>\$ 26,613,469</u>

1. Cash in County Treasury

In accordance with Education Code §41001, the District maintains substantially all of its cash in the Imperial County Treasury as part of the common investment pool (\$26,357,834 as of June 30, 2025). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$26,314,110. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

2. Cash on Hand, In Banks, and in Revolving Fund

Cash balances on hand and in banks (\$296,359 as of June 30, 2025) and in revolving fund (\$3,000 as of June 30, 2025) are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC).

3. Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

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

4. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The county treasury is restricted by Government Code §53635 pursuant to §53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of risk.

At June 30, 2025, credit risk for the District's investments was as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Amount</u>
County Treasurer's Investment Pool	Unrated	Not Applicable	\$ 26,314,110

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At June 30, 2025, the District bank accounts were held in institutions which held insurance for the entire amount, but not in the District's name and as such the District was exposed to custodial credit risk for all amounts in excess of the FDIC insurance limitations per banking institution (\$41,359 as of June 30, 2025).

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. Investments in any one issuer that represent five percent or more of the total investments are either an external investment pool and are therefore exempt. As such, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District maintains pooled investments with the Imperial County Treasury with a fair value of \$26,314,110. The average weighted maturity for this pool was 447 days at June 30, 2025.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

5. Investment Accounting Policy

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

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

E. Accounts Receivable

There are no significant receivables which are not scheduled for collection within one year of year end. Accounts receivable balances as of June 30, 2025, consisted of:

	Major Governmental Funds		Nonmajor Governmental Funds	Total
	General Fund	Building Fund		
Federal Government:				
Special Education	\$ 422,789	\$ -	\$ -	\$ 422,789
Child Nutrition Program	-	-	263,455	263,455
Adult Education	-	-	36,950	36,950
Migrant Education	37,410	-	-	37,410
Other Federal Programs	71,408	-	-	71,408
State Government:				
Lottery	134,345	-	-	134,345
Special Education	82,637	-	-	82,637
State Aid	145,013	-	-	145,013
K-12 Strong Workforce	77,498	-	-	77,498
CCSPP	2,791,500	-	-	2,791,500
Golden State Pathways	114,710	-	-	114,710
Other State Programs	142,884	-	-	142,884
Local Sources:				
Interest	133,971	48,318	7,183	189,472
Other Local Sources	2,498	-	-	2,498
Total Accounts Receivable	<u>\$ 4,156,663</u>	<u>\$ 48,318</u>	<u>\$ 307,588</u>	<u>\$ 4,512,569</u>

F. Prepaid Expenditures/Expenses

Prepaid expenditures/expenses for the year ended June 30, 2025, consisted of:

	General Fund	Nonmajor Governmental	Total
Prepaid License Fees	\$ 5,226	\$ -	\$ 5,226
Prepaid Services	-	1,730	1,730
Totals	<u>\$ 5,226</u>	<u>\$ 1,730</u>	<u>\$ 6,956</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

G. Capital Assets, Lease Assets and Subscription Assets

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

Governmental activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 477,061	\$ -	\$ -	\$ 477,061
Work in progress	3,670,741	1,740,318	219,199	5,191,860
Total capital assets not being depreciated	4,147,802	1,740,318	219,199	5,668,921
Capital assets being depreciated:				
Land improvements	8,338,022	-	-	8,338,022
Buildings and improvements	32,052,050	151,448	-	32,203,498
Equipment	8,869,241	286,950	-	9,156,191
Total capital assets being depreciated	49,259,313	438,398	-	49,697,711
Less accumulated depreciation for:				
Land improvements	(7,449,867)	(68,031)	-	(7,517,898)
Buildings and improvements	(14,291,297)	(547,921)	-	(14,839,218)
Equipment	(5,521,286)	(423,422)	-	(5,944,708)
Total accumulated depreciation	(27,262,450)	(1,039,374)	-	(28,301,824)
Total capital assets, net	26,144,665	1,139,342	219,199	27,064,808
Lease Assets				
Equipment	134,416	746,345	-	880,761
Less accumulated amortization	(89,861)	(143,037)	-	(232,898)
Total lease assets, net	44,555	603,308	-	647,863
Subscription Assets				
Information Technology Licenses	91,137	-	-	91,137
Less accumulated amortization	(38,993)	(29,629)	-	(68,622)
Total subscription assets	52,144	(29,629)	-	22,515
Total capital assets and lease assets, net	\$ 26,241,364	\$ 1,713,021	\$ 219,199	\$ 27,735,186

Depreciation and amortization were charged to functions as follows:

	Depreciation	Amortization
Instruction	\$ 528,309	\$ 26,677
Instruction - Related Services		
Instructional Library, Media & Technology	-	29,629
Pupil Services		
Home to School Transportation	17,576	-
Food Services	19,716	-
Ancillary Services	51,830	-
General Administration		
Other General Administration	1,344	-
Plant Services	420,599	116,360
Total	\$ 1,039,374	\$ 172,666

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

H. Interfund Balances & Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2025, consisted of the following:

<u>Interfund Receivable (Due From Other Funds)</u>	<u>Interfund Payable (Due To Other Funds)</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Nonmajor Governmental Funds	\$ 18,000	Adjusting Indirect Cost
	Total	<u>\$ 18,000</u>	

I. Accounts Payable

Accounts payable balances in the fund financial statements as of June 30, 2025, consisted of:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
Vendors Payable	\$ 2,355,371	\$ 21,779	\$ 2,377,150
Payroll and Benefits	270,455	18,932	289,387
Total Accounts Payable	<u>\$ 2,625,826</u>	<u>\$ 40,711</u>	<u>\$ 2,666,537</u>

J. Unearned Revenue

Unearned revenue balances as of June 30, 2025, consisted of:

	<u>General Fund</u>
Federal Programs	
ESSA Title I	\$ 15,604
State Programs	
K-12 Strong Workforce Grant	265,423
Agricultural Career Tech. Edu.	183,104
Total Unearned Revenue	<u>\$ 464,131</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

K. Short Term Debt Activity

The District accounts for short-term debts for maintenance purposes through the General Fund. The proceeds from loans are shown in the financial statements as other financing sources. During the year ended June 30, 2025, the District did not enter into any short-term debt agreements.

L. Fund Balance Classifications of the Governmental Funds

Ending fund balance classifications of the governmental funds for the year ended June 30, 2025 consisted of:

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Building Fund		
Nonspendable Fund Balance				
Revolving Cash	\$ 3,000	\$ -	\$ -	\$ 3,000
Stores	-	-	2,791	2,791
Prepaid Expenditures	5,226	-	1,730	6,956
Total Nonspendable Fund Balance	8,226	-	4,521	12,747
Restricted Fund Balance				
Capital Projects	-	5,680,536	1,754,580	7,435,116
Debt	-	-	811,646	811,646
Education Programs	6,811,357	-	44,509	6,855,866
Associated Student Body	-	-	291,359	291,359
Child Nutrition	-	-	903,846	903,846
Other Purposes	187,430	-	-	187,430
Total Restricted Fund Balance	6,998,787	5,680,536	3,805,940	16,485,263
Assigned Fund Balance				
Other Assignments	614,540	-	-	614,540
Total Assigned Fund Balance	614,540	-	-	614,540
Unassigned Fund Balance				
For Economic Uncertainties	8,102,783	-	-	8,102,783
Other Unassigned	2,789,784	-	-	2,789,784
Total Unassigned Fund Balance	10,892,567	-	-	10,892,567
Total Fund Balance	\$ 18,514,120	\$ 5,680,536	\$ 3,810,461	\$ 28,005,117

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

M. Long Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2025, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 8,440,000	\$ -	\$ 555,000	\$ 7,885,000	\$ 570,000
Bond Premiums	524,462	-	1,366	523,096	1,390
Total GO Bonds	8,964,462	-	556,366	8,408,096	571,390
QZAB Payable	2,117,646	-	264,706	1,852,940	264,706
Leases Payable	45,849	746,345	105,801	686,393	150,192
Total SBITA Liability	-	-	-	-	-
Total OPEB Liability*	5,105,200	193,230	-	5,298,430	-
Net Pension Liability*	29,009,591	-	4,635,316	24,374,275	-
Compensated Absences*	2,206,704	-	78,609	2,128,095	1,188,832
Total Governmental Activities	<u>\$ 47,449,452</u>	<u>\$ 939,575</u>	<u>\$ 5,640,798</u>	<u>\$ 42,748,229</u>	<u>\$ 2,175,120</u>

*Other long-term liabilities

- Payments for general obligation bonds are made from the bond interest and redemption fund.
- Payments for QZAB payable are made from the general fund.
- Payments for compensated absences are made from the general fund and the cafeteria fund.
- Payments for leases payable and subscriptions payable are made from the general fund and the cafeteria fund.
- Payments for pension contributions are made from the general fund, the associated student body special revenue fund, the adult education fund, and the cafeteria fund.
- Payments for OPEB contributions are made from the general fund, the adult education fund, and the cafeteria fund.

2. General Obligation Bonds

The District's bonded debt consists of various issues of general obligation bonds that are generally callable with interest payable semiannually. Bond proceeds pay primarily for acquiring or constructing capital facilities. The District repays general obligation bonds from voter-approved property taxes.

On November 6, 2018 registered voters authorized the issuance of \$18,700,000 principal amount of general obligation bonds. Of the total amount originally authorized, \$12,400,000 remains unissued.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

General obligation bonds at June 30, 2025 consisted of the following:

	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount of Original Issue</u>
2012 Refunding Bonds	12/04/12	2.00-4.00%	08/01/31	\$ 3,955,000
2014 Refunding Bonds	05/06/14	3.05%	08/01/29	3,845,000
2018 Election Series A	06/05/19	4.00-5.00%	08/01/49	6,300,000
Total GO Bonds				<u>\$ 14,100,000</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2012 Refunding Bonds					
Principal	\$ 1,725,000	\$ -	\$ 290,000	\$ 1,435,000	\$ 295,000
Premium	8,127	-	1,366	6,761	1,390
2014 Refunding Bonds					
Principal	1,740,000	-	265,000	1,475,000	275,000
2018 Election Series A					
Principal	4,975,000	-	-	4,975,000	-
Premium	516,335	-	-	516,335	-
Total	<u>\$ 8,964,462</u>	<u>\$ -</u>	<u>\$ 556,366</u>	<u>\$ 8,408,096</u>	<u>\$ 571,390</u>

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

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	570,000	296,416	\$ 866,416
2027	625,000	279,110	904,110
2028	655,000	260,140	915,140
2029	680,000	240,259	920,259
2030	445,000	223,029	668,029
2031-2035	630,000	1,019,125	1,649,125
2036-2040	845,000	869,700	1,714,700
2041-2045	1,380,000	595,500	1,975,500
2046-2050	2,055,000	217,100	2,272,100
Total	<u>\$ 7,885,000</u>	<u>\$ 4,000,379</u>	<u>\$ 11,885,379</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

Premium/Discount

Bond premium arises when the market rate of interest is higher than the stated interest rate on the bond. Generally Accepted Accounting Principles (GAAP) require that the premium increase the face value of the bond and then amortize the premium over the life of the bond.

Bond discount arises when the market rate of interest is lower than the stated interest rate on the bond. Generally Accepted Accounting Principles (GAAP) require that the discount decrease the face value of the bond and then amortize the discount over the life of the bond. The discounts are amortized over the life of the bond using the effective interest rate method.

Effective interest on general obligation bonds issued at a premium are as follows:

	2012 Refunding Bonds	2018 Series A Bonds
Total Interest Payments	\$ 1,055,719	\$ 5,125,940
Less Bond Premium	(18,634)	(653,852)
Net Interest	1,037,085	4,472,088
PAR Amount of Bonds	3,955,000	6,300,000
Periods	19	30
Effective Interest Rate	1.38%	2.37%

3. Qualified Zone Academy Bond Program (QZAB)

On December 18, 2014 the District entered into a Qualified Zone Academy Bond Program (QZAB) in the amount of \$4,500,000 for the purpose of financing energy conservation facilities for the Brawley High School campus.

Future commitments for the QZAB as of June 30, 2025, are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	\$ 264,706	\$ -	\$ 264,706
2027	264,706	-	264,706
2028	264,706	-	264,706
2029	264,706	-	264,706
2030	264,706	-	264,706
2031-2032	529,410	-	529,410
Total	\$ 1,852,940	\$ -	\$ 1,852,940

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

4. Leases Payable

The District has entered into lease agreements for right of use for copy machines and a postage machine. The leases vary in length from 36 months to 63 months with imputed interest ranging from 0.20% to 0.90%. There are no residual value guarantees included in the leases. Additionally, the District has not experienced any losses associated with impairment of an underlying leased asset.

Future payments on the leases are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	\$ 151,368	\$ 30,468	\$ 181,836
2027	158,928	22,908	181,836
2028	161,317	15,010	176,327
2029	160,108	7,039	167,147
2030	54,673	799	55,472
Total	<u>\$ 686,393</u>	<u>\$ 76,224</u>	<u>\$ 762,617</u>

5. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2025 amounted to \$2,128,095. This amount is included as part of long-term liabilities in the government-wide financial statements.

	Balance July 1, 2024	Current Year Changes	Balance June 30, 2025	Amounts Due Within One Year
Vacation Liability	\$ 385,142	\$ (12,535)	\$ 372,607	\$ 372,607
Sick Leave	1,821,562	(66,074)	1,755,488	816,225
Total	<u>\$ 2,206,704</u>	<u>\$ (78,609)</u>	<u>\$ 2,128,095</u>	<u>\$ 1,188,832</u>

6. Net Pension Liability

The District's beginning net pension liability was \$29,009,591 and decreased by \$4,635,316 during the year ended June 30, 2025 for an ending net pension liability of \$24,374,275. See Note N for additional information regarding the net pension liability.

7. Net OPEB Liability

The District's beginning net OPEB liability was \$5,105,200 and increased during the year ended June 30, 2025 by \$193,230. The ending net OPEB liability at June 30, 2025 was \$5,298,430 See Note O for additional information regarding the net OPEB liability.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

N. Pension Plans

1. General Information about the Pension Plans

a. Plan Descriptions

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

b. Benefits Paid

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

The Plan's provisions and benefits in effect at June 30, 2025 are summarized as follows:

<u>Hire Date</u>	<u>CalSTRS</u>	
	<u>Before</u>	<u>After</u>
	<u>Jan. 1, 2013</u>	<u>Jan. 1, 2013</u>
Benefit Formula	2% at 60	2% at 62**
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	55 - 60	55 - 62
Monthly Benefits as a % of Eligible Compensation	1.1 - 2.4%*	1.0 - 2.4%*
Required Employee Contribution Rates (2024-25)	10.250%	10.205%
Required Employer Contribution Rates (2024-25)	19.100%	19.100%
Required State Contribution Rates (2024-25)	10.828%	10.828%

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

**The contribution rate for CalSTRS 2% at 62 members is based, in part, on the normal cost of benefits and may increase or decrease in future years.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

<u>Hire Date</u>	CalPERS	
	Before Jan. 1, 2013	After Jan. 1, 2013
Benefit Formula	2% at 60	2% at 62**
Benefit Vesting Schedule	5 Years	5 Years
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 62	52 - 67
Monthly Benefits as a % of Eligible Compensation	1.1 - 2.5%*	1.0 - 2.5%*
Required Employee Contribution Rates (2024-25)	7.000%	8.000%
Required Employer Contribution Rates (2024-25)	27.050%	27.050%

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

**The rate imposed on CalPERS 2% at 62 members is based on the normal cost of benefits.

c. Contributions

CalSTRS

For the fiscal year ended June 30, 2025, California Education Code §22950 requires members to contribute monthly to the system 10.205% (if hired on or after January 1, 2013) or 10.25% (if hired before January 1, 2013) of the creditable compensation upon which members' contributions under this part are based. In addition, the employer required rates established by the CalSTRS board have been established at 19.10% of creditable compensation for the fiscal year ended June 30, 2025. The CalSTRS Board has the authority to increase or decrease percentages paid specific to reflect the contribution required to eliminate by June 30, 2046, the remaining unfunded actuarial obligation with respect to service credited to members before July 1, 2014, as determined by the Board based upon a recommendation from its actuary. Those adjustments are limited to 1% annually, not to exceed 20.25% of creditable compensation.

CalPERS

California Public Employees' Retirement Law §20814(c) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The CalPERS Board retains the authority to amend contribution rates. The total plan contributions are determined through CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees. For the fiscal year ended June 30, 2025, the employee contribution rate was 7.00% for employees hired prior to January 1, 2013 and 8.00% for employees hired on or after January 1, 2013, and the employer contribution rate was 27.05% of covered payroll.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

On Behalf Payments

Consistent with California Education Code §22955.1, the State of California makes contributions to CalSTRS on behalf of employees working for the District. For the fiscal year ended June 30, 2025 the State contributed 10.828% of salaries creditable to CalSTRS. Consistent with the requirements of generally accepted accounting principles, the District has recorded these contributions as revenue and expense in the fund financial statements (current financial resources measurement focus). The government-wide financial statements have recorded revenue and expense for pension expense paid on behalf of the District (economic resources measurement focus). Contributions reported for on behalf payments are based on the District’s proportionate share of the States contribution for the fiscal year. Contributions made by the state on behalf of the District and the State’s pension expense associated with District employees for the past three fiscal years are as follows:

CalSTRS			
Year Ended June 30,	On Behalf Contribution Rate	On Behalf Contribution Amount	On Behalf Pension Expense
2023	10.828%	\$ 1,531,697	\$ 4,667,480
2024	10.828%	1,376,353	(438,889)
2025	10.828%	1,312,865	(218,337)

d. Contributions Recognized

For the fiscal year ended June 30, 2025 (measurement period June 30, 2024), the contributions recognized for each plan were:

Governmental Fund Financial Statements (Current Financial Resources Measurement Focus)			
	CalSTRS	CalPERS	Total
<i>Governmental Funds</i>			
Contributions - Employer	\$ 2,796,062	\$ 1,562,792	\$ 4,358,854
Contributions - State On Behalf Payments	1,312,866	-	1,312,866
Total Governmental Funds	<u>\$ 4,108,928</u>	<u>\$ 1,562,792</u>	<u>\$ 5,671,720</u>

Government-Wide Financial Statements (Economic Resources Measurement Focus)			
	CalSTRS	CalPERS	Total
<i>Governmental Activities</i>			
Contributions - Employer	\$ 2,861,523	\$ 1,333,524	\$ 4,195,047
Contributions - State On Behalf Payments	1,312,865	-	1,312,865
Total Governmental Activities	<u>\$ 4,174,388</u>	<u>\$ 1,333,524</u>	<u>\$ 5,507,912</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

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

As of June 30, 2024 (measurement date) the District reported net pension liabilities for its proportionate share of the net pension liability of each plan as follows:

	Governmental Activities
CalSTRS	\$ 15,317,705
CalPERS	9,056,570
Total	<u>\$ 24,374,275</u>

The District's net pension liability for each Plan is measured as the proportionate share of the total net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2024. The total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to measurement date June 30, 2024 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, as actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2024 and June 30, 2025 were as follows:

	CalSTRS			CalPERS
	District's Proportionate Share	State's Proportionate Share for District *Employees	Total for District Employees	District's Proportionate Share
<i>Governmental Activities</i>				
Proportion June 30, 2024	0.025016%	0.011985%	0.037001%	0.027507%
Proportion June 30, 2025	0.022807%	0.010464%	0.033271%	0.025341%
Change in Proportion	<u>-0.002209%</u>	<u>-0.001521%</u>	<u>-0.003730%</u>	<u>-0.002166%</u>

*Represents State's Proportionate Share on behalf of District employees.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

a. Pension Expense

	<i>Governmental Activities</i>		
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
Change in Net Pension Liability	\$ (3,734,658)	\$ (900,658)	\$ (4,635,316)
State On Behalf Pension Expense	(218,337)	-	(218,337)
Employer Contributions	2,796,062	1,562,792	4,358,854
Change in Deferrals for:			
Experience Differences	(584,417)	(484,007)	(1,068,424)
Changes in Assumptions	43,267	258,545	301,812
Changes in Proportionate Share	2,128,213	1,014,868	3,143,081
Subsequent Contributions	60,006	(227,132)	(167,126)
Earnings Differences	143,184	711,780	854,964
Total Pension Expense Government-Wide	<u>\$ 633,320</u>	<u>\$ 1,936,188</u>	<u>\$ 2,569,508</u>

b. Deferred Outflows and Inflows of Resources

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
<i>Governmental Activities</i>			
Subsequent Contributions	\$ 2,796,062	\$ 1,562,792	\$ 4,358,854
Experience Differences	1,732,844	759,262	2,492,106
Changes in Assumptions	67,053	200,181	267,234
Changes in Proportionate Share	3,163,715	622,000	3,785,715
Earnings Differences	-	351,796	351,796
Total Deferred Outflows of Resources	<u>\$ 7,759,674</u>	<u>\$ 3,496,031</u>	<u>\$ 11,255,705</u>

	<u>Deferred Inflows of Resources</u>		
	<u>CalSTRS</u>	<u>CalPERS</u>	<u>Total</u>
<i>Governmental Activities</i>			
Experience Differences	\$ (670,265)	\$ (64,818)	\$ (735,083)
Changes in Proportionate Share	(2,109,173)	(692,647)	(2,801,820)
Earnings Differences	(62,582)	-	(62,582)
Total Deferred Inflows of Resources	<u>\$ (2,842,020)</u>	<u>\$ (757,465)</u>	<u>\$ (3,599,485)</u>

Pension contributions made subsequent to the measurement date reported as deferred outflows of resources will be recognized as a portion of pension expense in the year ended June 30, 2026. The remaining amounts reported as deferred outflows or deferred inflows of resources will be recognized as an increase or decrease to pension expense over a five-year period.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

Pension expense resulting from deferred outflows and deferred inflows of resources will be recognized as follows:

Year Ended June 30,	<i>Governmental Activities</i>				Net Effect on Expenses
	Deferred Outflows of Resources		Deferred Inflows of Resources		
	CalSTRS	CalPERS	CalSTRS	CalPERS	
2026	\$ 3,920,405	\$ 2,412,280	\$ (1,840,262)	\$ (309,011)	\$ 4,183,412
2027	1,076,287	1,106,478	483,874	(236,028)	2,430,611
2028	1,042,760	88,585	(514,001)	(212,426)	404,918
2029	834,266	(111,312)	(474,068)	-	248,886
2030	786,748	-	(248,782)	-	537,966
Thereafter	99,208	-	(248,781)	-	(149,573)
Total	<u>\$ 7,759,674</u>	<u>\$ 3,496,031</u>	<u>\$ (2,842,020)</u>	<u>\$ (757,465)</u>	<u>\$ 7,656,220</u>

c. Actuarial Assumptions

Total pension liabilities for the fiscal year ended June 30, 2025, were based on actuarial valuations determined using the following actuarial assumptions:

	CalSTRS	CalPERS
Fiscal Year	6/30/2025	6/30/2025
Measurement Date	6/30/2024	6/30/2024
Valuation Date	6/30/2023	6/30/2023
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Experience Study Period	2007 - 2022	2000 - 2019
Actuarial Assumptions:		
Discount Rate	7.10%	6.90%
Inflation	2.75%	2.30%
Wage Growth	3.50%	Varies ⁽³⁾
Payroll Growth	3.25%	Varies ⁽³⁾
Investment Rate of Return	7.10%	6.90%
Post Retirement Benefit Increase	2.00% Simple ⁽¹⁾	2.00% - 2.30% ⁽⁴⁾
Mortality	CalSTRS Data ⁽²⁾	CalPERS Data ⁽⁵⁾

(1) CalSTRS post-retirement benefit increases assumed at 2% simple (annually) maintaining 85% purchasing power level.

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

(3) Varies by entry age and service.

(4) CalPERS post retirement benefit increases assumes 2.00% until PPPA floor on purchasing power applies, 2.50% thereafter.

(5) CalPERS mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90% of scale MP-2016. For more details on this table, please refer to the December 2021 experience study report (based on CalPERS demographic data from 2000 to 2019) that can be found on the CalPERS website.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

d. Discount Rate

The discount rate used to measure the total pension liability was 7.10% for CalSTRS and 6.90% for CalPERS. The projection of cash flows used to determine the discount rates assumed the contributions from the plan members, employers, and state contributing agencies (where applicable) will be made at statutory contribution rates. To determine whether the District bond rate should be used in the calculation of a discount rate for each plan, CalSTRS and CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rates are adequate, and the use of the discount bond rate calculations is not necessary for either plan. The stress test results are presented in detailed reports that can be obtained from CalPERS and CalSTRS respective websites.

The CalPERS discount rate was increased from 7.50% to 7.65% at measurement date June 30, 2015 (Fiscal year June 30, 2016) to correct for an adjustment to exclude administrative expenses. Subsequently CalPERS discount rate was decreased from 7.65% to 7.15% at measurement date June 30, 2017 (Fiscal year June 30, 2018) to adjust for changes resulting from actuarially determined amounts. Finally, the CalPERS discount rate was decreased from 7.15% to 6.90% at measurement date June 30, 2022 (Fiscal year June 30, 2023) resulting from a new actuarial experience study completed.

The CalSTRS discount rate was adjusted from 7.60% to 7.10% for measurement date June 30, 2017 (Fiscal year June 30, 2018) to adjust for changes resulting from a new actuarial experience study.

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

CalSTRS and CalPERS are scheduled to review actuarial assumptions as part of their regular Asset Liability Management (ALM) review cycle. CalSTRS completed their ALM November 2019 with new policies in effect on July 1, 2021. CalPERS completed their ALM in 2021 with new policies in effect on July 1, 2022. Both CalSTRS and CalPERS conduct new ALM's every 4 years.

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

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

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

CalSTRS

Asset Class	Assumed Asset Allocation	Long-Term Expected Rate of Return ⁽¹⁾	Long-Term Expected Real Rate of Return ⁽²⁾
Public Equity	38.00%	8.00%	5.25%
Real Estate	15.00%	6.80%	4.05%
Private Equity	14.00%	9.50%	6.75%
Fixed Income	14.00%	5.20%	2.45%
Risk Mitigation Strategies	10.00%	5.00%	2.25%
Inflation Sensitive	7.00%	6.40%	3.65%
Cash/Liquid	2.00%	2.80%	0.05%

⁽¹⁾ 20 to 30 year geometric average.

⁽²⁾ Real rates of return are net of assumed 2.75% inflation

CalPERS

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return ^{(3),(4)}
Global Equity - cap weighted	30.00%	4.54%
Global Equity - non-cap weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-Backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

⁽³⁾ An expected price inflation of 2.30% used for this period.

⁽⁴⁾ Figures are based on the 2021-22 Asset Liability Management Study.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

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

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

	<u>CalSTRS</u>	<u>CalPERS</u>
1% Decrease	6.10%	5.90%
Net Pension Liability	\$ 27,245,470	\$ 13,453,609
Current Discount Rate	7.10%	6.90%
Net Pension Liability	\$ 15,317,705	\$ 9,056,570
1% Increase	8.10%	7.90%
Net Pension Liability	\$ 5,357,820	\$ 5,424,264

3. Total Pension Liability, Pension Plan Fiduciary Net Position and Net Pension Liability

CalSTRS Governmental Activities

	Increase (Decrease)				
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	State's Share of Net Pension Liability (c)	District's Share of Net Pension Liability (a) - (b) - (c)
Balance at June 30, 2024 (Previously Reported)	\$ 145,443,529	\$ 117,263,305	\$ 28,180,224	\$ 9,127,861	\$ 19,052,363
Changes for the year					
Change in proportionate share	(14,661,884)	(11,821,089)	(2,840,795)	(1,158,404)	(1,682,391)
Service cost	2,896,573	-	2,896,573	910,996	1,985,577
Interest	9,267,970	-	9,267,970	2,914,852	6,353,118
Experience differences	1,013,102	-	1,013,102	318,629	694,473
Change in assumptions	(1,780,331)	-	(1,780,331)	(559,929)	(1,220,402)
Change in benefits	10,979	-	10,979	3,453	7,526
Contributions:					
Employer	-	2,856,459	(2,856,459)	(898,380)	(1,958,079)
Employee	-	1,575,382	(1,575,382)	(495,470)	(1,079,912)
State on behalf	-	1,312,865	(1,312,865)	(412,907)	(899,958)
Net investment income	-	8,708,019	(8,708,019)	(2,738,743)	(5,969,276)
Other income	-	130,090	(130,090)	(40,914)	(89,176)
Benefit payments ⁽¹⁾	(6,384,039)	(6,384,039)	-	-	-
Administrative expenses	-	(67,540)	67,540	21,242	46,298
Borrowing costs	-	(110,792)	110,792	34,845	75,947
Other expenses	-	(2,329)	2,329	732	1,597
Net changes	(9,637,630)	(3,802,974)	(5,834,656)	(2,099,998)	(3,734,658)
Balance at June 30, 2025	\$ 135,805,899	\$ 113,460,331	\$ 22,345,568	\$ 7,027,863	\$ 15,317,705

(1) – Includes refunds of employee contributions

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

CalPERS Governmental Activities

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at June 30, 2024			
(Previously Reported)	\$ 33,149,662	\$ 23,192,434	\$ 9,957,228
Changes for the year			
Change in proportionate share	(2,610,323)	(1,826,256)	(784,067)
Service cost	785,357	-	785,357
Interest	2,132,908	-	2,132,908
Experience differences	734,087	-	734,087
Contributions:			
Employer	-	1,360,522	(1,360,522)
Employee	-	388,773	(388,773)
Net investment income	-	2,037,331	(2,037,331)
Benefit payments ⁽¹⁾	(1,508,781)	(1,508,781)	-
Administrative expenses	-	(17,683)	17,683
Net changes	(466,752)	433,906	(900,658)
Balance at June 30, 2025	\$ 32,682,910	\$ 23,626,340	\$ 9,056,570

(1) – Includes refunds of employee contributions

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

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

O. Postemployment Benefits Other Than Pension Benefits

The District provides postemployment health care benefits for retired employees in accordance with negotiated contracts with the various bargaining units of the District.

1. Plan Description

Plan administration. The District's defined benefit OPEB plan, Brawley Union High School District Retiree Health Care Plan (the Plan) provides OPEB for retirees that meet eligibility requirements until age 65. Retirees in the plan are eligible for the same medical plans as active employees. The Plan is a single employer defined benefit OPEB plan administered by the District. Authority to establish and amend the benefit terms and financing requirements lie with the Districts governing board.

Benefits provided. Certificated employees (members of the Brawley Union High School Teachers' Association) may retire with District-paid healthcare benefits after the later of age 55 and 15 years of service immediately prior to retirement. The District will make monthly contributions up to a cap of \$939.66 (October 1, 2021), which may be adjusted periodically through collective bargaining.

CSEA unit members hired before July 1, 1997 may retire with District-paid healthcare benefits after the later of age 55 and 15 consecutive years of service prior to retirement. Classified employees hired on or after July 1, 1997 may retire with District-paid healthcare benefits after the later of age 55 and 20 consecutive years of service prior to retirement. The District will make monthly contributions up to a cap of \$855.48 (October 1, 2021), which may be adjusted periodically through collective bargaining.

BUHSTA unit members with full-time equivalencies (FTE) less than 50% are not eligible for District-paid retiree healthcare benefits. CSEA unit members with FTE less than 100% receive a pro-rated District contribution towards retiree healthcare benefits.

Certificated Management, Pupil Personnel, and Board Members receive the same retiree health benefits as Certificated unit members. Confidential employees receive the same retiree health benefits as CSEA unit members up to a cap of \$939.66 per month. Classified Management employees receive the same retiree health benefits as CSEA unit members up to a monthly cap of \$955.07 (October 1, 2021).

Retirees may self-pay for spousal and dependent coverage and/or to buy up to a more expensive medical plan. Benefits end at age 65.

2. Contributions

The District contributes 100% up to the cap in effect. Retirees are not required to make any contributions unless the cost of coverage exceeds the cap. Authority to establish and amend the benefit terms and financing requirements lie with the District's board of directors. The required contribution is based on projected pay-as-you-go financing requirements. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

3. Plan Membership

Membership of the plan consisted of the following as of June 30, 2025:

Inactive plan members or beneficiaries currently receiving benefits	11
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	173
	<u>184</u>

4. Net OPEB Liability

The Brawley Union High School District's Net OPEB liability of \$5,298,430 was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023

5. Actuarial Assumptions and Other Inputs

The Net OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Economic assumptions:

Actuarial cost method	Entry Age, Level Percent of Pay
Valuation of fiduciary net position	No assets held in an irrevocable trust as of measurement date
Recognition of deferrals	Closed period equal to the average of expected remaining service lives of all employees provided with OPEB
Inflation	3.00% per annum
Salary increases	3.00% per annum, in aggregate
Discount rate	3.97%
Healthcare cost trend rates	5.50% decreasing to 4.00%
Retiree's share of costs	0.00%
Pre-Retirement Mortality	Certificated: CalSTRS Experience Analysis (2015-2018) Classified: CalPERS Experience Study (2000-2019)
Postretirement Mortality	Certificated: CalSTRS Experience Analysis (2015-2018) Classified: CalPERS Experience Study (2000-2019)

The discount rate is based on the Fidelity GO AA 20 Year Municipal Bond Index, which are tax-exempt municipal bonds with an average rating of AA/Aa or higher.

Mortality rates are based on the most recent rates used by CalPERS and CalSTRS for pension valuations. The CalPERS mortality table was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB. The CalSTRS mortality table was developed based on CalSTRS specific data. The table includes mortality improvements set at 110% of the ultimate improvement factor from the Mortality improvement scale (MP-2016) table, issued by the Society of Actuaries.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of CalPERS actuarial experience study for the period July 1, 2000 through June 30, 2019 and the CalSTRS experience study for the period July 1, 2015 through June 30, 2018.

6. Changes in Net OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2024	\$ 5,105,200
Changes for the year:	
Service cost	230,225
Interest	202,113
Changes of assumptions	(38,560)
Experience differences	-
Benefit payments	<u>(200,548)</u>
Net change	<u>193,230</u>
Balance at June 30, 2025	<u>\$ 5,298,430</u>

7. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

	<u>1% Decrease (2.97%)</u>	<u>Valuation Discount Rate (3.97%)</u>	<u>1% Increase (4.97%)</u>
Total OPEB Liability	\$ 5,654,889	\$ 5,298,430	\$ 4,956,743

8. Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rate

The following presents the Net OPEB liability of the Plan, as well as what the District's Net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	<u>1% Decrease 4.50%</u>	<u>Healthcare Cost Trends Rate 5.50%</u>	<u>1% Increase 6.50%</u>
	<u>Decreasing to 3.00%</u>	<u>Decreasing to 4.00%</u>	<u>Decreasing to 5.00%</u>
Total OPEB Liability	\$ 4,733,814	\$ 5,298,430	\$ 5,966,244

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

9. OPEB Expense

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$561,125.

10. Deferred Outflows and Deferred Inflows of Resources Related to OPEB

At June 30, 2025 the District reported deferred outflows and deferred inflows of resources related to OPEB for the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 330,526	\$ (401,762)
Experience differences	852,468	(50,334)
Subsequent contributions	<u>187,734</u>	<u>-</u>
Total	<u>\$ 1,370,728</u>	<u>\$ (452,096)</u>

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will impact OPEB expense under the following amortization schedule:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Effect on OPEB Expense</u>
2026	\$ 408,003	\$ (99,750)	\$ 308,253
2027	211,994	(99,750)	112,244
2028	191,690	(78,183)	113,507
2029	169,375	(75,783)	93,592
2030	100,624	(75,783)	24,841
Thereafter	<u>289,042</u>	<u>(22,847)</u>	<u>266,195</u>
Total	<u>\$ 1,370,728</u>	<u>\$ (452,096)</u>	<u>\$ 918,632</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

P. Risk Management

The District is exposed to risk of losses due to:

- Torts,
- Theft of, damage to, or destruction of assets,
- Business interruption,
- Errors or omissions,
- Job related illness or injuries to employees,
- Natural disasters,
- Other risks associated with public entity risk pools

Risk management is the process of managing the District's activities to minimize the adverse effects of these risks. The main element of risk management are risk control (to minimize the losses that strike an organization) and risk financing (to obtain finances to provide for or restore the economic damages of those losses). Risk financing techniques include risk retention, risk transfer to and from an insurer, and risk transfer to a non-insurer.

The District has implemented the risk financing technique of risk transfer to an insurer. The District has purchased property & liability insurance as well as workers compensation insurance to cover any losses resulting from the risks identified above.

There have been no significant changes in property and liability or workers compensation coverage during the current fiscal year.

Q. Participation in Joint Powers Authorities

The District is a member of the Self Insured Schools of California (SISC), for the operation of a common risk management and insurance program for property and liability coverage, workers compensation, health insurance, dental, and vision benefits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from coverage in the prior year.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. Audited financial statements are available from the respective entities.

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

R. Commitments and Contingencies

1. State and Federal Allowances, Awards, and Grants

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

2. Litigation

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

3. Construction Commitments

As of June 30, 2025, the District had the following commitments related to unfinished capital projects:

	<u>Commitment</u>	<u>Expected Date of Completion*</u>
Construction in Process:		
Brawley Union High School STEM Building	\$ 25,000,000	June 2030

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

S. Deferred Outflows of Resources

On February 24, 2016 general obligation bonds issued were refunding the 1995 Series D Bonds, the 2004 Series A Bonds, the 2004 Series B Bonds, and the 2006 Refunding Bonds. The refunding resulted in a loss on refunding of \$603,713 which is recorded as a deferred outflow of resources and amortized over the life of the refunding bonds using the straight-line method.

On June 1, 2022 general obligation bonds issued were partially refunding the 2016 Election Series A Bonds. The refunding resulted in a loss on refunding of \$913,525 which is recorded as a deferred outflow of resources and amortized over the life of the refunding bonds using the straight-line method.

In accordance with GASB Statement No. 68 & 71, payments made subsequent to the pension plan measurement date and other items as outlined in the GASB pronouncement have been recorded as deferred outflows of resources.

In accordance with GASB Statement No. 75, the District has recorded deferred outflows of resources for OPEB related items as prescribed by the statement.

A summary of the deferred outflows of resources as of June 30, 2025, is as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance
2012 Loss Refunding Bonds	\$ 111,000	\$ -	\$ 13,875	\$ 97,125
2014 Loss Refunding Bonds	67,500	-	11,250	56,250
Pension Related				
CalSTRS	8,651,783	411,907	1,304,016	7,759,674
CalPERS	4,197,746	247,306	949,021	3,496,031
OPEB Related	1,612,079	187,734	429,085	1,370,728
Total Deferred Outflows of Resources	<u>\$ 14,640,108</u>	<u>\$ 846,947</u>	<u>\$ 2,707,247</u>	<u>\$ 12,779,808</u>

Future amortization of deferred outflows of resources is as follows:

Year Ending June 30,	Refunding Losses	Pension Related	OPEB Related	Total
2026	\$ 25,125	\$ 6,332,685	\$ 408,003	\$ 6,765,813
2027	25,125	2,182,765	211,994	2,419,884
2028	25,125	1,131,345	191,690	1,348,160
2029	25,125	722,954	169,375	917,454
2030	25,125	786,748	100,624	912,497
Thereafter	27,750	99,208	289,042	416,000
Total	<u>\$ 153,375</u>	<u>\$ 11,255,705</u>	<u>\$ 1,370,728</u>	<u>\$ 12,779,808</u>

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

T. Deferred Inflows of Resources

In accordance with GASB Statement No. 68 & 71, items as outlined in the GASB pronouncement have been recorded as deferred inflows of resources.

In accordance with GASB Statement No. 75, the District has recorded deferred inflows of resources for OPEB related items as prescribed by the statement.

A summary of the deferred inflows of resources as of June 30, 2025 is as follows:

Description	Beginning Balance	Increases	Decreases	Ending Balance
Pension Related				
CalSTRS	\$ 1,943,876	\$ 2,431,888	\$ 1,533,744	\$ 2,842,020
CalPERS	185,126	908,465	336,126	757,465
OPEB Related	513,286	38,560	99,750	452,096
Total Deferred Inflows of Resources	\$ 2,642,288	\$ 3,378,913	\$ 1,969,620	\$ 4,051,581

Future amortization of deferred inflows is as follows:

Year Ending June 30,	Pension Related	OPEB Related	Total
2026	\$ 2,149,273	\$ 99,750	\$ 2,249,023
2027	(247,846)	99,750	(148,096)
2028	726,427	78,183	804,610
2029	474,068	75,783	549,851
2030	248,782	75,783	324,565
Thereafter	248,781	22,847	271,628
Total	\$ 3,599,485	\$ 452,096	\$ 4,051,581

Brawley Union High School District

Notes to the Financial Statements, Continued

For the Year Ended June 30, 2025

U. Upcoming Accounting Guidance

The Governmental Accounting Standards Board (GASB) issues pronouncements and additional guidance for governmental agencies to establish consistent accounting across all governments in the United States. The following table represents items that have been issued by GASB that will become effective in future periods:

Description	Date Issued	Year Effective
GASB Statement No. 103 <i>Financial Reporting Model Improvements</i>	Apr-24	2025-26
GASB Statement No. 104 <i>Disclosure of Certain Capital Assets</i>	Sep-24	2025-26
GASB Implementation Guide No. 2025-1 <i>Implementation Guidance Update 2025 (Except Question 4.16)</i>	Jun-25	2025-26

The effects of the upcoming guidance and pronouncements on the District’s financial statements has not yet been determined.

Required Supplementary Information

Brawley Union High School District

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2025

	Budgeted Amounts		Variance Original to Final Budget Positive/ (Negative)	Actual	Variance Actual to Final Budget Positive/ (Negative)
	Original	Final			
Revenues					
LCFF Sources					
State Apportionment	\$ 20,347,592	\$ 22,522,105	\$ 2,174,513	\$ 19,101,308	\$ (3,420,797)
Education Protection Account	7,768,926	4,437,542	(3,331,384)	7,821,646	3,384,104
Property Taxes	3,241,294	3,873,524	632,230	3,932,762	59,238
Federal Revenue	1,686,747	3,007,037	1,320,290	2,889,039	(117,998)
Other State Revenue	5,895,949	8,121,364	2,225,415	7,915,947	(205,417)
Interest Income	304,219	350,000	45,781	441,805	91,805
Fair Market Value Adjustment	-	-	-	197,786	197,786
Other Local Revenue	1,762,451	1,869,311	106,860	1,698,391	(170,920)
Total Revenues	41,007,178	44,180,883	3,173,705	43,998,684	(182,199)
Expenditures					
Current Expenditures:					
Certificated Salaries	15,891,556	16,246,905	(355,349)	15,977,006	269,899
Classified Salaries	6,339,791	6,616,700	(276,909)	6,443,886	172,814
Employee Benefits	8,569,906	8,824,204	(254,298)	8,732,697	91,507
Books and Supplies	3,056,932	4,001,665	(944,733)	2,589,443	1,412,222
Services and Other Operating	4,394,513	5,925,394	(1,530,881)	4,917,602	1,007,792
Other Outgo	194,967	222,722	(27,755)	224,623	(1,901)
Direct Support/Indirect Costs	(35,000)	(33,000)	(2,000)	(31,197)	(1,803)
Capital Outlay	79,716	1,750,560	(1,670,844)	1,088,967	661,593
Debt Service:					
Principal	264,706	313,760	(49,054)	570,887	(257,127)
Total Expenditures	38,757,087	43,868,910	(5,111,823)	40,513,914	3,354,996
Excess (Deficiency) of Revenues					
Over Expenditures	2,250,091	311,973	(1,938,118)	3,484,770	3,172,797
Net Change in Fund Balance	2,250,091	311,973	(1,938,118)	3,484,770	3,172,797
Fund Balance - Beginning of Year	14,414,809	14,414,809	-	14,414,809	-
Fund Balance - End of Year	\$ 16,664,900	\$ 14,726,782	\$ (1,938,118)	\$ 17,899,579	\$ 3,172,797

See Accompanying Notes to Required Supplementary Information

Brawley Union High School District

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

Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.0228%	0.0250%	0.0200%	0.0193%	0.0177%	0.0202%	0.0198%	0.0184%	0.0177%	0.0193%
District's proportionate share of the net pension liability (asset)	\$ 15,317,705	\$ 19,052,363	\$ 13,906,870	\$ 8,775,156	\$ 17,227,522	\$ 18,213,444	\$ 18,197,585	\$ 17,053,357	\$ 14,283,323	\$ 12,975,610
State's proportionate share of the net pension liability (asset) associated with the District	7,027,863	9,127,863	8,481,426	6,471,126	12,246,237	12,446,669	10,174,677	10,522,402	8,856,492	6,801,062
Total	<u>\$ 22,345,568</u>	<u>\$ 28,180,226</u>	<u>\$ 22,388,296</u>	<u>\$ 15,246,282</u>	<u>\$ 29,473,759</u>	<u>\$ 30,660,113</u>	<u>\$ 28,372,262</u>	<u>\$ 27,575,759</u>	<u>\$ 23,139,815</u>	<u>\$ 19,776,672</u>
District's covered payroll*	14,981,796	15,040,859	12,776,548	11,329,802	10,943,602	10,514,948	9,749,833	9,749,833	8,773,934	8,906,594
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	102.24%	126.67%	108.85%	77.45%	157.42%	173.21%	186.65%	174.91%	162.79%	145.69%
Plan fiduciary net position as a percentage of the total pension liability	83.55%	81.20%	81.20%	87.21%	71.82%	72.56%	70.99%	69.46%	70.04%	74.02%

*Covered payroll on this schedule is based on measurement date, as such covered payroll represented for each fiscal year is the covered payroll from the prior year as identified on the schedule of contributions.

Brawley Union High School District
Schedule of the District's Contributions - CalSTRS
Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 2,796,062	\$ 2,861,523	\$ 2,872,804	\$ 2,161,792	\$ 1,829,763	\$ 1,871,356	\$ 1,764,685	\$ 1,517,307	\$ 1,226,529	\$ 941,443
Contributions in relation to the contractually required contribution	<u>(2,796,062)</u>	<u>(2,861,523)</u>	<u>(2,872,804)</u>	<u>(2,161,792)</u>	<u>(1,829,763)</u>	<u>(1,871,356)</u>	<u>(1,764,685)</u>	<u>(1,517,307)</u>	<u>(1,226,529)</u>	<u>(941,443)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll*	\$ 14,639,068	\$ 14,981,796	\$ 15,040,859	\$ 12,776,548	\$ 11,329,802	\$ 10,943,602	\$ 10,839,588	\$ 10,514,948	\$ 9,749,833	\$ 8,773,934
Contributions as a percentage of covered payroll	19.10%	19.10%	19.10%	16.92%	16.15%	17.10%	16.28%	14.43%	12.58%	10.73%

*Covered payroll on this schedule is based on the fiscal year.

Brawley Union High School District

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

Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.0253%	0.0275%	0.0243%	0.0244%	0.0246%	0.0241%	0.0236%	0.0223%	0.0210%	0.0223%
District's proportionate share of the net pension liability (asset)	\$ 9,056,570	\$ 9,957,228	\$ 8,344,203	\$ 4,966,482	\$ 7,553,866	\$ 7,033,965	\$ 6,299,702	\$ 5,329,567	\$ 4,145,617	\$ 3,282,057
District's covered payroll*	\$ 4,998,216	\$ 4,761,841	\$ 3,765,177	\$ 3,506,889	\$ 3,577,978	\$ 3,377,666	\$ 3,150,351	\$ 2,867,382	\$ 2,541,867	\$ 2,476,145
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	181.20%	209.10%	221.62%	141.62%	211.12%	208.25%	199.97%	185.87%	163.09%	132.55%
Plan fiduciary net position as a percentage of the total pension liability	72.29%	69.76%	69.76%	80.97%	70.00%	70.05%	70.85%	71.87%	73.90%	79.43%

*Covered payroll on this schedule is based on measurement date, as such covered payroll represented for each fiscal year is the covered payroll from the prior year as identified on the schedule of contributions.

Brawley Union High School District
Schedule of the District's Contributions - CalPERS
Last Ten Fiscal Years

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,562,792	\$ 1,333,524	\$ 1,208,079	\$ 862,602	\$ 725,926	\$ 705,613	\$ 610,074	\$ 489,281	\$ 398,222	\$ 301,135
Contributions in relation to the contractually required contribution	<u>(1,562,792)</u>	<u>(1,333,524)</u>	<u>(1,208,079)</u>	<u>(862,602)</u>	<u>(725,926)</u>	<u>(705,613)</u>	<u>(610,074)</u>	<u>(489,281)</u>	<u>(398,222)</u>	<u>(301,135)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll*	\$ 5,777,420	\$ 4,998,216	\$ 4,761,841	\$ 3,765,177	\$ 3,506,889	\$ 3,577,978	\$ 3,377,666	\$ 3,150,351	\$ 2,867,382	\$ 2,541,867
Contributions as a percentage of covered payroll	27.050%	26.680%	25.370%	22.910%	20.700%	19.721%	18.062%	15.531%	13.888%	11.847%

*Covered payroll on this schedule is based on the fiscal year.

Brawley Union High School District

Schedule of Changes in the District's Net OPEB Liability and Related Ratios – BUHSD Retiree Health Plan

Last Ten Fiscal Years*

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB liability:										
Service cost	\$ 230,225	\$ 184,784	\$ 210,762	\$ 181,207	\$ 152,516	\$ 133,025	\$ 157,296	\$ 152,715	N/A	N/A
Interest	202,113	151,313	87,768	93,400	109,617	123,771	104,462	102,087	N/A	N/A
Experience differences	-	839,601	-	353,885	-	(194,136)	-	-	N/A	N/A
Changes of assumptions	(38,560)	102,121	(582,915)	244,731	180,575	182,709	(124,076)	-	N/A	N/A
Benefit payments	(200,548)	(175,310)	(146,091)	(141,332)	(180,750)	(182,618)	(195,635)	(162,435)	N/A	N/A
Net change in total OPEB liability	193,230	1,102,509	(430,476)	731,891	261,958	62,751	(57,953)	92,367	N/A	N/A
Total OPEB liability - beginning	5,105,200	4,002,691	4,433,167	3,701,276	3,439,318	3,376,567	3,434,520	3,342,153	N/A	N/A
Total OPEB liability - ending	<u>\$ 5,298,430</u>	<u>\$ 5,105,200</u>	<u>\$ 4,002,691</u>	<u>\$ 4,433,167</u>	<u>\$ 3,701,276</u>	<u>\$ 3,439,318</u>	<u>\$ 3,376,567</u>	<u>\$ 3,434,520</u>	<u>N/A</u>	<u>N/A</u>
Covered payroll	22,141,231	21,996,158	18,497,012	15,727,082	16,455,141	15,717,715	\$ 15,717,715	\$ 13,466,575	N/A	N/A
Total OPEB liability as a percentage of covered payroll	23.93%	23.21%	21.64%	28.19%	22.49%	21.88%	21.48%	25.50%	N/A	N/A

*This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

Brawley Union High School District

Notes to Required Supplementary Information

For the Year Ended June 30, 2025

A. Budgetary Comparison Schedule – General Fund

As described in Note A to these financial statements, for purposes of reporting in conformity with GASB Statement No. 54, the District’s Special Reserve Fund for Other than Capital Outlay (Fund 17) was included with the General Fund. The Budgetary Comparison Schedule included in the Required Supplementary Information is based on the legally adopted budget for the General Fund only.

General Fund - Basic Financial Statements Ending Fund Balance	\$ 18,514,120
Fund 17 Fund Balance	<u>(614,541)</u>
General Fund - Budgetary Comparison Schedule Ending Fund Balance	<u>\$ 17,899,579</u>
General Fund - Basic Financial Statements Net Change in Fund Balance	\$ 3,514,562
Fund 17 Net Change in Fund Balance	<u>(29,792)</u>
General Fund - Budgetary Comparison Schedule Net Change in Fund Balance	<u>\$ 3,484,770</u>

B. Excess of Expenditures Over Appropriations

As of June 30, 2025, the District’s expenditures which exceeded appropriations in the following categories:

<u>Appropriations Category</u>	<u>Excess Expenditures</u>	<u>Reason for Excess Expenditures</u>
General Fund:		
Other Outgo	\$ 1,901	The District underestimated the costs of other outgo.
Direct Support/Indirect Costs	1,803	The District underestimated the costs of indirect costs.
Debt Service	257,127	The District budgeted for lease payments under services and other instead of debt service.

Amounts in excess of appropriations were not considered a violation of any laws, regulations, contracts or grant agreements and did not have a direct or material effect on the financial statements.

Brawley Union High School District

Notes to Required Supplementary Information, Continued

For the Year Ended June 30, 2025

C. Schedule of District's Proportionate Share – CalSTRS

1. Benefit Changes: Changes in benefits reflect changes enacted by law for benefits offered and eligibility criteria.
2. Changes in Assumptions: Assumptions used in determining the total pension liability of the CalSTRS Plan changed due to actuarial experience studies performed by CalSTRS.

D. Schedule of District's Contributions – CalSTRS

The total pension liability for California State Teachers' Retirement System (CalSTRS) for measurement date June 30, 2024, was determined with a valuation completed June 30, 2023. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Reporting Period	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>
Measurement Date	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Valuation Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Experience Study	2006 - 2010	2006 - 2010	2010 - 2015	2010 - 2015	2010 - 2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.60%	7.60%	7.10%	7.10%	7.10%
Consumer Price Inflation	3.00%	3.00%	2.75%	2.75%	2.75%
Wage Growth (Average)	3.75%	3.75%	3.50%	3.50%	3.50%
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple
Reporting Period	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2023</u>	<u>June 30, 2024</u>	<u>June 30, 2025</u>
Measurement Date	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Valuation Date	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Experience Study	2010 - 2015	2015 - 2018	2015 - 2018	2015 - 2018	2007 - 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.10%	7.10%	7.10%	7.10%	7.10%
Consumer Price Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Wage Growth (Average)	3.50%	3.50%	3.50%	3.50%	3.50%
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple

(1) – Net of investment expenses but gross of administrative expenses.

CalSTRS uses a generational mortality assumption, which involves the use of base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among CalSTRS members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

Additional information can be obtained by reviewing the CalSTRS Actuarial Experience Study on the CalSTRS website.

Brawley Union High School District

Notes to Required Supplementary Information, Continued

For the Year Ended June 30, 2025

E. Schedule of District’s Proportionate Share – CalPERS

1. Benefit Changes: Changes in benefits reflect changes enacted by law for benefits offered and eligibility criteria.
2. Changes in Assumptions: Assumptions used in determining the total pension liability of the CalPERS Plan changed due to actuarial experience studies performed by CalPERS.

F. Schedule of District’s Contributions – CalPERS

The total pension liability for California Public Employees Retirement System – School Pool (CalPERS) for measurement date June 30, 2024, was determined with a valuation completed June 30, 2023. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Reporting Period	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Measurement Date	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Valuation Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Experience Study	1997 - 2011	1997 - 2011	1997 - 2011	1997 - 2015	1997 - 2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.65%	7.65%	7.15%	7.15%	7.15%
Consumer Price Inflation	2.75%	2.75%	2.75%	2.50%	2.50%
Wage Growth (Average)	3.00%	3.00%	3.00%	3.00%	3.00%
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple
Reporting Period	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Measurement Date	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Valuation Date	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Experience Study	1997 - 2015	1997 - 2015	2000 - 2019	2000 - 2019	2000 - 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return ⁽¹⁾	7.15%	7.15%	6.90%	6.90%	6.90%
Consumer Price Inflation	2.50%	2.50%	2.50%	2.50%	2.30%
Wage Growth (Average)	2.75%	2.75%	2.75%	2.75%	Varies by Age
Post-Retirement Benefit Increases	2.00% Simple	2.00% Simple	2.00% Simple	2.00% Simple	2.00 - 2.30%

The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the December 2021 experience study report (based on demographic data from 2000 to 2019) available on the CalPERS website.

G. Schedule of Changes in the District’s Net OPEB Liability and Related Ratios

- 1) Benefit Changes: There were no benefit changes during the 2024-25 fiscal year.
- 2) Changes in Assumptions: Changes in assumptions reflect changes due to experience studies and updates to discount rates annually.
- 3) The following are the discount rates used for each period:

<u>Year</u>	<u>Discount Rate</u>
2018	3.13%
2019	3.62%
2020	3.13%
2021	2.45%
2022	1.92%
2023	3.69%
2024	3.86%
2025	3.97%

Additional information can be obtained by requesting a copy of the OPEB valuation from the District.

H. Schedule of District’s Contributions to OPEB Plan

The District is funding OPEB contributions on a pay-as-you-go basis plus an amount determined by the board based on budgetary considerations through the OPEB Trust administered by CalPERS.

Combining Statements as Supplementary Information

Brawley Union High School District

Combining Balance Sheet – Nonmajor Governmental Funds

June 30, 2025

	Special Revenue Funds			Capital Projects Fund	Debt Service Fund	Total
	Associated Student Body Fund	Adult Education Fund	Cafeteria Fund	Capital Facilities Fund	Bond Interest & Redemption Fund	Nonmajor Governmental Funds
Assets						
Cash and Cash Equivalents	\$ 291,359	\$ 35,175	\$ 668,690	\$ 1,756,754	\$ 805,085	\$ 3,557,063
Accounts Receivable	-	37,572	263,455	-	6,561	307,588
Stores Inventories	-	-	2,791	-	-	2,791
Prepaid Expenditures	-	-	1,730	-	-	1,730
Total Assets	<u>\$ 291,359</u>	<u>\$ 72,747</u>	<u>\$ 936,666</u>	<u>\$ 1,756,754</u>	<u>\$ 811,646</u>	<u>\$ 3,869,172</u>
Liabilities and Fund Balance:						
Liabilities:						
Accounts Payable	\$ -	\$ 10,238	\$ 28,299	\$ 2,174	\$ -	\$ 40,711
Due To Other Funds	-	18,000	-	-	-	18,000
Total Liabilities	<u>-</u>	<u>28,238</u>	<u>28,299</u>	<u>2,174</u>	<u>-</u>	<u>58,711</u>
Fund Balance:						
Nonspendable	-	-	4,521	-	-	4,521
Restricted	291,359	44,509	903,846	1,754,580	811,646	3,805,940
Assigned	-	-	-	-	-	-
Total Fund Balance	<u>291,359</u>	<u>44,509</u>	<u>908,367</u>	<u>1,754,580</u>	<u>811,646</u>	<u>3,810,461</u>
Total Liabilities and Fund Balances	<u>\$ 291,359</u>	<u>\$ 72,747</u>	<u>\$ 936,666</u>	<u>\$ 1,756,754</u>	<u>\$ 811,646</u>	<u>\$ 3,869,172</u>

Brawley Union High School District

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds For the Year Ended June 30, 2025

	Special Revenue Funds			Capital Projects Fund	Debt Service Fund	Total
	Associated Student Body Fund	Adult Education Fund	Cafeteria Fund	Capital Facilities Fund	Bond Interest & Redemption Fund	Nonmajor Governmental Funds
Revenues						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 797,871	\$ 797,871
Federal Revenue	-	79,558	820,908	-	-	900,466
Other State Revenue	-	10,580	326,350	-	-	336,930
Interest	-	3,427	18,623	45,676	14,890	82,616
Fair Market Value Adjustment	-	1,806	11,107	23,372	-	36,285
Other Local Revenue	832,722	96,384	30,551	146,260	-	1,105,917
Total Revenues	<u>\$ 832,722</u>	<u>\$ 191,755</u>	<u>\$ 1,207,539</u>	<u>\$ 215,308</u>	<u>\$ 812,761</u>	<u>\$ 3,260,085</u>
Expenditures						
Current Expenditures:						
Instruction	-	261,599	-	-	-	261,599
Instruction - Related Services	-	9,173	-	-	-	9,173
Pupil Services	-	-	1,033,411	-	-	1,033,411
Ancillary Services	881,635	-	-	-	-	881,635
General Administration	-	5,300	25,897	-	-	31,197
Plant Services	-	804	28,683	82,365	-	111,852
Debt Service:						
Principal	-	-	30,961	-	555,000	585,961
Interest	-	-	-	-	314,568	314,568
Total Expenditures	<u>881,635</u>	<u>276,876</u>	<u>1,118,952</u>	<u>82,365</u>	<u>869,568</u>	<u>3,229,396</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(48,913)</u>	<u>(85,121)</u>	<u>88,587</u>	<u>132,943</u>	<u>(56,807)</u>	<u>30,689</u>
Net Change in Fund Balance	(48,913)	(85,121)	88,587	132,943	(56,807)	30,689
Fund Balance, Beginning of Year	340,272	129,630	819,780	1,621,637	868,453	3,779,772
Fund Balance, End of Year	<u>\$ 291,359</u>	<u>\$ 44,509</u>	<u>\$ 908,367</u>	<u>\$ 1,754,580</u>	<u>\$ 811,646</u>	<u>\$ 3,810,461</u>

Other Supplementary Information

Brawley Union High School District

Schedule of Average Daily Attendance

For the Year Ended June 30, 2025

	Second Period Report		Annual Report	
	Certificate #578E2BCA		Certificate #68712F5C	
	Original	Revised	Original	Revised
Grades 9-12				
Regular ADA	1,873.64	N/A	1,854.58	N/A
Community Day School	11.96	N/A	12.15	N/A
Total Grades 9-12	<u>1,885.60</u>	<u>N/A</u>	<u>1,866.73</u>	<u>N/A</u>
Total ADA	<u>1,885.60</u>	<u>N/A</u>	<u>1,866.73</u>	<u>N/A</u>

N/A – There were no audit findings that resulted in revisions to the average daily attendance.

Average daily attendance is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts and charter schools. This schedule provides information regarding the attendance of students by grade span and adjustments to the attendance as a result of an audit finding when applicable.

Brawley Union High School District

Schedule of Instructional Time

For the Year Ended June 30, 2025

<u>Grade Level</u>	<u>Annual Minutes Requirement</u>	<u>Actual Minutes Offered</u>	<u>J-13A Minutes</u>	<u>Total Minutes</u>	<u>Number of Actual Days Offered (Traditional)</u>	<u>J-13A Days</u>	<u>Total Instructional Days</u>	<u>Status</u>
9th Grade	64,800	65,052	0	65,052	180	0	180	Complied
10th Grade	64,800	65,052	0	65,052	180	0	180	Complied
11th Grade	64,800	65,052	0	65,052	180	0	180	Complied
12th Grade	64,800	65,052	0	65,052	180	0	180	Complied

Brawley Union High School District

Schedule of Instructional Time, Continued

For the Year Ended June 30, 2025

This schedule provides the information necessary to determine if the District has complied with Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code. The requirements are as follows:

1) EC §46207: As a condition of apportionment the following annual instructional minutes must be offered:

- To pupils in Kindergarten 36,000 minutes
- To pupils in grades 1 to 3 50,400 minutes
- To pupils in grades 4 to 8 54,000 minutes
- To pupils in grades 9 to 12 64,800 minutes

2) EC §46208: As a condition of apportionment 180 school days must be offered for traditional calendars. In order to qualify as a school day the following minimum daily minutes must be met:

- EC §46112: Grades 1 to 3 230 minutes
- EC §46113: Grades 4 to 8 240 minutes
- EC §46114: Kindergarten 180 minutes
- EC §46141: Grades 9 to 12 240 minutes

The District did not request a J-13A waiver during the 2024-25 fiscal year.

Brawley Union High School District

Schedule of Financial Trends & Analysis

For the Year Ended June 30, 2025

<u>General Fund</u>	<u>Budget 2026 (See Note 1)</u>	<u>2025</u>	<u>2024 (See Note 1)</u>	<u>2023 (See Note 1)</u>
Revenues and Other Financing Sources	\$ 42,105,999	\$ 43,998,684	\$ 42,106,176	\$ 42,743,020
Expenditures and Other Financing Uses	<u>40,650,461</u>	<u>40,513,914</u>	<u>41,385,868</u>	<u>41,417,069</u>
Net Change in Fund Balance	<u>1,455,538</u>	<u>3,484,770</u>	<u>720,308</u>	<u>1,325,951</u>
Ending Fund Balance	<u><u>\$ 19,355,117</u></u>	<u><u>\$ 17,899,579</u></u>	<u><u>\$ 14,414,809</u></u>	<u><u>\$ 13,694,501</u></u>
Available Reserves (See Note 2)	<u>\$ 10,228,410</u>	<u>\$ 10,892,567</u>	<u>\$ 9,853,690</u>	<u>\$ 8,558,117</u>
Available Reserves as a Percentage of Total Outgo	<u>25.16%</u>	<u>26.89%</u>	<u>23.81%</u>	<u>20.66%</u>
Long Term Debt (See Note 3)	<u>\$ 9,961,141</u>	<u>\$ 10,947,429</u>	<u>\$ 11,127,957</u>	<u>\$ 12,009,190</u>
Average Daily Attendance at P2	<u>1,912</u>	<u>1,886</u>	<u>1,885</u>	<u>1,874</u>

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

The general fund balance has increased by \$4,205,078 (30.71%) over the past two years. The fiscal year 2025-26 budget projects an increase of \$1,455,538 (8.13%). For a district of this size, the State recommends available reserves of 3% of total general fund expenditures and other financing uses (total outgo).

Total long-term debt has decreased by \$1,061,761 (8.84%) over the past two years.

Average daily attendance (ADA) has increased by 12 over the past two years.

Brawley Union High School District
Schedule of Financial Trends & Analysis, Continued
For the Year Ended June 30, 2025

Notes:

1. AU-C §725.05 requires the following conditions be met to provide an opinion on whether supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole:
 - a) The supplementary information was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.
 - b) The supplementary information relates to the same period as the financial statements.
 - c) The auditor issued an audit report on the financial statements that contained neither an adverse opinion nor a disclaimer of opinion.
 - d) The supplementary information will accompany the audited financial statements or such audited financial statements will be made readily available by the District.

Three of the above columns are not related to the same period as the financial statements and as such we do not provide an opinion on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. Additionally, the analysis presented utilizes information from periods outside the period of the financial statements and as such we do not provide an opinion on whether the analysis is fairly stated, in all material respects, to the financial statements as a whole. The information has been presented for analysis only and has not been audited.

2. Available reserves consist of all unassigned fund balances contained within the general fund and amounts committed to stabilization of educational programs contained in the Special Reserve Fund for Other Than Capital Outlay.
3. Long term debt consists of general obligation bonds, QZAB payable, and leases payable.
4. GASB Statement No. 54 requires the inclusion of the Special Reserve Fund for Other Than Capital Outlay (Fund 17) with the General Fund for reporting purposes only. This schedule has been prepared without the inclusion of Fund 17.

Brawley Union High School District

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

June 30, 2025

	General Fund (Fund 01)	Special Reserve Fund for Other Than Capital Outlay (Fund 17)
June 30, 2025, annual financial and budget report fund balances	<u>\$ 17,899,579</u>	<u>\$ 614,541</u>
Adjustments and reclassifications:		
Increasing (decreasing) the fund balance:		
GASB 54 Fund Presentation	<u>614,541</u>	<u>(614,541)</u>
Net adjustments and reclassifications	<u>614,541</u>	<u>(614,541)</u>
June 30, 2025, audited financial statement fund balances	<u><u>\$ 18,514,120</u></u>	<u><u>\$ -</u></u>

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the SACS Annual Financial and Budget Report with the audited financial statements. Funds that required no adjustment are not presented.

Brawley Union High School District

Schedule of Charter Schools

For the Year Ended June 30, 2025

As of June 30, 2025, the District has not sponsored any charter schools.

This schedule is provided to list all charter schools chartered by the District and displays information for each charter school on whether or not the charter school is included in the District audit.

Brawley Union High School District
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass Through Grantor/ Program or Cluster Title	Federal AL Number	Pass-Through Entity Identifying Number	Subrecipient Expenditures	Total Federal Expenditures
CHILD NUTRITION CLUSTER:				
<u>U.S. Department of Agriculture</u>				
Passed through California Department of Education				
National School Lunch Program	10.555	13396	\$ -	\$ 413,609
School Breakfast Program	10.555	13525	-	367,910
Noncash Commodities	10.555	13396	-	434,561
Local Foods For Schools	10.555	15708	-	6,416
Total Child Nutrition Cluster			-	1,222,496
SPECIAL EDUCATION (IDEA) CLUSTER:				
<u>U.S. Department of Education</u>				
Passed through California Department of Education				
IDEA Basic Local Assistance	84.027	13379	-	398,856
IDEA Mental Health	84.027	15197	-	23,933
Total Special Education (IDEA) Cluster			-	422,789
OTHER PROGRAMS:				
<u>U.S. Department of Education</u>				
Passed through California Department of Education				
Adult Education Secondary	84.002	13978	-	79,558
Subtotal Adult Education Program			-	79,558
ESSA Title I Basic	84.010	14329	-	848,060
ESSA Title I School Improvement	84.010	15438	-	51,099
Subtotal ESSA Title I Program			-	899,159
Migrant Education	84.011	14838	-	126,638
Subtotal Migrant Education Program			-	126,638
Title III Immigrant Education	84.365	15146	-	-
Title III English Learner Program	84.365	14346	-	73,299
Subtotal Title III Program			-	73,299
COVID-19: ESSER III Learning Loss	84.425U	10155	-	308
COVID-19: ESSER III	84.425D	15559	-	678,544
COVID-19: ESSER III State Emergency Needs	84.425	15620	-	38,169
COVID-19: ESSER III State Reserve Learning Loss	84.425	15621	-	165,786
Subtotal COVID-19 Program			-	882,807
Cash in Lieu of Commodities	10.558	13534	-	32,973
Carl Perkins Vocational Education	84.048	14894	-	96,211
Title II Supporting Effective Instruction	84.367	14341	-	106,794
Title IV Student Support Academic Enrichment	84.424	15396	-	69,778
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 4,012,502

See accompanying notes to schedule of expenditures of federal awards.

Brawley Union High School District

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with requirements of 2 CFR §200.502 *Basis for Determining Federal Awards Expended* and 2CFR §200.510(b) *Schedule of Expenditures of Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Summary of Significant Accounting Policies

The expenditures reported on the schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Indirect Cost Rate

Indirect costs were calculated in accordance with 2 CFR §200.412 *Direct and Indirect Costs*. The District used an indirect cost rate of 2.97% based on the rate approved by the California Department of Education for each program which did not have a pre-defined allowable indirect cost rate. The District did not elect to use the 10% de minimis cost rate as covered in 2 CFR §200.414 *Indirect Costs*. The following programs utilized a lower indirect cost rate based on program restrictions or other factors determined by the District:

<u>Program</u>	<u>ALN #</u>	<u>Indirect Cost Rate</u>
ESSA School Improvement	84.010	2.79%
Carl D. Perkins Career & Techn	84.048	2.13%

Schoolwide Program

The District operates “schoolwide programs” at all school sites. Using federal funding, schoolwide programs are designed to upgrade an entire educational program within a school for all students, rather than limiting services to certain targeted students. The following federal program amounts were expended by the District in its schoolwide programs:

<u>Program</u>	<u>ALN #</u>	<u>Amount Expended</u>
Title I	84.010	\$ 848,060
ESSA School Improvement	84.010	51,099

Brawley Union High School District

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

Reconciliation of Revenues

The District is permitted to bill for Medi-Cal administrative activities and services provided as a Provider Type 55 (LEA Provider) which under the provisions of 2CFR §200.330 distinguishes the District as a contractor rather than a subrecipient of the federal funds. As such, the program has not been included in the schedule of expenditures of federal awards.

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

Total Federal Revenues on Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 4,224,066
Less: Amounts representing Medi-Cal	<u>(211,564)</u>
Total Federal Expenditures on Schedule of Expenditures of Federal Awards	<u>\$ 4,012,502</u>

Other Information

Brawley Union High School District
 Local Education Agency Organization Structure
 June 30, 2025

The Brawley Union High School District was established in 1908 and encompasses approximately 17 square miles in Imperial County. There were no changes in the boundaries of the District during the current year. The District serves the cities of Brawley and Westmorland and offers instruction for grades 9-12. The Brawley Union High School District is currently operating one continuation school, one adult school, one community day school, and one high school.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Karin Morgan	President	Four Year Term Expires December 2026
Gloria Santillan	Vice President	Four Year Term Expires December 2028
Stella Band-Galvan	Clerk	Four Year Term Expires December 2026
Antonio Leon	Member	Four Year Term Expires December 2028
Joel Gonzalez	Member	Four Year Term Expires December 2028

ADMINISTRATION

Simon Canalez
 Superintendent

Jennifer Layaye
 Chief Business Official

Jesse Sanchez
 Principal
 Brawley High School

Tony Munguia
 Principal
 Desert Valley High School

Dr. Julie Fernandez
 Director of Special Education

Other Independent Auditors' Reports

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

To the Board of Education
Brawley Union High School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Brawley Union High School District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 23, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



El Cajon, California

January 23, 2026

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

To the Board of Education
Brawley Union High School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Brawley Union High School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

William Hadley King & Co. LLP

El Cajon, California
January 23, 2026

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

To the Board of Education
Brawley Union High School District

Report on Compliance for Applicable State Programs

Opinion on Each Applicable State Program

We have audited the Brawley Union High School District's (the District) compliance with the requirements specified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 identified below for the year ended June 30, 2025.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above on each of its applicable state programs for the year ended June 30, 2025.

Basis for Opinion on Each Applicable State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810 (the Audit Guide). Our responsibilities under those standards and the Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Audit Guide will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District’s compliance with the requirements of each applicable state program as a whole.

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

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

	Procedures Performed
<u>Local Education Agencies Other than Charter Schools</u>	
A. Attendance.....	Yes
B. Teacher Certification and Misassignments.....	Yes
C. <i>(Reserved)</i>	N/A
D. Independent Study.....	No
E. Continuation Education.....	Yes
F. Instructional Time.....	Yes
G. Instructional Materials.....	Yes
H. Ratio of Administrative Employees to Teachers.....	Yes
I. Classroom Teacher Salaries.....	Yes
J. Early Retirement Incentive.....	N/A
K. Gann Limit Calculation.....	Yes
L. School Accountability Report Card.....	Yes
M. Juvenile Court Schools.....	N/A
N. Middle or Early College High Schools.....	N/A
O. K-3 Grade Span Adjustment.....	N/A
P. <i>(Reserved)</i>	N/A
Q. Apprenticeship: Related and Supplemental Instruction.....	N/A
R. Comprehensive School Safety Plan.....	Yes
S. District of Choice.....	N/A
TT. Home to School Transportation Reimbursement.....	Yes

School Districts, County Offices of Education, and Charter Schools		Procedures Performed
T.	Proposition 28 Arts & Music in Schools.....	Yes
U.	After/Before School Education and Safety Program.....	N/A
V.	Proper Expenditure of Education Protection Account Funds.....	Yes
W.	Unduplicated Local Control Funding Formula Pupil Counts.....	Yes
X.	Local Control and Accountability Plan.....	Yes
Y.	Independent Study - Course Based.....	N/A
Z.	Immunizations.....	No
AZ.	Educator Effectiveness.....	Yes
BZ.	Expanded Learning Opportunities Grant (ELO-G).....	Yes
CZ.	Career Technical Education Incentive Grant.....	N/A
DZ.	Expanded Learning Opportunities Program (ELO-P).....	N/A
EZ.	Transitional Kindergarten.....	N/A
FZ.	Kindergarten Continuance.....	N/A

N/A – The School District did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

We did not perform procedures for Independent Study because the ADA was below the materiality level for testing as established by the Audit Guide.

We did not perform procedures for Immunizations because the school site for the District did not appear on the California Department of Public Health list of LEAs that are subject to the audit of immunizations.

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

Report on Internal Control over State Compliance

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

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

We did not identify any material weaknesses or significant deficiencies in internal controls over compliance. However, material weaknesses or significant deficiencies in internal control over state compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, Section 19810. Accordingly, this report is not suitable for any other purpose.

Wilkinson Hatley King & Co. LLP

El Cajon, California

January 23, 2026

Auditor's Results, Findings & Recommendations

Brawley Union High School District

Schedule of Auditor's Results
For the Year Ended June 30, 2025

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered material weakness(es)? Yes X No

Noncompliance material to financial statements noted? Yes X No

FEDERAL AWARDS

Internal control over major programs:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered material weakness(es)? Yes X No

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

Compliance supplement utilized for single audit November 2025

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? Yes X No

Identification of major programs:

AL Number(s)	Name of Federal Program or Cluster
84.027	Special Education Cluster
10.553, 10.555	Child Nutrition Cluster

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

Auditee qualified as low-risk auditee? X Yes No

Brawley Union High School District
Schedule of Auditor's Results, Continued
For the Year Ended June 30, 2025

STATE AWARDS

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

Internal control over applicable state programs:

One or more material weakness(es) identified? Yes X No

One or more significant deficiencies identified that are not considered material weakness(es)? Yes X No

Any audit findings disclosed that are required to be reported in accordance with *2024-25 Guide for Annual Audits of California K-12 Local Education Agencies*? Yes X No

Brawley Union High School District

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2025

Findings represent significant deficiencies, material weaknesses, and/or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), or the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Finding codes as identified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* are as follows:

<u>Five Digit Code</u>	<u>AB 3627 Finding Type</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

A. Financial Statement Findings

None

B. Federal Awards

None

C. State Award Findings

None

Brawley Union High School District

Schedule of Prior Year Audit Findings

For the Year Ended June 30, 2025

Finding/Recommendation	Status	Explanation if Not Implemented
------------------------	--------	--------------------------------

There were no findings in the prior year report.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX C

ECONOMIC AND DEMOGRAPHIC INFORMATION ABOUT THE CITY OF BRAWLEY AND IMPERIAL COUNTY

The Bonds are not a debt of the City of Brawley (the “City”) or the County of Imperial (the “County”). The County, including its Board of Supervisors, officers, officials, agents and other employees, are required, only to the extent required by law, to: (i) levy and collect ad valorem taxes for payment of the Bonds in accordance with the law; and (ii) transmit the proceeds of such taxes to the Paying Agent for the payment of the principal of and interest on the Bonds at the time such payment is due.

General Information

The City of Brawley. The City is located in the County, approximately 13 miles north of the City El Centro, 95 miles southeast of Palm Springs, California and 130 miles east of San Diego. The City has a significant cattle and feed industry, and hosts the annual Cattle Call Rodeo. Year-round agriculture is an important economic activity in Brawley. Summer daytime temperatures often exceed 120 °F. The hub of air service is Boley Field, the county airport, 12 miles to the south. Direct flights to Los Angeles, with connection worldwide, are regularly scheduled. Union Pacific Railroad offers mainline service to Portland, St. Louis, Rock Island, Tucumcari and New Orleans for agriculture and industry. Most industrially zoned sites in the City offer direct rail access

Imperial County. The County is located in the southeast corner of California. It is bordered on the north by Riverside County, on the west by San Diego County, on the south by Mexico and on the east by the Colorado River which forms the boundary between California and Arizona. It covers an area of 4,284 square miles. The County has an average annual rainfall of less than three inches, and three fourths of the area is desert sand and rugged mountains. Parts of the County are below sea level. The County is one of the State’s major agricultural producers. Farming is done in the Imperial Valley, an approximately one thousand square mile area. An extensive irrigation system has been developed and adequate water is supplied from the Colorado River through the All-American Canal. There is a year-round growing season with a mean monthly temperature ranging from 55 degrees to 90 degrees. The City of El Centro, the largest of three major cities in the Imperial Valley, is the County seat and the principal trading center of the County.

Population

The following table shows population estimates for the City and County for the past five years as of January 1.

COUNTY OF IMPERIAL
Population Estimates
Calendar Years 2021 through 2025
(As of January 1)

Area	2021	2022	2023	2024	2025
Brawley	26,760	27,141	27,934	28,710	28,952
Calexico	39,079	38,987	39,022	39,762	40,073
Calipatria	6,406	6,458	6,101	6,387	6,061
El Centro	45,067	44,805	44,799	45,497	46,007
Holtville	5,529	5,605	5,572	5,653	5,685
Imperial	20,850	21,668	21,815	22,422	22,866
Westmoreland	2,026	2,018	2,015	2,076	2,084
Unincorporated	34,779	34,071	34,103	34,487	34,771
Total County	180,496	180,753	181,361	184,994	186,499

Source: State of California Department of Finance, Demographic Research Unit.

Employment and Industry

The District is included in the El Centro Metropolitan Statistical Area (“MSA”). The unemployment rate in the County was 18.6% in December 2025, down from a revised 20.1% in November 2025, and above the year-ago estimate of 18.5%. This compares with an unadjusted unemployment rate of 5.1% for California and 4.1% for the nation during the same period.

The table below provides information about employment by industry type for the MSA for calendar years 2020 through 2024.

**EL CENTRO MSA
(IMPERIAL COUNTY)
Annual Average Civilian Labor Force,
Unemployment and Employment by Industry
(March 2024 Benchmark)**

	2020	2021	2022	2023	2024
Civilian Labor Force ⁽¹⁾	69,700	67,100	68,100	71,500	73,000
Employment	53,600	55,000	57,600	58,900	59,600
Unemployment	16,200	12,100	10,500	12,600	13,400
Unemployment Rate	23.2%	18.0%	15.4%	17.6%	18.4%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	10,400	10,700	9,900	9,000	8,700
Mining, Logging, Construction	1,900	2,000	2,100	2,000	2,100
Manufacturing	2,000	2,100	2,300	2,300	2,300
Wholesale Trade	1,700	1,700	1,800	1,700	1,800
Retail Trade	7,200	7,900	8,100	8,200	8,200
Transportation, Warehousing and Utilities	2,200	2,400	2,500	2,500	2,600
Information	200	200	200	200	200
Financial Activities	1,100	1,100	1,100	1,200	1,200
Professional and Business Services	2,700	2,900	3,100	3,200	3,300
Educational and Health Services	9,700	9,500	10,200	11,200	11,600
Leisure and Hospitality	3,400	4,000	4,400	4,400	4,400
Other Services	800	900	1,100	1,100	1,100
Federal Government	2,300	2,400	2,500	2,500	2,600
State Government	2,800	2,700	2,700	2,700	2,700
Local Government	13,300	13,200	14,200	14,600	15,100
Total all Industries ⁽³⁾	61,700	63,700	66,200	67,000	67,800

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Columns may not sum to totals due to rounding.

Source: California Employment Development Department.

Major Employers

The following table lists the major employers within the County as of March 2026.

COUNTY OF IMPERIAL Major Employers (Listed Alphabetically)

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
8A Packing LLC	El Centro	Labor Organizations
Academic Services	Imperial	University-College Dept/Facility/Office
Calipatria State Prison	Calipatria	Government Offices-State
Centinela State Prison	Imperial	Government Offices-State
Central Union High School Dist	El Centro	School Districts
Costco Wholesale	El Centro	Wholesale Clubs
El Centro Naval Air Facility	El Centro	Federal Government-National Security
El Centro Regional Medical Ctr	El Centro	Hospitals
Imperial County Behavioral	El Centro	Mental Health Services
Imperial County Coroner	El Centro	Government Offices-County
Imperial County Ofc-Edu Fndtn	El Centro	Educational Associations
Imperial County Sheriff	El Centro	Government Offices-County
Imperial Irrigation District	El Centro	Distribution Services
Jjall LLC	Calexico	Labor Contractors
Pioneers Memorial Healthcare	Brawley	Health Care Management
Quechan Casino Resort	Felicity	Casinos
Spreckels Sugar Co Inc	Brawley	Sugar Refiners (mfrs)
Target	El Centro	Department Stores
United States Gypsum Co	Imperial	Gypsum & Gypsum Products (mfrs)
US Border Patrol	El Centro	Federal Government-Police
Vulcan-Bn Geothermal Power	Calipatria	Power Plants
Walmart Supercenter	Calexico	Department Stores
Walmart Supercenter	El Centro	Department Stores
Walmart Supercenter	Brawley	Department Stores
Western Mesquite Mines Inc	Brawley	Mines

Source: California Employment Development Department, extracted from the America's Labor Market Information System Employer Database, 2026 1st Edition.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective and median household effective buying income for the City, the County, the State and the United States for the period 2022 through 2026.

**CITY OF BRAWLEY; IMPERIAL COUNTY;
STATE OF CALIFORNIA; UNITED STATES
Effective Buying Income
2022 through 2026**

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2022	City of Brawley	\$454,441	\$44,798
	Imperial County	3,264,811	48,853
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Brawley	\$538,735	\$50,262
	Imperial County	3,358,292	50,070
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Brawley	\$589,775	\$56,982
	Imperial County	3,651,823	55,405
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Brawley	\$612,502	\$54,528
	Imperial County	3,785,804	54,476
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687
2026	City of Brawley	\$717,935	\$65,598
	Imperial County	4,357,096	62,633
	California	1,730,654,738	90,403
	United States	13,932,177,817	75,433

Source: Claritas, LLC.

Commercial Activity

Summaries of historic taxable sales within the City and County during the past five years in which data is available are shown in the following tables.

Total taxable sales during the first three quarters of calendar year 2025 in the City were reported to be \$190,640,835, a 6.15% decrease from the total taxable sales of \$203,125,955 reported during the comparable quarters of calendar year 2024.

CITY OF BRAWLEY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	<u>Retail Stores</u>		<u>Total All Outlets</u>	
	<u>Number of Permits</u>	<u>Taxable Transactions</u>	<u>Number of Permits</u>	<u>Taxable Transactions</u>
2020	226	\$164,325	400	\$221,046
2021	212	180,656	378	257,922
2022	212	181,891	384	285,183
2023	212	183,048	391	289,872
2024	219	177,965	398	273,601

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first three quarters of calendar year 2025 in the County were reported to be \$2,588,186,776, a 9.48% decrease from the total taxable sales of \$2,859,095,206 reported during the comparable quarters of calendar year 2024.

IMPERIAL COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	<u>Retail Stores</u>		<u>Total All Outlets</u>	
	<u>Number of Permits</u>	<u>Taxable Transactions</u>	<u>Number of Permits</u>	<u>Taxable Transactions</u>
2020	2,357	\$1,773,476	3,846	\$2,721,031
2021	2,118	2,195,936	3,549	3,215,255
2022	2,194	2,326,278	3,704	3,591,642
2023	2,177	2,436,550	3,699	3,996,269
2024	2,152	2,462,686	3,705	3,940,885

Source: State Department of Tax and Fee Administration.

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF JONES HALL LLP]

_____, 2026

Board of Trustees
Brawley Union High School District
480 North Imperial Avenue
Brawley, CA 92227

OPINION: \$_____ Brawley Union High School District
 2026 General Obligation Refunding Bond, Series A

 \$_____ Brawley Union High School District
 2026 General Obligation Refunding Bond, Series B (Federally Taxable)

Members of the Board of Trustees:

We have acted as bond counsel to the Brawley Union High School District (the "District") in connection with the issuance by the District of \$_____ principal amount of Brawley Union High School District 2026 General Obligation Refunding Bonds, Series A (the "Series A Bonds") and \$_____ principal amount of Brawley Union High School District 2026 General Obligation Refunding Bonds, Series B (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"), dated the date hereof, under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Sections 53550 and 58580 of such Code (the "Act"), and a resolution of the Board of Trustees of the District (the "Board") adopted on March 11, 2026 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Bond Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly established and validly existing as a school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution.

2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the District enforceable against the District in accordance with its terms.

3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the Board of Supervisors of the County of Imperial is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. The interest on the Series A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Series A Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series A Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Series A Bonds.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ _____ *	\$ _____ *
BRAWLEY UNION HIGH SCHOOL DISTRICT (Imperial County, California) 2026 General Obligation Refunding Bonds, Series A	BRAWLEY UNION HIGH SCHOOL DISTRICT (Imperial County, California) 2026 General Obligation Refunding Bonds, Series B (Federally Taxable)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “**Disclosure Certificate**”) is executed and delivered by the Brawley Union High School District (the “**District**”) in connection with the execution and delivery of the above-captioned bonds (the “**Bonds**”). The Bonds are being executed and delivered pursuant to a resolution adopted by the Board of Trustees of the District on March 11, 2026 (the “**Resolution**”). U.S. Bank Trust Company, National Association, is initially the designated paying agent, registrar and transfer agent (the “**Paying Agent**”).

The District hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means the date not later than nine months (currently March 31) after the end of each fiscal year of the District (currently June 30th).

“*Dissemination Agent*” means, initially, Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Bonds.

“*Paying Agent*” means U.S. Bank Trust Company, National Association, or any successor thereto.

“*Participating Underwriter*” means Stifel, Nicolaus & Company, Incorporated, the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2027, with the report for the 2025-26 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 business days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 business days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) notice to the MSRB in a timely manner, in an electronic format, as prescribed by the MSRB.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, the following information with respect to the most recently completed fiscal year:

- (i) The District's most recently adopted Budget or approved interim report with budgeted figures which is available at the time of filing the Annual Report;
- (ii) Assessed value of taxable property in the jurisdiction of the District;
- (iii) Changes, if any, in the operation of Imperial County's Teeter Plan affecting the District;
- (iv) Changes, if any, in the operation of Imperial County Investment Pool which would affect the District's access to property taxes used to pay debt service on the Bonds;
- (v) Property tax collection delinquencies for the District, for the most recently completed Fiscal Year, if the District is no longer a participant in Imperial County's Teeter Plan;
- (vi) Top 20 secured property taxpayers in the District; and
- (vii) In addition to any of the information expressly required to be provided under paragraphs (i) through (vi), of this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(c) In addition to any of the information expressly required to be provided under paragraphs (a) and (b) of this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission.

Section 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such

occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc. Any Dissemination Agent may resign by providing 30 days' written notice to the District and the Paying Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Resolution for amendments to the Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event

of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: _____, 2026

BRAWLEY UNION HIGH SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (in this Appendix, the “Bonds”). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX G

IMPERIAL COUNTY INVESTMENT POLICY AND INVESTMENT REPORT

[THIS PAGE INTENTIONALLY LEFT BLANK]

2025

IMPERIAL COUNTY POOLED INVESTMENT FUND ANNUAL INVESTMENT POLICY



Approved: Imperial County Board of
Supervisors July 15, 2025

SUZANNE C. BERMUDEZ
TREASURER-TAX COLLECTOR
EFFECTIVE: JULY 1, 2025

Imperial County Investment Policy

Authority

In accordance with the laws and regulations of the State of California and authority granted by the Imperial County Board of Supervisors the County Treasurer-Tax Collector is responsible for investing all the funds in the County Treasury.

Policy Statement

The Treasurer-Tax Collector shall establish investment policy procedures for the operation of the investment program and a system of controls to regulate the activities of the subordinate officials. Each transaction and the entire portfolio must comply with the California Government Code section 53635 et seq., and this policy.

Scope

This investment policy applies to all financial assets of the County of Imperial as accounted for in the comprehensive annual financial report and shall apply to all other funds under the County Treasurer-Tax Collector's span of control unless specifically exempted by resolution.

Outside local agencies, where the County Treasurer-Tax Collector does not serve as the agency's Treasurer-Tax Collector, may invest in the Pooled Investment Fund through California Government Code section 53684 et seq. Deposits are subject to the consent of the County Treasurer-Tax Collector. The local agency legislative body must approve the Imperial County Pooled Investment Fund as an authorized investment and execute a Memorandum of Understanding. This agreement should spell out the exact rules for participating in the pool and provide the County Treasurer-Tax Collector with reasonable predefined discretion to establish the frequency and amount of voluntary funds that can be removed from the pool at a particular time.

The County Treasurer-Tax Collector may honor all requests to withdraw funds for normal cash flow purposes. Any requests to withdraw funds for purposes other than cash flow such as for external investing shall be subject to the consent of the Treasurer-Tax Collector. In accordance with California Government Code section 27136 et seq., and 27133(h) et seq., such requests for withdrawals must first be made in writing to the County Treasurer-Tax Collector. These requests are subject to the County Treasurer-Tax Collector consideration of the stability and predictability of the Pooled Investment Fund, or the adverse affect on the interests of the other depositors in the

Pooled Investment Fund. Any withdrawal for such purposes shall be at the market value of the Pooled Investment Fund as of the date of the withdrawal.

Standards

The County Treasurer-Tax Collector is the trustee of the Pooled Investment Fund and therefore, a fiduciary subject to the prudent investor standard. The County Treasurer-Tax Collector and employees involved in the investment process shall refrain from all personal business activity that could conflict with the management of the investment program. All individuals involved will be required to report all gifts and income in accordance with the California State law. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the Treasurer-Tax Collector shall act with the care, skill, prudence and diligence in order to meet the investment objectives.

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion, and appropriate action is taken to control adverse developments.

Objectives

Investment Objectives: The Pooled Investment Fund shall be prudently invested in order to earn a reasonable return, while awaiting application for governmental purposes. The specific objectives for the Pooled Investment Fund are listed in order of importance.

Safety of Principal: The preservation of principal is the primary objective. Each transaction shall seek to ensure that capital losses are avoided, whether they are from securities default or erosion of market value.

Liquidity: As a second objective, the Pooled Investment Fund should remain sufficiently flexible to enable the County Treasurer-Tax Collector to meet all operating requirements that may be reasonably anticipated in any depositor’s fund.

Public Trust: In managing the Pooled Investment fund, the County Treasurer-Tax Collector and the authorized investment traders should try and avoid any transactions that might impair public confidence in the Imperial County and the participating local agencies. Investments should be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived.

Return on Investments: The Pooled Investment Fund shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the County's investment risk constraints and the cash flow characteristics of the portfolio.

Calculation of Yield and Costs

The costs of managing the investment portfolio, including but not limited to: investment management; accounting for the investment activity; custody of the assets; managing and accounting for the banking; receiving and remitting deposits; oversight controls; indirect and overhead expenses are charged to the investment earnings based upon actual labor hours worked in respective areas. Costs of these respective areas are accumulated by specific cost accounting projects and charged to the Pooled Investment Fund on a quarterly basis throughout the fiscal year.

The Auditor-Controller will allocate the net interest earnings of the Pooled Investment Fund quarterly. The net interest earnings are allocated based upon the average daily cash balance of each Pooled Investment Fund participant.

Internal Controls

The County Treasurer-Tax Collector shall establish internal controls to provide reasonable assurance the investment objectives are met and to ensure that the assets are protected from loss, theft or misuse. To assist in implementation and internal controls, the Treasurer-Tax Collector shall establish written policy procedures for the operation of the investment program consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transaction. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the County Treasurer-Tax Collector.

Authorized Personnel: The following is a list of delegated staff responsible for investment transactions, County Treasurer-Tax Collector, Chief Deputy Treasurer Tax-Collector and the Accounting Technician's. Authorized personnel may be changed from time to time at the discretion of the County Treasurer-Tax Collector.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Auditor-Controller's office on a monthly basis.

An independent audit shall be conducted annually to review internal control, account activity and compliance with policies, procedures and applicable laws.

The County Treasurer-Tax Collector or Chief Deputy Treasurer-Tax Collector, should, from time to time perform a review of the investment function. This review should consist of:

- Comparison of the investment records to the independent statements and confirmations received from brokers, dealers, banks and other financial institutions.
- Review of the contents of the investment portfolio to assure that it conforms to this policy.
- Review of the financial institution with which investments have been made to assure that the County Treasurer-Tax Collector or authorized staff has approved them.
- Confirmations resulting from securities purchased under a repurchase agreement should clearly state the exact and complete nomenclature of the underlying securities purchased and that said securities have been sold to the County with a promise of resale by the County back to the seller.

The County Treasurer-Tax Collector shall establish and define authorized investments as well as credit, marketability, maturity and diversification criteria for County investments. Where possible, County investments should be placed, confirmed, held and accounted for, and audited by different people.

Ethics and Conflicts of Interest

The Treasurer and all investment personnel shall refrain from personal business activity which could create a conflict with proper execution of the investment program, or which could impair their ability to execute impartial investment decisions.

The Treasurer and all investment personnel may not accept a gift or gifts aggregating more than the Fair Political Practices Commission (FPPC) guidelines in a calendar year from a single source that does business with the County Treasurer's Office. The County Treasurer-Tax Collector and designated employees may not accept any honorarium gratuities or gifts. Any violation must be reported to the State Fair Political Practices Commission.

Investment Parameters

Safekeeping and Custody: All securities purchased, with the exception of time deposits, LAIF and bank short term Investment Funds (bank's overnight investment fund), can be delivered to the independent third-party custodian selected by the County Treasurer-Tax Collector. This includes all collateral for repurchase agreement. All trades, where applicable, will be executed by delivery versus payment by the designated party.

Qualified Broker/Dealers: All financial institutions, whether investment banks and dealers, commercial banks, or savings and loans must be approved by the County Treasurer-Tax Collector

or authorized staff before they receive County funds. All firms with whom the County does business should have a strong capital base and be deemed credit-worthy before any investments or deposits are placed with such firms. In accordance with California Government Code section 27133(c) et seq., the County Treasurer-Tax Collector or authorized staff will prescribe minimum standards.

The County Treasurer shall not select brokers and dealers who individually, or as a firm, have contributed more than \$250 or the current limit established under Municipal Securities Regulatory Board (MSRB) Rule G-37.

The Treasurer-Tax Collector's staff shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the County. Receipt of this policy shall be considered confirmation that the broker/dealer understands the County's investments authorized by this investment policy.

The Treasurer-Tax Collector will maintain a list of financial institutions authorized to provide investment services. An annual review of the financial condition and registrations of qualified bidders will be conducted by the Treasurer-Tax Collector.

Collateral Requirements: Collateral is required for investments in certificates of deposit (over the standard maximum deposit insurance amount "SMDIA" in FDIC regulations), repurchase agreements and reverse repurchase agreements. In order to reduce market risk, the collateral level will be at least 102% of market value or principal and accrued interest.

The only securities acceptable as collateral shall be direct obligations of, or fully guaranteed as to principal and interest by, the United States or any agency of the United States.

Diversification: The County Treasurer-Tax Collector will diversify its investments by security type and institution. With the exception of U.S. Treasury, U.S. Agency securities and authorized pools, no more than 50% of the County's total investment portfolio should be invested in a single security type.

Investable Fund: Total investable funds for purposes of this policy are all Pooled Investment Fund moneys that are available for investment at any one time, including the estimated bank account float. Bond proceeds may be invested in accordance with the Government Code provisions, or they may be invested in alternative vehicles if authorized by Bond documents.

Compliance: The portfolio must be in compliance with statute at the time that the investment is purchased. It is recommended that the portfolio be monitored, as practical, for subsequent changes in percentages resulting from non-purchase activity or changes in credit rating of existing securities.

Rebalancing is not required in the case where subsequent maturities, sales, withdrawals, or similar non-purchase activities result in the remaining portfolio having one or more of the categories of investment rise above the percentage restrictions applicable at the time of purchase.

In the event the portfolio or individual investments are deemed to be out of compliance with either statute or the investment policy, the Treasurer-Tax Collector and staff shall analyze and take appropriate course of action to rebalance the portfolio with the preservation of principal being the primary objective.

Authorized Investments: As stated earlier, authorized investment shall match the general categories established by the California Government Code section 53635 et seq. Authorized investments shall also include, in accordance with California Government Code section 16429.1, investment into LAIF.

The chart on the next page provides a list of the permitted securities and conditions for using them. Only the County Treasurer-Tax Collector or authorized staff will be authorized to invest in the approved investment. (See FIGURE 1 and Table of notes)

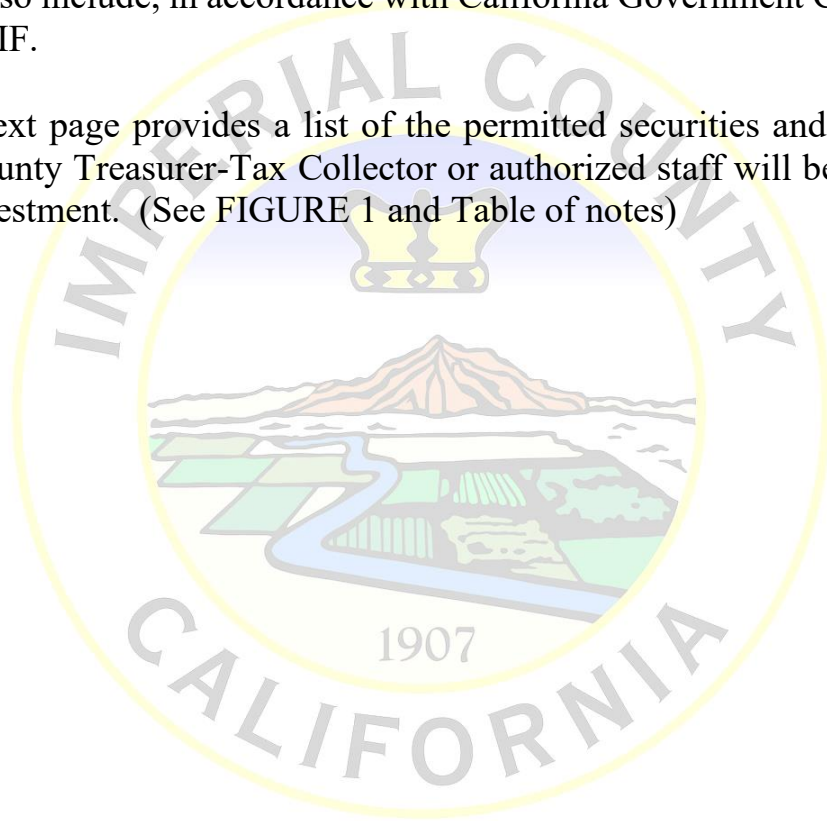


FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2025)^A APPLICABLE TO ALL LOCAL AGENCIES^B

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM MATURITY ^C	MAXIMUM SPECIFIED % OF PORTFOLIO ^D	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations—CA And Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40% ^F	None	53601(g)
Commercial Paper—Non-Pooled Funds ^F (under \$100,000,000 of investments)	270 days or less	25% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(c)
Commercial Paper—Non-Pooled Funds ^I (min. \$100,000,000 of investments)	270 days or less	40% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(c)
Commercial Paper—Pooled Funds ^J	270 days or less	40% of the agency's money ^G	Highest letter and number rating by an NRSRO ^H	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% ^K	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% ^L	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% ^L	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^M	20% of the base value of the portfolio	None ^N	53601(j)
Medium-Term Notes ^O	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20% ^P	Multiple ^{Q, R}	53601(l) and 53601.8(b)
Collateralized Bank Deposits ^S	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-Through and Asset-Backed Securities ^T	5 years or less ^T	20%	"AA" rating category or its equivalent or better ^T	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple ^Q	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund ^V	N/A	None	None	16340
Supranational Obligations ^W	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

LOCAL AGENCY INVESTMENT GUIDELINES

TABLE OF NOTES FOR FIGURE 1

- ^a Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.
- ^b *Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.*
- ^c Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years from the settlement date. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.
- ^d Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- ^e No more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.
- ^f Applies to local agencies, other than counties or a city and county, with less than \$100 million of investment assets under management. Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.
- ^g Local agencies, other than counties or a city and county, may purchase no more than 10% of the outstanding commercial paper and medium-term notes of any single issuer.
- ^h Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.
- ⁱ Applies to counties or a city and county, and the City of Los Angeles that have \$100 million or more of investment assets under management.
- ^j Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).
- ^k No more than 30% of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- ^l Effective January 1, 2020, no more than 50% of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30%. Investments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.
- ^m Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- ⁿ Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
- ^o "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."
- ^p No more than 10% invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- ^q A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- ^r A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- ^s Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.
- ^t Security types authorized under Section 53601(o) that are issued or guaranteed by an issuer identified in subdivisions (b) or (f), are not subject to the limitations placed on privately issued securities authorized in Section 53601(o)(2)(A)(B).
- ^u A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- ^v Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- ^w Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

Prohibited Investments: No investment should be authorized that have the possibility of returning a zero or negative yield if held to maturity. These shall include inverse floaters, range notes, and interest only strips derived from a pool of mortgages.

Business Continuity Plan

In the event that the Treasurer or authorized staff is unable to invest, the Treasurer has an agreement with the custody bank for a daily sweep of all remaining surplus funds into in interest bearing account until normal operations of the Treasurer’s Office have been restored. The restriction on the amount and the percentages and investment type would be temporarily allowed to exceed those approved in this Investment Policy.

Implementation

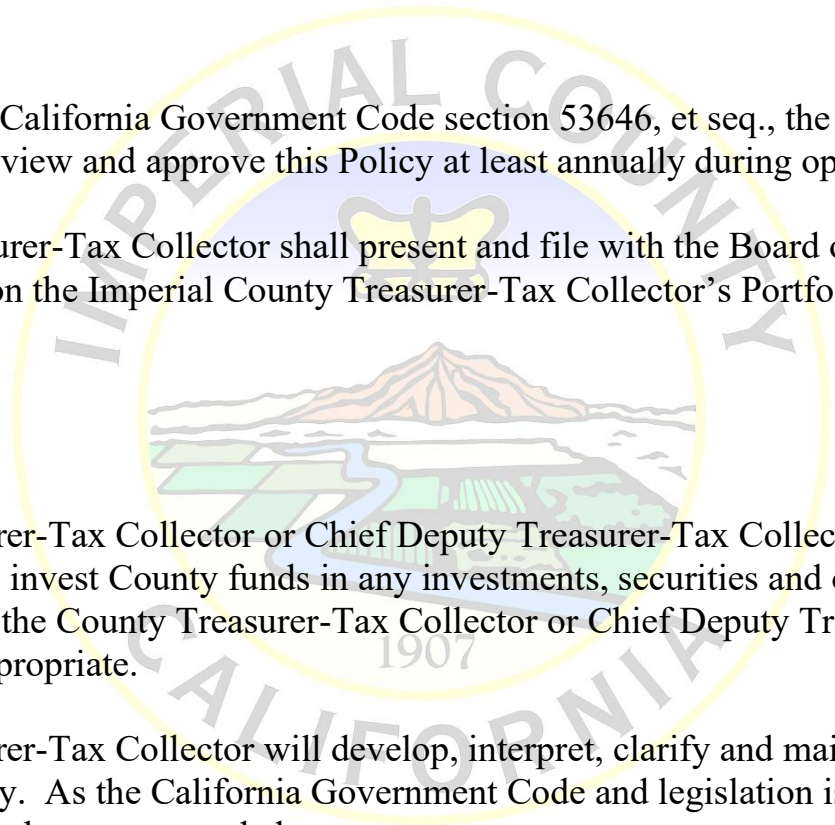
In accordance with California Government Code section 53646, et seq., the Board of Supervisors shall review and approve this Policy at least annually during open session.

Monthly, the Treasurer-Tax Collector shall present and file with the Board of Supervisors during public session the Imperial County Treasurer-Tax Collector’s Portfolio Master Summary.

Summary

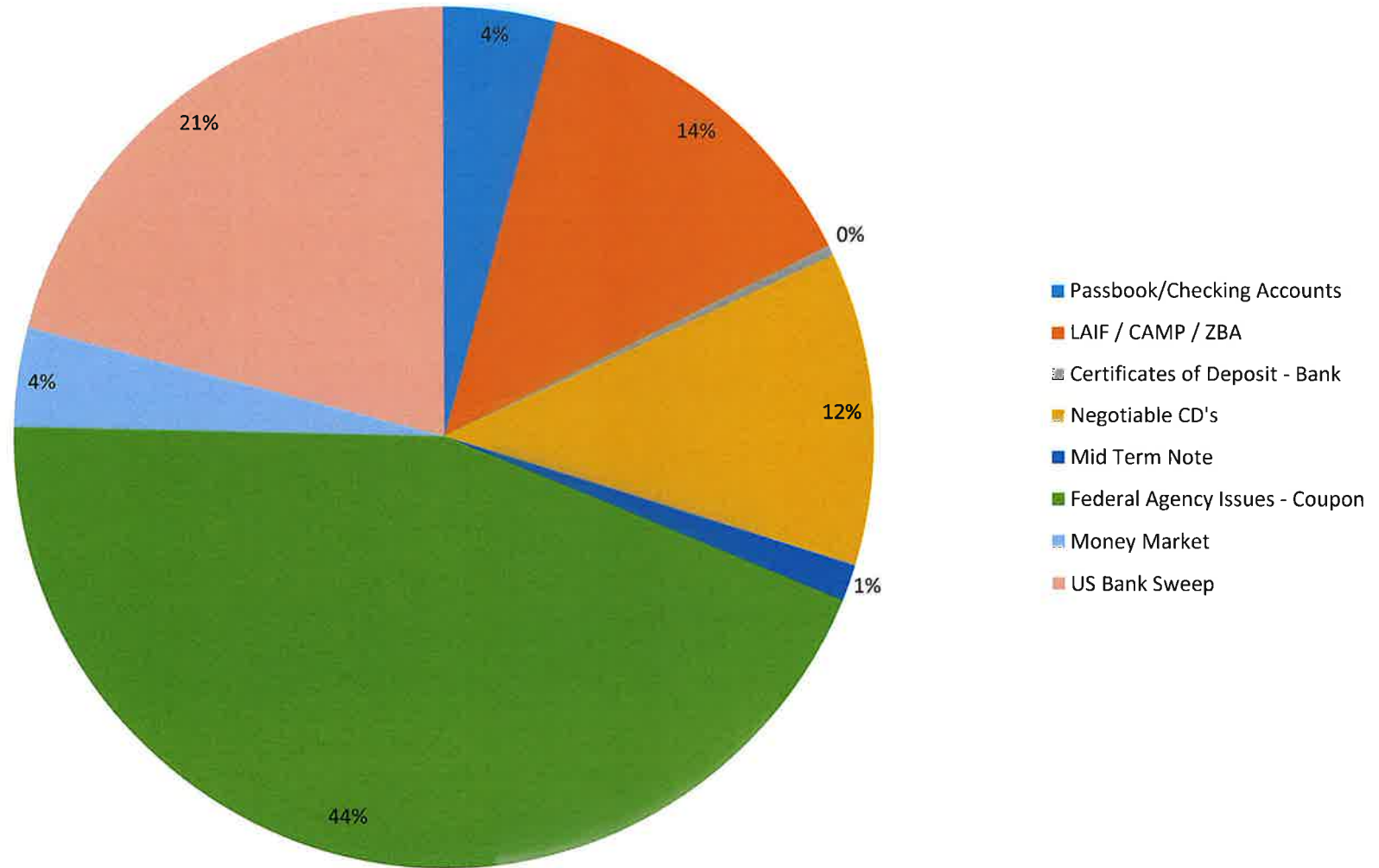
The County Treasurer-Tax Collector or Chief Deputy Treasurer-Tax Collector, is to have express authority to invest County funds in any investments, securities and other instruments as described herein as the County Treasurer-Tax Collector or Chief Deputy Treasurer-Tax Collector deems appropriate.

The County Treasurer-Tax Collector will develop, interpret, clarify and maintain this Statement of Investment Policy. As the California Government Code and legislation is amended this Policy shall likewise become amended.



IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Summary

**Book Value by Investment Type
As of March 31, 2026**



IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
LAIF / CAMP / ZBA												
SYS1-101421	1-101421	CALIF ASSET MGMT PORTFOLIO			120,000,000.00	120,000,000.00	120,000,000.00	3.830	3.778	3.830	1	
SYS1-05015	1-05015	Local Agency Invstmt Fund			74,000,000.00	74,000,000.00	74,000,000.00	3.980	3.925	3.980	1	
SYS17-RABOMM	17-RABOMM	Rabobank, N.A.			0.00	0.00	0.00	0.200	0.197	0.200	1	
Subtotal and Average			194,000,000.00		194,000,000.00	194,000,000.00	194,000,000.00	3.834	3.887	3.887	1	
Certificates of Deposit - Bank												
4-020526	4-020526	BMO Harris Bk		02/05/2026	5,000,000.00	5,000,000.00	5,000,000.00	3.150	3.107	3.150	33	05/04/2026
4-062724	4-062724	Community Bank of the Bay		06/27/2024	245,000.00	245,000.00	245,000.00	4.500	4.438	4.500	87	06/27/2026
4-072524	4-072524	First Internet Bank of Indiana		07/25/2024	245,000.00	245,000.00	245,000.00	4.650	4.586	4.650	115	07/25/2026
Subtotal and Average			5,537,419.35		5,490,000.00	5,490,000.00	5,490,000.00	3.232	3.277	3.277	39	
Negotiable CD's												
31909RBK2	7-112525	FIRST BANK CHICAGO		11/25/2025	245,000.00	243,926.90	245,000.00	3.600	2.865	2.904	604	11/26/2027
321098AB1	7-050324A	First National Communtiy Bank		05/03/2024	245,000.00	245,193.55	245,000.00	4.850	4.608	4.672	33	05/04/2026
33631LAR2	7-012725A	1st Seacoast Bank		01/27/2025	245,000.00	245,570.85	245,000.00	4.150	4.093	4.150	301	01/27/2027
33652FAK4	7-062824D	1ST STATE BANK		06/28/2024	245,000.00	246,528.80	245,000.00	4.750	4.685	4.750	271	12/28/2026
31911KAV0	7-091925	First Bank Elk River		09/19/2025	245,000.00	242,483.85	245,000.00	3.650	3.602	3.652	1,267	09/19/2029
33649QAD2	7-062124A	THE FIRST BK OF ROSEMOUNT		06/21/2024	245,000.00	245,649.25	245,000.00	5.050	4.798	4.864	82	06/22/2026
32022WEF9	7-101725A	FIRST FEDERAL BANK FL		10/17/2025	245,000.00	242,229.05	245,000.00	3.750	3.699	3.750	1,660	10/17/2030
32024FAK7	7-051024A	1ST FIDELITY BANK		05/10/2024	245,000.00	245,240.10	245,000.00	4.850	4.608	4.672	40	05/11/2026
320165ML4	7-111825	1ST FARMERS BANK & TRUST		11/18/2025	245,000.00	243,466.30	245,000.00	3.500	3.452	3.500	596	11/18/2027
32021YDT7	7-062821	First Federal Savings Bk		06/28/2021	245,000.00	243,057.15	245,000.00	0.650	0.631	0.640	89	06/29/2026
32056VAV9	7-061325	FIRST INDEPENDENT BANKK		06/13/2025	245,000.00	245,460.60	245,000.00	4.000	3.949	4.004	804	06/13/2028
32082BFU8	7-062824C	FIRST MERCHANTS BANK		06/28/2024	245,000.00	248,542.70	245,000.00	4.600	4.537	4.600	819	06/28/2028
33743MCW2	7-033126A	1ST UTAH BANK		03/31/2026	245,000.00	244,546.75	245,000.00	3.800	3.753	3.805	730	03/31/2028
00272PAL9	7-101525	ABBEVILLE FIRST BANK SSB		10/15/2025	245,000.00	242,483.85	245,000.00	3.500	3.369	3.416	929	10/16/2028
00092MAE0	7-020625	ABNB FCU		02/06/2025	245,000.00	245,982.45	245,000.00	4.200	4.135	4.193	492	08/06/2027
00435JB1	7-093025	Access Bk		09/30/2025	245,000.00	239,774.15	245,000.00	3.500	3.454	3.502	1,643	09/30/2030
005594BM7	7-083024B	Adams Community Bank		08/30/2024	245,000.00	244,916.70	245,000.00	3.900	3.847	3.900	152	08/31/2026
00782JAA0	7-082223	Advia Credit Union		08/22/2023	245,000.00	246,139.25	245,000.00	5.050	4.981	5.050	145	08/24/2026
00833JAH4	7-030123A	Affinity Bk		03/01/2023	245,000.00	246,136.80	245,000.00	4.150	4.095	4.152	693	02/23/2028
01025RAW9	7-022326	Alabama Cu		02/23/2026	245,000.00	244,328.70	245,000.00		3.698	3.749	693	02/23/2028
011852AE0	7-030823A	Alaska USA		03/08/2023	245,000.00	248,187.45	245,000.00	4.600	4.542	4.606	707	03/08/2028
01749QAE6	7-092723	Allegius FCU		09/27/2023	245,000.00	246,832.60	245,000.00	5.400	5.202	5.274	180	09/28/2026
02157RAA5	7-071924A	ALTAONE FEDERAL CREDIT UNION		07/19/2024	245,000.00	248,726.45	245,000.00	4.450	4.391	4.452	1,205	07/19/2029

Portfolio PTS

CP

PM (PRF_PM2) 7.3.11

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
02007G3R2	7-040925	ALY BANK		04/09/2025	245,000.00	244,505.10	245,000.00	3.749	3.100	3.143	544	09/27/2027
024263DA0	7-070723	American B&TC INC.		07/07/2023	245,000.00	246,901.20	245,000.00	4.550	4.487	4.550	455	06/30/2027
03065YAB7	7-083123B	Americas First Network		08/31/2023	245,000.00	247,805.25	245,000.00	5.050	4.981	5.050	364	03/31/2027
024334AC8	7-122223	American Bank of Missouri		12/22/2023	245,000.00	245,325.85	245,000.00	4.600	4.537	4.600	82	06/22/2026
02519TBH8	7-091024	American Commerce Bank Nat'l		09/10/2024	245,000.00	242,116.35	245,000.00	3.600	3.552	3.602	1,258	09/10/2029
02554BHR5	7-022426A	American Eagle Bk		02/24/2026	245,000.00	242,452.00	245,000.00	3.600	3.547	3.596	1,149	05/24/2029
02905LBZ7	7-112822A	AMERICAN PLUS BK		11/28/2022	245,000.00	245,384.65	245,000.00	4.100	4.046	4.103	240	11/27/2026
02357PAG4	7-021524	Amerasia Bank		02/15/2024	245,000.00	245,399.35	245,000.00	4.000	3.949	4.004	1,051	02/15/2029
02437PAV5	7-073024	AMERICAN BANK NA		07/30/2024	245,000.00	246,276.45	245,000.00	4.150	4.022	4.077	852	07/31/2028
02568ACK6	7-050422	AMERICAN EXPRESS NATIONAL BANK		05/04/2022	245,000.00	242,682.30	245,000.00	3.000	2.959	3.000	398	05/04/2027
02772JHU7	7-032026	American NB-Fox Cities		03/20/2026	245,000.00	241,959.55	245,000.00	3.500	3.455	3.503	1,084	03/20/2029
02519ADZ7	7-111225A	AMERICAN COMMERCIAL B&T		11/12/2025	245,000.00	243,672.10	245,000.00	3.550	3.501	3.550	590	11/12/2027
02357QAQ0	7-021422	Amerant Bank NA		02/14/2022	245,000.00	240,251.90	245,000.00	1.600	1.578	1.600	321	02/16/2027
028402DK8	7-103024B	AMERICAN NATL BANK		10/30/2024	245,000.00	245,063.70	245,000.00	3.900	3.847	3.900	576	10/29/2027
029728DF6	7-061325A	AMERICAN STATEE BANK		06/13/2025	245,000.00	245,330.75	245,000.00	4.000	3.945	4.000	436	06/11/2027
02769QFP9	7-072325A	American NB of Minn		07/23/2025	245,000.00	244,377.70	245,000.00	3.800	3.659	3.710	845	07/24/2028
034577AX4	7-082024	Aneca		08/20/2024	245,000.00	244,921.60	245,000.00	3.900	3.779	3.831	873	08/21/2028
03753XCR9	7-112525A	APEX BANKS		11/25/2025	245,000.00	244,142.50	245,000.00	3.700	3.802	3.855	666	01/27/2028
03923KAP8	7-062025	Arcadian Bank		06/20/2025	245,000.00	245,460.60	245,000.00	4.000	3.949	4.004	811	06/20/2028
04518XAH7	7-031424	ASIAN BANKK		03/14/2024	245,000.00	246,656.20	245,000.00	4.200	4.142	4.200	1,078	03/14/2029
05059LAH5	7-031326	Auburn State Bank		03/13/2026	245,000.00	241,302.95	245,000.00	3.400	3.357	3.403	1,077	03/13/2029
050574AF9	7-113023B	Auburn Savings Bank FSB		11/30/2023	245,000.00	248,831.80	245,000.00	4.550	4.492	4.555	974	11/30/2028
052392FE2	7-013026B	Austin Telco		01/30/2026	245,000.00	244,375.25	245,000.00	3.750	3.698	3.750	670	01/31/2028
05464LBM2	7-082021	Axiom Bank		08/20/2021	245,000.00	241,883.60	245,000.00	0.600	0.592	0.600	141	08/20/2026
05465DBQ0	7-100224	AXOS BANKK		10/02/2024	245,000.00	244,301.75	245,000.00	3.700	3.649	3.700	551	10/04/2027
098079AU0	7-061623C	B1 BANK		06/16/2023	245,000.00	245,340.55	245,000.00	4.600	4.541	4.605	76	06/16/2026
065226AZ5	7-092425B	Bank of Sun Prairie		09/24/2025	245,000.00	242,866.05	245,000.00	3.550	3.026	3.068	908	09/25/2028
05765LBU0	7-071923B	BALBOA T & LA		07/19/2023	245,000.00	252,131.95	245,000.00	4.400	4.345	4.405	840	07/19/2028
058723AP2	7-052424	BALLSTON SPA NATIONAL BANK		05/24/2024	245,000.00	247,937.55	245,000.00	4.650	4.592	4.656	602	11/24/2027
06428HAB9	7-091725	Bk of Cashton		09/17/2025	245,000.00	244,147.40	245,000.00	3.650	3.600	3.650	534	09/17/2027
06644QAB7	7-052024	BANKFIRST		05/20/2024	245,000.00	248,591.70	245,000.00	4.450	4.392	4.453	1,143	05/18/2029
06279WAE0	7-050324	Bank Iowaa		05/03/2024	245,000.00	245,203.35	245,000.00	4.800	3.828	3.882	33	05/04/2026
06653LBP4	7-101824	BANK 3		10/18/2024	245,000.00	244,755.00	245,000.00	3.700	3.513	3.562	201	10/19/2026
06610QFE6	7-020725	THE BANKER BANK		02/07/2025	245,000.00	246,394.05	245,000.00	4.150	4.095	4.152	1,043	02/07/2029
06740KQE0	7-051122	BARCLAYS BK DELAWARE		05/11/2022	245,000.00	242,640.65	245,000.00	3.000	2.959	3.000	405	05/11/2027

Portfolio PTS
CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
07148MAC3	7-102025	BATTLE CREEK STATE BANK		10/20/2025	245,000.00	242,768.05	245,000.00	3.550	3.504	3.553	933	10/20/2028
071172AQ3	7-032524A	The Bath State Bank		03/25/2024	245,000.00	247,788.10	245,000.00	4.350	4.293	4.353	1,086	03/22/2029
107003DC6	7-092023A	Bremer Bank NA		09/20/2023	245,000.00	245,940.80	245,000.00	4.800	4.733	4.799	152	08/31/2026
05890QVC4	7-103124	BANC OF CALI		10/31/2024	245,000.00	245,215.60	245,000.00	3.950	3.896	3.950	215	11/02/2026
07356PAQ2	7-012624A	Beacon Community Bank		01/26/2024	245,000.00	244,103.30	245,000.00	3.800	3.752	3.804	1,031	01/26/2029
08050MAP8	7-123025A	BELMONT SAVINGS BK		12/30/2025	245,000.00	244,179.25	245,000.00	3.700	3.700	3.751	638	12/30/2027
09171LAB3	7-092923C	Bison State Bank		09/29/2023	245,000.00	249,223.80	245,000.00	4.650	4.591	4.655	912	09/29/2028
060730BD9	7-101624	BANK OF BRENHAM NA		10/16/2024	245,000.00	245,117.60	245,000.00	4.000	3.945	4.000	198	10/16/2026
060752AY8	7-033125A	The Bank of Brodhead		03/31/2025	245,000.00	245,271.95	245,000.00	3.950	3.896	3.950	730	03/31/2028
061785FX4	7-032425	Bk of Deerfield		03/24/2025	245,000.00	244,946.10	245,000.00	3.900	3.847	3.900	357	03/24/2027
062119BE1	7-022823B	BK FIVE NINE		02/28/2023	245,000.00	246,347.50	245,000.00	4.200	4.144	4.202	698	02/28/2028
06644RAP4	7-011526	BankGloucester		01/15/2026	245,000.00	242,596.55	245,000.00	3.550	3.026	3.068	1,021	01/16/2029
06221LAF0	7-122122	Bank of Frankewing		12/21/2022	245,000.00	245,149.45	245,000.00	4.150	4.009	4.065	82	06/22/2026
062293AD7	7-022426B	The Bank of Glen Burnie		02/24/2026	245,000.00	243,877.90	245,000.00	3.650	3.600	3.650	694	02/24/2028
06246PCH6	7-031826	Bank of Grand Lake		03/18/2026	245,000.00	243,125.75	245,000.00	3.500	3.457	3.505	716	03/17/2028
06325MAC0	7-050225	BANK OF LINCOLN COUNTY		05/02/2025	245,000.00	244,483.05	245,000.00	3.800	3.752	3.804	762	05/02/2028
06424QDR5	7-072123	THE BK OF MISSOURI		07/21/2023	245,000.00	247,665.60	245,000.00	4.750	4.689	4.754	476	07/21/2027
06063PDE2	7-121522	Bank of Belleville		12/15/2022	245,000.00	245,061.25	245,000.00	4.050	3.996	4.052	75	06/15/2026
061256AC7	7-032524	Bank of Clarke		03/25/2024	245,000.00	246,440.60	245,000.00	4.500	4.439	4.501	358	03/25/2027
061284AD7	7-012126	Bank of Clarkson		01/21/2026	245,000.00	243,302.15	245,000.00	3.600	3.551	3.600	842	07/21/2028
064520BL2	7-072821	Bank of Princeton		07/28/2021	245,000.00	242,385.85	245,000.00	0.600	0.592	0.600	118	07/28/2026
06279MAS1	7-012224A	Bank of India NY		01/22/2024	245,000.00	245,411.60	245,000.00	4.000	3.945	4.000	651	01/12/2028
064240AT1	7-091124	Bank of Ontario		09/11/2024	245,000.00	244,527.15	245,000.00	3.750	3.698	3.750	527	09/10/2027
064860MC0	7-031523	Bk of the Sierra		03/15/2023	245,000.00	246,541.05	245,000.00	4.600	4.537	4.600	348	03/15/2027
065427AC0	7-051023B	Bank of Utah		05/10/2023	245,000.00	246,700.30	245,000.00	4.250	4.197	4.255	770	05/10/2028
064455AZ1	7-042823D	BK OF PONTIAC		04/28/2023	245,000.00	245,879.55	245,000.00	4.250	4.192	4.250	392	04/28/2027
06651UAL6	7-103123A	BankTennessee		10/31/2023	245,000.00	246,545.95	245,000.00	5.000	4.936	5.004	209	10/27/2026
065847GJ8	7-080825B	BANK OF WISCONSIN DELL		08/08/2025	245,000.00	244,441.40	245,000.00	3.750	3.702	3.753	586	11/08/2027
08016PFH7	7-012226	Belmont Bnk & Trust Company		01/22/2026	245,000.00	241,246.60	245,000.00	3.550	3.503	3.552	1,392	01/22/2030
09582YAF9	7-022823	BLUE RDGE BK NA		02/28/2023	245,000.00	246,332.80	245,000.00	4.200	4.142	4.200	698	02/28/2028
05612LAU6	7-072224	BMW BK OF N A		07/22/2024	245,000.00	245,561.05	245,000.00	4.650	3.704	3.756	110	07/20/2026
06063HPM9	7-122922	Bk of Baroda		12/29/2022	245,000.00	245,061.25	245,000.00	4.000	3.484	3.533	90	06/30/2026
062114AV5	7-082224	Bank First N.A.		08/22/2024	245,000.00	244,056.75	245,000.00	3.750	3.701	3.752	874	08/22/2028
06251FDM8	7-032026B	Bank Hapoalim B.M.		03/20/2026	245,000.00	240,065.70	245,000.00	3.600	3.551	3.600	1,814	03/20/2031
06426JBR1	7-081924C	Bank of Lake Mills		08/19/2024	245,000.00	244,688.85	245,000.00	3.800	3.748	3.800	505	08/19/2027

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
06610TEL5	7-052722A	BANKERS BANK OF THE WEST		05/27/2022	245,000.00	242,672.50	245,000.00	3.050	3.010	3.052	421	05/27/2027
06610RBK4	7-022522	Bankers BK		02/25/2022	245,000.00	240,389.10	245,000.00	1.750	1.727	1.751	330	02/25/2027
05584CJD9	7-082323A	BNY Mellon NA		08/23/2023	245,000.00	245,845.25	245,000.00	4.750	4.059	4.116	145	08/24/2026
06051XM74	7-110525	BOA		11/05/2025	245,000.00	243,505.50	245,000.00	3.500	3.452	3.500	583	11/05/2027
097281BX6	7-111023A	Bogota Savings Bank		11/10/2023	245,000.00	247,908.15	245,000.00	5.000	4.932	5.000	404	05/10/2027
09776DAT1	7-062425	Bom Bank		06/24/2025	245,000.00	245,610.05	245,000.00	4.100	4.047	4.104	449	06/24/2027
09784RCH4	7-092925	Bonanaza Valley St Bk		09/29/2025	245,000.00	241,312.75	245,000.00	3.650	3.301	3.347	1,643	09/30/2030
09968TB0	7-081624B	Border Bank		08/16/2024	245,000.00	245,301.35	245,000.00	4.200	3.989	4.044	138	08/17/2026
06425KCT4	7-053123A	BK OF PERRY CO		05/31/2023	245,000.00	250,899.60	245,000.00	4.250	4.196	4.255	791	05/31/2028
10421ABH9	7-012125	Bradesco Bank		01/21/2025	245,000.00	245,333.20	245,000.00	4.050	3.995	4.050	295	01/21/2027
108622MD0	7-102621	Bridgewater BK Bloom MN		10/26/2021	245,000.00	244,419.35	245,000.00	0.700	0.679	0.688	26	04/27/2026
10671PAH4	7-071024	BREDA SAVINGS BANK		07/10/2024	245,000.00	245,590.45	245,000.00	4.800	4.735	4.800	100	07/10/2026
10947MAB2	7-082025	Brightstar Credit Union		08/20/2025	245,000.00	245,019.60	245,000.00	3.900	3.847	3.900	506	08/20/2027
110087BB8	7-071423B	Bristol Morgan Bank		07/14/2023	245,000.00	245,475.30	245,000.00	4.600	4.542	4.605	104	07/14/2026
10549NAV8	7-033026	BRANTLEY BANK AND TRUST CO		03/30/2026	245,000.00	244,100.85	245,000.00	3.600	3.556	3.605	729	03/30/2028
071170AC8	7-081023	Bath Savings Institution		08/10/2023	245,000.00	250,176.85	245,000.00	4.300	4.246	4.305	862	08/10/2028
07181JAD6	7-062222B	Baxter Federal Credit Union		06/22/2022	245,000.00	244,519.80	245,000.00	3.050	3.010	3.052	82	06/22/2026
17286TAJ4	7-101321	Citadel FCU		10/13/2021	234,000.00	230,316.84	234,000.00	0.900	0.888	0.901	195	10/13/2026
13135NCG3	7-020924A	Calprivate Bank		02/09/2024	245,000.00	245,458.15	245,000.00	4.100	4.047	4.103	314	02/09/2027
137141B G1	7-012126C	The Canandaigua NB and TC		01/21/2026	245,000.00	243,510.40	245,000.00	3.550	3.501	3.550	660	01/21/2028
14042RQB0	7-111721	Capital One NA		11/17/2021	245,000.00	240,820.30	245,000.00	1.100	1.085	1.100	230	11/17/2026
145150CL0	7-022823A	CARROLL CNTY TC OF		02/28/2023	245,000.00	245,445.90	245,000.00	4.000	3.947	4.002	698	02/28/2028
146102AG3	7-122023	Carter Bank & Trust		12/20/2023	245,000.00	245,482.65	245,000.00	4.750	4.688	4.753	82	06/22/2026
14622LAX0	7-092425	Carter Federal CU		09/24/2025	245,000.00	242,866.05	245,000.00	3.700	3.652	3.702	1,272	09/24/2029
14727MAC8	7-101625	CASCADE FCU		10/16/2025	245,000.00	241,890.95	245,000.00	3.400	3.353	3.400	929	10/16/2028
14919NAB6	7-082523	Catholic & Community Credit Un		08/25/2023	245,000.00	247,851.80	245,000.00	4.750	4.688	4.754	511	08/25/2027
14944TAB0	7-031924A	Cattaraugus County Bank		03/19/2024	245,000.00	246,653.75	245,000.00	4.600	4.538	4.601	352	03/19/2027
227507AE0	7-073021	Cross County Bank		07/30/2021	245,000.00	242,341.75	245,000.00	0.600	0.592	0.600	120	07/30/2026
17453FCX8	7-060923	Citizens Deposit BK of Arlingt		06/09/2023	245,000.00	245,330.75	245,000.00	4.650	4.591	4.655	69	06/09/2026
150517GT1	7-011224A	Cedar Rapids B & TC		01/12/2024	245,000.00	245,004.90	245,000.00	3.900	3.849	3.903	651	01/12/2028
15118RZB6	7-071522	Celtic BK		07/15/2022	245,000.00	243,329.10	245,000.00	3.350	3.306	3.352	470	07/15/2027
15140RCY3	7-072523	CENTIER BK		07/25/2023	245,000.00	247,540.65	245,000.00	4.700	4.165	4.223	481	07/26/2027
151342AJ1	7-112024	CENTENNIAL BANKK		11/20/2024	245,000.00	245,257.25	245,000.00	4.050	3.995	4.050	233	11/20/2026
15721UGD5	7-030524	CF Bank Natl Association		03/05/2024	245,000.00	246,261.75	245,000.00	4.400	4.340	4.401	338	03/05/2027
16863LAF2	7-012925	Chief Financial FCU		01/29/2025	245,000.00	245,578.20	245,000.00	4.150	4.093	4.149	303	01/29/2027

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
12527CQB1	7-021326	CFG BANK		02/13/2026	245,000.00	243,084.10	245,000.00	3.650	3.600	3.650	1,049	02/13/2029
12526AAM9	7-053024A	CFSBANK		05/30/2024	245,000.00	248,126.20	245,000.00	4.650	4.590	4.654	608	11/30/2027
16141BAC5	7-060923A	Chartway		06/09/2023	245,000.00	245,445.90	245,000.00	4.900	4.838	4.905	69	06/09/2026
16514QBK2	7-031524	Chesapeake Bank		03/15/2024	245,000.00	246,636.60	245,000.00	4.600	4.538	4.601	348	03/15/2027
174178AC7	7-072123E	CITIZENS BK OF PHILADELPHIA		07/21/2023	245,000.00	245,622.30	245,000.00	4.750	4.690	4.755	111	07/21/2026
17312Q4A4	7-092923E	Citibank National Association		09/29/2023	245,000.00	246,357.30	245,000.00	5.100	5.030	5.100	181	09/29/2026
17670UAA4	7-101223	Citizens State BK		10/12/2023	245,000.00	249,459.00	245,000.00	4.700	4.635	4.700	915	10/02/2028
173576AR0	7-063023A	THE CITIZENS BK CO		06/30/2023	245,000.00	245,377.30	245,000.00	4.550	4.492	4.554	90	06/30/2026
176688CY3	7-013123	CITIZENS STATE BK OF LA CROSSE		01/31/2023	245,000.00	244,377.70	245,000.00	3.750	3.700	3.752	670	01/31/2028
17783PAJ0	7-011224	CITY FEDERAL CREDIT UNION		01/12/2024	245,000.00	245,093.10	245,000.00	3.950	3.900	3.954	1,017	01/12/2029
173477BY5	7-011924	The Citizens Bank		01/19/2024	245,000.00	244,438.95	245,000.00	3.850	3.801	3.854	1,024	01/19/2029
17668UAS9	7-053024	CITIZENS ST B&T CO ELLSWORTH K		05/30/2024	245,000.00	247,525.95	245,000.00	4.300	4.244	4.303	1,155	05/30/2029
128829AQ1	7-063025	Caldwell Bank & Trust Co		06/30/2025	245,000.00	245,279.30	245,000.00	4.000	3.945	4.000	455	06/30/2027
187337AH3	7-111023	Clinton BK		11/10/2023	245,000.00	246,795.85	245,000.00	5.100	5.035	5.105	223	11/10/2026
185189AB3	7-011725	Clearwater		01/17/2025	245,000.00	246,433.25	245,000.00	4.150	4.096	4.153	1,387	01/17/2030
201487AK1	7-022626	Commer Bk		02/26/2026	245,000.00	242,711.70	245,000.00	3.600	3.553	3.603	1,062	02/26/2029
178180HD0	7-012326A	City National Bk		01/23/2026	245,000.00	244,020.00	245,000.00	3.650	2.905	2.945	663	01/24/2028
12640SAB5	7-082924A	CNB Bank		08/29/2024	245,000.00	244,865.25	245,000.00	3.850	3.797	3.850	516	08/30/2027
152465AT7	7-080924A	Central Bank & Trust Company		08/09/2024	245,000.00	245,409.15	245,000.00	4.350	3.466	3.515	131	08/10/2026
15347VAC5	7-091423	Central FS&LA		09/14/2023	245,000.00	248,309.95	245,000.00	4.500	4.443	4.505	897	09/14/2028
152577BN1	7-051223A	Central Bk		05/12/2023	245,000.00	245,463.05	245,000.00	3.850	3.802	3.855	772	05/12/2028
138138AC6	7-070925A	CANTON CO-OPERATIVE BANK		07/09/2025	245,000.00	245,323.40	245,000.00	4.000	3.946	4.000	464	07/09/2027
15523RDQ6	7-030623	Central State Bk		03/06/2023	245,000.00	247,043.30	245,000.00	4.350	4.296	4.355	705	03/06/2028
203571BB9	7-111925	Community Bank Owatonna		11/19/2025	245,000.00	242,390.75	245,000.00	3.500	3.369	3.416	964	11/20/2028
19075JAB4	7-091522	Cobalt Credit Union		09/15/2022	245,000.00	244,002.85	245,000.00	3.600	3.553	3.602	532	09/15/2027
20368TEN6	7-012126B	Community First Bk of Indiana		01/21/2026	245,000.00	243,297.25	245,000.00	3.500	3.452	3.500	660	01/21/2028
20367GCA5	7-123025B	COMMUNITY COMMERCE BK		12/30/2025	245,000.00	242,875.85	245,000.00	3.600	3.554	3.603	1,003	12/29/2028
20033A3M6	7-031023	COMENITY CAPITAL BK		03/10/2023	245,000.00	247,053.10	245,000.00	4.350	4.296	4.355	709	03/10/2028
20056QVY6	7-061825	Commerce Bk		06/18/2025	245,000.00	245,193.55	245,000.00	3.950	3.896	3.950	446	06/21/2027
201593BB5	7-100824	COMMERCIAL BANKING COMPANY		10/08/2024	245,000.00	244,826.05	245,000.00	3.750	3.699	3.750	190	10/08/2026
20368AAJ0	7-091225	COMMUNITY 1 BANK		09/12/2025	245,000.00	243,098.80	245,000.00	3.600	3.551	3.600	895	09/12/2028
202291AQ3	7-100424	Commercial Savings Bank		10/04/2024	245,000.00	241,638.60	245,000.00	3.550	3.501	3.550	1,282	10/04/2029
20405NAA6	7-072723	COMMUNITY SO CU		07/27/2023	245,000.00	245,852.60	245,000.00	5.000	4.937	5.005	117	07/27/2026
20360UAH8	7-121422	Community Bk		12/14/2022	245,000.00	245,188.65	245,000.00	4.250	4.106	4.163	75	06/15/2026
20403WAC4	7-042925	Community Savings Bank		04/29/2025	245,000.00	244,639.85	245,000.00	3.800	3.750	3.802	576	10/29/2027

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
21056RAB5	7-111623	Consumers Federal Credit Union		11/16/2023	245,000.00	251,568.45	245,000.00	5.000	4.937	5.005	960	11/16/2028
20825WAR1	7-123021A	Connexus Credit Union		12/30/2021	245,000.00	240,435.65	245,000.00	1.150	1.135	1.151	266	12/23/2026
219236AJ5	7-052324	CORNERSTONE BK		05/23/2024	245,000.00	245,374.85	245,000.00	4.900	4.833	4.900	55	05/26/2026
219873AN6	7-082925A	Corporate America Family		08/29/2025	245,000.00	245,213.15	245,000.00	3.950	3.891	3.945	516	08/30/2027
220802AN2	7-080923A	Cortrust Bank NA		08/09/2023	245,000.00	245,810.95	245,000.00	4.800	4.623	4.688	131	08/10/2026
22209WAP7	7-091324B	Coulee Bank		09/13/2024	245,000.00	244,333.60	245,000.00	3.700	3.649	3.700	526	09/09/2027
22282XAB6	7-012424	CoVantage Credit Union		01/24/2024	245,000.00	245,668.85	245,000.00	4.050	3.997	4.053	663	01/24/2028
14042TEP8	7-031622	Capital One Bank (USA) NA		03/16/2022	245,000.00	240,614.50	245,000.00	2.000	1.973	2.000	349	03/16/2027
14065AAC4	7-081924A	CAPRA Bank		08/19/2024	245,000.00	245,090.65	245,000.00	4.000	3.945	4.000	140	08/19/2026
20402AAU3	7-090924A	Community Partners Savings Ban		09/09/2024	245,000.00	245,034.30	245,000.00	3.900	3.840	3.894	342	03/09/2027
20403MAC6	7-012225B	Community Resource Crdt Union		01/22/2025	245,000.00	246,386.70	245,000.00	4.150	4.095	4.152	1,027	01/22/2029
22537MAC1	7-082825A	Credit Human Credit Union		08/28/2025	245,000.00	244,495.30	245,000.00	3.900	3.849	3.903	1,245	08/28/2029
22551KBJ0	7-092625A	Credit Union of TX		09/26/2025	245,000.00	244,152.30	245,000.00	3.650	3.600	3.650	544	09/27/2027
150713BR5	7-062725A	Cedarstone Bank		06/27/2025	245,000.00	245,343.00	245,000.00	4.000	3.799	3.851	453	06/28/2027
227563CH4	7-051923C	CROSS RIVER BK		05/19/2023	245,000.00	245,215.60	245,000.00	4.650	4.586	4.650	48	05/19/2026
14575YAD3	7-092524	Carson Bank		09/25/2024	245,000.00	244,833.40	245,000.00	3.750	3.698	3.750	177	09/25/2026
22820LBN4	7-052324A	CROWN BANK		05/23/2024	245,000.00	247,080.05	245,000.00	4.650	4.475	4.537	418	05/24/2027
12651HAY5	7-053024B	CTBC BANK CORP (USA)		05/30/2024	245,000.00	246,384.25	245,000.00	4.750	4.690	4.755	243	11/30/2026
173851AL0	7-031725	Citizen Bank Inc.		03/17/2025	245,000.00	246,058.40	245,000.00	4.200	4.149	4.207	534	09/17/2027
174041AU7	7-081525	CITIZENS BANK OF THE MIDWEST		08/15/2025	245,000.00	244,708.45	245,000.00	3.800	3.025	3.067	502	08/16/2027
17669VBC0	7-080825	CITIZENS ST BANK		08/08/2025	245,000.00	244,081.25	245,000.00	3.750	3.702	3.753	860	08/08/2028
23020PAJ1	7-071924B	CULLMAN SAVINGS BK		07/19/2024	245,000.00	246,308.30	245,000.00	4.550	4.495	4.557	293	01/19/2027
23130SEH2	7-062624A	CURRIE STATE BANK		06/26/2024	245,000.00	246,712.55	245,000.00	4.800	4.734	4.800	271	12/28/2026
23204HQN1	7-103024A	CUSTOMER BANK		10/30/2024	245,000.00	244,779.50	245,000.00	3.950	3.896	3.950	1,308	10/30/2029
23248UAA5	7-051923B	CY-FAIR FEDERAL CU		05/19/2023	245,000.00	246,242.15	245,000.00	4.350	4.294	4.354	413	05/19/2027
173887AV2	7-072624A	CITIZEN BANK OF WEST VIRGINIA		07/26/2024	245,000.00	245,524.30	245,000.00	4.600	4.538	4.601	114	07/24/2026
23427ABF0	7-030626	Dakota Western Bank		03/06/2026	245,000.00	242,008.55	245,000.00	3.500	3.455	3.503	1,070	03/06/2029
237412CA7	7-013026A	The Dart Bank		01/30/2026	245,000.00	244,007.75	245,000.00	3.650	3.600	3.650	671	02/01/2028
25460FCP9	7-020322	Direct Federal CU		02/03/2022	245,000.00	242,851.35	245,000.00	1.300	1.282	1.300	124	08/03/2026
243594AR9	7-092322C	DECORAH BANK TRUST CO		09/23/2022	245,000.00	242,263.35	245,000.00	3.700	3.651	3.702	540	09/23/2027
25660BAL7	7-012822	Dogwood State Bank		01/28/2022	245,000.00	239,921.15	245,000.00	1.300	1.283	1.301	302	01/28/2027
254673D94	7-051922	DISCOVER BK		05/19/2022	245,000.00	243,152.70	245,000.00	3.200	2.891	2.931	413	05/19/2027
25665QDN2	7-012925A	Dollar Bk Federal Svg Bk		01/29/2025	245,000.00	245,438.55	245,000.00	4.100	4.044	4.100	303	01/29/2027
23322GT72	7-121823	DMB Community BK		12/18/2023	245,000.00	245,298.90	245,000.00	4.500	4.441	4.503	78	06/18/2026
25844MAC2	7-093022C	DORT FINANCIAL CU		09/30/2022	245,000.00	245,210.70	245,000.00	4.000	3.948	4.003	182	09/30/2026

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
24951TAL9	7-010722	Department of Commerce Federal		01/07/2022	245,000.00	240,163.70	245,000.00	1.250	1.234	1.251	281	01/07/2027
23344RAG2	7-090922B	Dr Bank		09/09/2022	245,000.00	244,245.40	245,000.00	3.550	3.500	3.549	342	03/09/2027
26518ECC1	7-102925	DUNDEE BK		10/29/2025	245,000.00	242,738.65	245,000.00	3.550	3.417	3.465	943	10/30/2028
26948GAK0	7-101725C	EAGLE COMM CU		10/17/2025	245,000.00	243,368.30	245,000.00	3.650	3.603	3.653	930	10/17/2028
27002YGZ3	7-012425A	Eaglbank		01/24/2025	245,000.00	245,999.60	245,000.00	4.100	4.046	4.102	1,394	01/24/2030
27004PHA4	7-031826A	EAGLEMARK SAVINGS BANK		03/18/2026	245,000.00	244,042.05	245,000.00	3.700	3.649	3.700	716	03/17/2028
27689NFP0	7-101823	Eastern Savings Bank FSB		10/18/2023	245,000.00	246,764.00	245,000.00	5.050	4.318	4.378	201	10/19/2026
27889MAK6	7-070325	ECLIPSE BANK INC.		07/03/2025	245,000.00	245,320.95	245,000.00	4.000	3.946	4.000	457	07/02/2027
291916AB0	7-092923	Empower Federal Credit Union		09/29/2023	245,000.00	251,840.40	245,000.00	5.100	5.036	5.106	912	09/29/2028
292457AS7	7-092724A	Emprise Bank		09/27/2024	245,000.00	244,132.70	245,000.00	3.650	3.600	3.650	544	09/27/2027
292079AR1	7-111221	Empire State Bank, NA		11/12/2021	245,000.00	242,993.45	245,000.00	0.900	0.888	0.900	103	07/13/2026
29259RAH0	7-061323	Encompass Niagara Credit Union		06/13/2023	245,000.00	245,443.45	245,000.00	4.750	4.689	4.755	75	06/15/2026
29367SMQ4	7-092625	Enterprise Bk & Trust		09/26/2025	245,000.00	243,983.25	245,000.00	3.600	3.550	3.600	541	09/24/2027
29367RLY0	7-052121	ENTERPRISE BANK		05/21/2021	245,000.00	243,865.65	245,000.00	0.600	0.592	0.600	50	05/21/2026
29483ACS9	7-050125	ERGO BANK		05/01/2025	245,000.00	244,892.20	245,000.00	3.850	3.797	3.850	394	04/30/2027
29667RVQ3	7-082124B	Essa Bank and Trust		08/21/2024	245,000.00	244,870.15	245,000.00	3.850	3.797	3.850	509	08/23/2027
29669XAX6	7-073024A	ESSENTIAL		07/30/2024	245,000.00	247,969.40	245,000.00	4.350	4.293	4.353	1,216	07/30/2029
30002CAB4	7-110321	Everett Co-Operative Bank		11/03/2021	245,000.00	240,928.10	245,000.00	1.000	0.986	1.000	216	11/03/2026
301074EV8	7-071921	Exchange BK		07/19/2021	245,000.00	242,562.25	245,000.00	0.600	0.583	0.591	110	07/20/2026
303117DA0	7-062923B	THE FAHEY BANKING CO		06/29/2023	245,000.00	245,401.80	245,000.00	4.600	4.541	4.604	89	06/29/2026
309175DZ7	7-053023A	FARMERS BK		05/30/2023	245,000.00	245,296.45	245,000.00	4.650	4.586	4.650	58	05/29/2026
30960QAQ0	7-072123B	FARMERS INS GROUP FCU		07/21/2023	245,000.00	245,806.05	245,000.00	5.000	4.937	5.005	111	07/21/2026
309287AC4	7-081924B	The Farmers Bank of Milton		08/19/2024	245,000.00	245,129.85	245,000.00	4.050	3.995	4.050	140	08/19/2026
307811HE2	7-081123	THE FARMERS & MERCHANTS BK		08/11/2023	245,000.00	245,784.00	245,000.00	4.800	4.739	4.805	132	08/11/2026
31033VAE7	7-012825	FARMERS STATE BANK OF HOFFMAN		01/28/2025	245,000.00	245,600.25	245,000.00	4.150	4.093	4.150	302	01/28/2027
31943VAW6	7-011923B	FIRST CENTRAL BANK MCCOOK		01/19/2023	245,000.00	245,428.75	245,000.00	4.000	3.947	4.002	658	01/19/2028
31943RBL8	7-013123B	FIRST CENTRAL BK		01/31/2023	245,000.00	245,000.00	245,000.00	3.850	3.730	3.782	306	02/01/2027
31985HCJ3	7-013124C	First Commerce Bank		01/31/2024	245,000.00	245,703.15	245,000.00	4.200	4.146	4.204	303	01/29/2027
31617CCE1	7-081325	FIDELITY BANKK		08/13/2025	245,000.00	243,745.60	245,000.00	3.800	3.751	3.803	1,230	08/13/2029
30191MAJ6	7-032724A	FFB Bank		03/27/2024	245,000.00	246,864.45	245,000.00	4.300	4.244	4.303	726	03/27/2028
32024DAC0	7-020823	First Financial Credit Union		02/08/2023	245,000.00	247,405.90	245,000.00	4.450	4.391	4.452	678	02/08/2028
32023WAC9	7-051024	First Fed Savings Bank		05/10/2024	245,000.00	246,879.15	245,000.00	4.600	4.537	4.601	404	05/10/2027
32026UYA8	7-110422	First Foundation Bk		11/04/2022	245,000.00	248,001.25	245,000.00	4.700	4.636	4.700	582	11/04/2027
32018YBH0	7-020323	First Federal Savings & Loan B		02/03/2023	245,000.00	244,566.35	245,000.00	3.800	3.750	3.802	673	02/03/2028
320437AD8	7-080423	First GTY BK/Hammond LA		08/04/2023	245,000.00	248,192.35	245,000.00	4.500	4.443	4.505	856	08/04/2028

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
32116PAR9	7-082721A	FirstBank of Nebraska		08/27/2021	245,000.00	241,751.30	245,000.00	0.600	0.592	0.600	148	08/27/2026
31938QV43	7-120122	First Business Bank		12/01/2022	245,000.00	245,401.80	245,000.00	4.200	4.144	4.201	183	10/01/2026
31749TCD7	7-092325	Financial Federal Bk		09/23/2025	245,000.00	244,088.60	245,000.00	3.650	3.598	3.648	569	10/22/2027
32022RZWO	7-070925	1ST FINANCIAL BANK USAA		07/09/2025	245,000.00	245,323.40	245,000.00	4.000	3.946	4.000	464	07/09/2027
31764MAB8	7-011724	Financial Plus Credit Union		01/17/2024	245,000.00	245,737.45	245,000.00	4.050	3.999	4.054	1,022	01/17/2029
31904PDG8	7-072624	FIRST BANK & TR		07/26/2024	245,000.00	246,631.70	245,000.00	4.700	4.700	4.765	300	01/26/2027
31987NAT8	7-071524	FIRST COMMUNITY BANK HEARTLAND		07/15/2024	245,000.00	245,539.00	245,000.00	4.700	4.636	4.700	105	07/15/2026
32065RAV7	7-100824B	FIRST KEYSTONE COMMUNITY BANK		10/08/2024	245,000.00	244,762.35	245,000.00	3.700	3.649	3.700	190	10/08/2026
33647BAE5	7-090524A	First Southwest Bank		09/05/2024	245,000.00	244,318.90	245,000.00	3.800	3.750	3.802	888	09/05/2028
32024JAM5	7-021723	FIRST FEDERAL CU		02/17/2023	245,000.00	247,212.35	245,000.00	4.400	4.342	4.402	687	02/17/2028
33766NAV6	7-081624C	First Bk		08/16/2024	245,000.00	245,107.80	245,000.00	4.000	3.185	3.230	138	08/17/2026
32063KAY8	7-013123A	FIRST JACKSON BANK INC.		01/31/2023	245,000.00	244,377.70	245,000.00	3.750	3.700	3.752	670	01/31/2028
33865WAR1	7-052824	FLATWATER BANK		05/28/2024	245,000.00	247,099.65	245,000.00	4.650	4.587	4.651	422	05/28/2027
34061LAB4	7-071825A	Florida Credit Union		07/18/2025	245,000.00	245,330.75	245,000.00	4.000	3.799	3.851	474	07/19/2027
30781JAW0	7-111921	Farm & Merch Bank of Colby		11/19/2021	245,000.00	240,369.50	245,000.00	0.850	0.839	0.850	232	11/19/2026
30246AGQ5	7-092923G	F and M Bank		09/29/2023	245,000.00	248,388.35	245,000.00	4.850	4.787	4.853	546	09/29/2027
308693BG4	7-013024	Farmers & Merchants TR		01/30/2024	245,000.00	245,605.15	245,000.00	4.150	4.093	4.150	306	02/01/2027
309207AS7	7-031925	The Farmers Bk, Frankfort, Indi		03/19/2025	245,000.00	245,259.70	245,000.00	4.000	3.946	4.000	352	03/19/2027
31810PCY3	7-031425	FINWISEE BANK		03/14/2025	245,000.00	245,659.05	245,000.00	4.200	3.346	3.392	348	03/15/2027
30257JBQ7	7-082324	FNB Bank Inc		08/23/2024	245,000.00	244,853.00	245,000.00	3.850	3.797	3.850	509	08/23/2027
32112UEJ6	7-042823E	FNB OF MCGREGOR TX		04/28/2023	245,000.00	249,843.65	245,000.00	4.300	4.246	4.305	758	04/28/2028
33583FAH5	7-102323	First Northeast Bk of Nebraska		10/23/2023	245,000.00	249,909.80	245,000.00	4.750	4.690	4.755	936	10/23/2028
321207BC5	7-071924C	FIRST NB & T CO CHICKASHA OKLA		07/19/2024	245,000.00	245,543.90	245,000.00	4.650	4.417	4.478	110	07/20/2026
32116QBJ4	7-051123	FNB of Middle Tennessee		05/11/2023	245,000.00	245,134.75	245,000.00	4.500	4.438	4.500	40	05/11/2026
30257YBP6	7-051023A	FNCB Bank		05/10/2023	245,000.00	245,122.50	245,000.00	4.350	3.714	3.766	40	05/11/2026
32114VCF2	7-021023	First National Bank of MI		02/10/2023	245,000.00	244,122.90	245,000.00	3.700	3.651	3.702	680	02/10/2028
35907XFH5	7-071423	Frontier Bk		07/14/2023	245,000.00	247,013.90	245,000.00	4.550	4.491	4.554	469	07/14/2027
34520LBH5	7-012225A	Forbright Bank		01/22/2025	245,000.00	246,247.05	245,000.00	4.100	4.044	4.100	663	01/24/2028
34965LAB1	7-112125A	FORTERA CREDIT UNION		11/21/2025	245,000.00	244,037.15	245,000.00	3.650	3.465	3.513	600	11/22/2027
34965VAD5	7-032024B	Fortifi Bank		03/20/2024	245,000.00	246,489.60	245,000.00	4.550	4.488	4.551	355	03/22/2027
351593AL2	7-090924B	Fox Valley Savings Bank		09/09/2024	245,000.00	245,002.45	245,000.00	3.900	3.846	3.900	161	09/09/2026
33610RUN1	7-090123	First Premier		09/01/2023	245,000.00	245,766.85	245,000.00	4.750	4.685	4.750	153	09/01/2026
31944NAE3	7-101724A	FIRST CENTRAL SAVINGS BANK		10/17/2024	245,000.00	243,544.70	245,000.00	3.500	3.366	3.413	565	10/18/2027
35633MFW7	7-090925	THE FREEDOM BANK VIRGINIA		09/09/2025	245,000.00	243,762.75	245,000.00	3.700	3.652	3.703	894	09/11/2028
35634CAE3	7-100225	FREEDOM BK OF SOUTHERN MISSOUR		10/02/2025	245,000.00	243,103.70	245,000.00	3.600	3.551	3.600	915	10/02/2028

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
356436AS4	7-111224	FREEDOM N.W CREDIT UNION		11/12/2024	245,000.00	245,230.30	245,000.00	4.000	3.890	3.944	1,322	11/13/2029
35688MAF3	7-122325	Freestar Financial		12/23/2025	245,000.00	244,208.65	245,000.00	3.700	3.649	3.700	631	12/23/2027
32017MCN3	7-090325	FIRST FED BANK		09/03/2025	245,000.00	244,510.00	245,000.00	3.750	3.698	3.750	520	09/03/2027
35637RDR5	7-012822B	Freedom Financial Bank		01/28/2022	245,000.00	239,820.70	245,000.00	1.250	1.234	1.251	302	01/28/2027
32069MAC6	7-012326	First Liberty Bank		01/23/2026	245,000.00	239,267.00	245,000.00	3.500	3.454	3.502	1,758	01/23/2031
308862EE7	7-062824	FARMER AND MERCHANTS BANK		06/28/2024	245,000.00	245,644.35	245,000.00	4.950	4.702	4.768	89	06/29/2026
310567AQ5	7-090924	Farmers State Bk		09/09/2024	245,000.00	245,110.25	245,000.00	4.000	3.945	4.000	161	09/09/2026
32114LCV9	7-071724	FIRST NATIONAL BANKK		07/17/2024	245,000.00	245,561.05	245,000.00	4.700	4.636	4.700	107	07/17/2026
35909FAS3	7-101724	FRONTIER BANKK		10/17/2024	245,000.00	243,544.70	245,000.00	3.500	3.366	3.413	565	10/18/2027
319050AT7	7-020724A	First Bank of Berne		02/07/2024	245,000.00	245,859.95	245,000.00	4.100	4.044	4.100	677	02/07/2028
32021MLH0	7-063025A	First Financial Bk		06/30/2025	245,000.00	245,129.85	245,000.00	3.950	3.896	3.950	455	06/30/2027
33650TAN0	7-050525	FIRSTT STATE BANK		05/05/2025	245,000.00	245,022.05	245,000.00	3.900	3.847	3.900	399	05/05/2027
318520AD5	7-031125	FIRST FS&LA OF LORAIN		03/11/2025	245,000.00	245,416.50	245,000.00	4.000	3.945	4.000	709	03/10/2028
33649GAJ1	7-033126	FIRST STATE BANK MINNESOTA		03/31/2026	245,000.00	243,841.15	245,000.00	3.650	3.605	3.655	730	03/31/2028
336228AN1	7-091025A	FIRST SECURITY B & TC		09/10/2025	245,000.00	244,353.20	245,000.00	3.700	3.649	3.700	524	09/07/2027
319267MT4	7-010825	FIRST BANK RICHMOND		01/08/2025	245,000.00	245,159.25	245,000.00	3.950	3.896	3.950	463	07/08/2027
31990KAL6	7-090424	First Federal Bank of Kansas C		09/04/2024	245,000.00	245,041.65	245,000.00	3.900	3.846	3.900	520	09/03/2027
33651MAD6	7-041922	First State Bk		04/19/2022	245,000.00	241,246.60	245,000.00	2.400	2.369	2.401	383	04/19/2027
33625CJA8	7-011725A	First Secty Bk of Washington		01/17/2025	245,000.00	245,178.85	245,000.00	3.950	3.896	3.950	293	01/19/2027
31033MBQ9	7-012225C	Farmers State Bk of Calhan		01/22/2025	245,000.00	245,945.70	245,000.00	4.100	4.044	4.100	663	01/24/2028
43710JAB5	7-062824B	HOME FS&LA OF GRAND ISLAND		06/28/2024	245,000.00	246,893.85	245,000.00	4.550	4.488	4.550	453	06/28/2027
32110YU86	7-091925A	1st National Bk of America		09/19/2025	245,000.00	240,820.30	245,000.00	3.600	3.552	3.602	1,632	09/19/2030
33651PAU1	7-032625	First State B&TC Inc.		03/26/2025	245,000.00	245,210.70	245,000.00	4.000	3.946	4.001	362	03/29/2027
31033AAK9	7-011923	Farmers St Bk of Oakley Kansas		01/19/2023	245,000.00	245,002.45	245,000.00	3.900	3.848	3.902	658	01/19/2028
33767GCF3	7-022423C	FIRSTBK PUERTO RICO		02/24/2023	245,000.00	245,445.90	245,000.00	4.000	3.947	4.002	694	02/24/2028
32086RCJ7	7-022625	First Mid Bank & Trust NA		02/26/2025	245,000.00	245,690.90	245,000.00	4.200	4.142	4.199	331	02/26/2027
32065TBG5	7-013025	First Kentucky Bank Inc.		01/30/2025	245,000.00	246,109.85	245,000.00	4.150	4.093	4.150	670	01/31/2028
335857DC9	7-083023	First Oklahoma Bank		08/30/2023	245,000.00	245,891.80	245,000.00	4.700	4.644	4.709	152	08/31/2026
33715LFS4	7-082124	First Technology		08/21/2024	245,000.00	245,705.60	245,000.00	4.100	4.044	4.100	506	08/20/2027
33640VDS4	7-051923	FIRST SVC BK		05/19/2023	245,000.00	245,161.70	245,000.00	4.450	4.394	4.455	48	05/19/2026
319137CN3	7-092724	FirstBank		09/27/2024	245,000.00	244,737.85	245,000.00	3.650	3.600	3.650	177	09/25/2026
31925YBB7	7-022924	First Bank of the Lake		02/29/2024	245,000.00	247,077.60	245,000.00	4.250	4.194	4.252	1,064	02/28/2029
31904JAJ9	7-091223C	First B&T of Fullerton		09/12/2023	245,000.00	246,004.50	245,000.00	4.800	4.738	4.804	163	09/11/2026
31944MBH7	7-062321	First Carolina Bank		06/23/2021	245,000.00	243,155.15	245,000.00	0.600	0.592	0.600	83	06/23/2026
31986HAL9	7-021726	First Commerce Bk		02/17/2026	245,000.00	243,669.65	245,000.00	3.600	3.550	3.600	687	02/17/2028

Portfolio PTS

CP

PM (PRF_PM2) 7.3.11

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
33649XCW3	7-011824B	First ST Bank		01/18/2024	245,000.00	245,372.40	245,000.00	4.050	3.900	3.954	293	01/19/2027
33742CCS4	7-020823B	First United B&TC		02/08/2023	245,000.00	245,252.35	245,000.00	4.000	3.947	4.002	313	02/08/2027
33749VBH0	7-012723A	First Western Bank & Trust		01/27/2023	245,000.00	245,053.90	245,000.00	3.900	3.849	3.902	301	01/27/2027
337504BT0	7-032026A	FIRST WESTERN TR BK		03/20/2026	245,000.00	241,959.55	245,000.00	3.500	3.455	3.503	1,084	03/20/2029
36733QAD2	7-121323	Gate City Bank		12/13/2023	245,000.00	245,294.00	245,000.00	4.600	4.537	4.600	75	06/15/2026
40216LCP2	7-112625B	GULB ATLANTIC BK		11/26/2025	245,000.00	241,868.90	245,000.00	3.500	3.454	3.502	1,335	11/26/2029
36830MBB6	7-012725	Gbank		01/27/2025	245,000.00	245,859.95	245,000.00	4.100	4.043	4.099	663	01/24/2028
40135GAA6	7-092923D	Guardian Credit Union		09/29/2023	245,000.00	251,840.40	245,000.00	5.100	5.035	5.105	912	09/29/2028
372348DP4	7-082225	The Genoa Banking Com.		08/22/2025	245,000.00	241,910.55	245,000.00	3.700	3.651	3.702	1,604	08/22/2030
373337AW4	7-090624	Georgia Primary Bank		09/06/2024	245,000.00	245,075.95	245,000.00	3.950	3.896	3.950	160	09/08/2026
37148LAF5	7-072624C	GENERATIONS COMMUNITY		07/26/2024	245,000.00	245,502.25	245,000.00	4.550	4.322	4.382	117	07/27/2026
375873AD8	7-060724	GILMER NB GILMER TEXAS		06/07/2024	245,000.00	247,425.50	245,000.00	4.750	4.685	4.750	432	06/07/2027
38081GBH8	7-073124	GOLDEN BANK NATIONAL ASSOCIATI		07/31/2024	245,000.00	246,109.85	245,000.00	4.150	4.098	4.155	670	01/31/2028
38058KES1	7-062222A	Gold Coast BK		06/22/2022	245,000.00	244,152.30	245,000.00	3.000	2.961	3.002	145	08/24/2026
40220JAA6	7-053025	Gulf Coast Business Bank		05/30/2025	245,000.00	245,298.90	245,000.00	4.000	3.951	4.006	422	05/28/2027
395181EP1	7-012425B	Greenfield Savings Bank		01/24/2025	245,000.00	245,573.30	245,000.00	4.150	3.941	3.995	299	01/25/2027
37149CBN6	7-050525A	GENERATIONS BANK		05/05/2025	245,000.00	245,022.05	245,000.00	3.900	3.847	3.900	399	05/05/2027
38150VAV1	7-052522	GOLDMAN SACHS BK USA		05/25/2022	245,000.00	242,829.30	245,000.00	3.100	3.058	3.100	419	05/25/2027
38120MBU9	7-022423D	GOLDEN ST BUS BK		02/24/2023	245,000.00	245,445.90	245,000.00	4.000	3.947	4.002	694	02/24/2028
383052FX0	7-090524	Gorham Savings Bk		09/05/2024	245,000.00	245,075.95	245,000.00	3.950	3.896	3.950	160	09/08/2026
38647PDR1	7-081221	Grandsouth Bank		08/12/2021	245,000.00	242,123.70	245,000.00	0.650	0.641	0.650	133	08/12/2026
39573LDY1	7-051723A	GREENSTATE CU		05/17/2023	245,000.00	245,284.20	245,000.00	4.800	4.739	4.805	47	05/18/2026
06427HBC7	7-013125B	GREENE COUNTY COMMERCIAL BANK		01/31/2025	245,000.00	246,411.20	245,000.00	4.150	4.093	4.150	1,401	01/31/2030
397417AQ9	7-051722	THE GREENWOODS STATE BANK		05/17/2022	245,000.00	242,728.85	245,000.00	3.050	3.010	3.052	411	05/17/2027
39269PAB4	7-011422	Green Belt Bank & Trust		01/14/2022	245,000.00	239,754.55	245,000.00	1.100	1.086	1.101	288	01/14/2027
38731MAA5	7-083123D	Granite Federal Credit Union		08/31/2023	245,000.00	248,584.35	245,000.00	4.950	4.886	4.953	517	08/31/2027
39729LAF8	7-060123A	Greenwood Municipal FCU		06/01/2023	245,000.00	248,420.20	245,000.00	4.500	4.442	4.503	426	06/01/2027
397129AF4	7-100821	Greenwood FCU		10/08/2021	245,000.00	241,057.95	245,000.00	0.750	0.740	0.750	190	10/08/2026
366526BA8	7-012722A	The Garrett State Bk		01/27/2022	245,000.00	239,808.45	245,000.00	1.250	1.234	1.251	301	01/27/2027
401081EV2	7-011224B	GUARANTY BANK SPRINGFIELD		01/12/2024	245,000.00	245,004.90	245,000.00	3.900	3.849	3.903	651	01/12/2028
36759UAL4	7-071321	Gateway Bk		07/13/2021	245,000.00	242,748.45	245,000.00	0.650	0.641	0.650	103	07/13/2026
39103QBB1	7-012324A	Great North BK		01/23/2024	245,000.00	245,343.00	245,000.00	4.000	3.945	4.000	299	01/25/2027
36758PDP4	7-082024A	Gateway Bank F.S.B.		08/20/2024	245,000.00	245,095.55	245,000.00	3.900	3.853	3.906	321	02/16/2027
40219MBD5	7-032626	GULF CAPITAL BANK		03/26/2026	245,000.00	243,797.05	245,000.00	3.650	2.905	2.945	726	03/27/2028
402194GQ1	7-102925A	GULF COAST B&TC		10/29/2025	245,000.00	240,670.85	245,000.00	3.600	3.551	3.600	1,672	10/29/2030

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
404730FA6	7-051624	HADDON SAVING BANK		05/16/2024	245,000.00	245,286.65	245,000.00	4.850	4.784	4.851	44	05/15/2026
410493FR6	7-100924A	HANMI BANKK		10/09/2024	245,000.00	243,745.60	245,000.00	3.550	3.502	3.550	559	10/12/2027
41138NAB4	7-083123C	HAPO Community Credit Union		08/31/2023	245,000.00	247,381.40	245,000.00	5.000	4.931	4.999	331	02/26/2027
412022EN1	7-022726A	Hardin County Sav Bank		02/27/2026	245,000.00	241,381.35	245,000.00	3.500	3.450	3.498	1,244	08/27/2029
42228LAH4	7-092122A	HEALTHCARE SYSTEMS FEDERAL CU		09/21/2022	245,000.00	244,664.35	245,000.00	3.600	3.553	3.602	173	09/21/2026
425246BU8	7-112823B	Henderson State Bank		11/28/2023	245,000.00	245,257.25	245,000.00	5.000	4.929	4.998	37	05/08/2026
42723LAM3	7-051524	HERITAGE COMMUNITY BANK		05/15/2024	245,000.00	247,298.10	245,000.00	4.750	4.686	4.751	408	05/14/2027
42728MAC8	7-111523	Heritage Community CU		11/15/2023	245,000.00	253,053.15	245,000.00	5.250	5.183	5.255	959	11/15/2028
419700AG4	7-102723C	Hawaii Central FCU		10/27/2023	245,000.00	247,239.30	245,000.00	5.500	5.430	5.505	209	10/27/2026
42869GAB2	7-020124A	Hickam		02/01/2024	245,000.00	246,323.00	245,000.00	4.150	4.095	4.152	670	01/31/2028
429882GE7	7-062323	HIGHLAND BK		06/23/2023	245,000.00	246,487.15	245,000.00	4.400	4.343	4.403	448	06/23/2027
43739PAR3	7-072624B	HOME FED SAVINGS BANK		07/26/2024	245,000.00	245,502.25	245,000.00	4.550	4.322	4.382	117	07/27/2026
434207AB2	7-102825	HODGE BK & TR COMPANY		10/28/2025	245,000.00	243,706.40	245,000.00	3.550	3.501	3.550	575	10/28/2027
43742UAF3	7-112924	Homeland		11/29/2024	245,000.00	246,386.70	245,000.00	4.250	4.191	4.250	607	11/29/2027
43942MAB8	7-080924B	HOPE Credit Union		08/09/2024	245,000.00	245,548.80	245,000.00	4.500	4.274	4.333	131	08/10/2026
42237HAH2	7-102921	Heartland Bank		10/29/2021	245,000.00	240,788.45	245,000.00	0.850	0.838	0.850	211	10/29/2026
42721ABK2	7-110323	Heritage Bank of the Ozarks		11/03/2023	245,000.00	251,156.85	245,000.00	4.950	4.887	4.955	947	11/03/2028
428548CC3	7-102824	HIAWATHA NTL BANK		10/28/2024	245,000.00	245,200.90	245,000.00	3.750	3.699	3.750	575	10/28/2027
451245AP9	7-051923A	IDAHO FIRST BK		05/19/2023	245,000.00	245,147.00	245,000.00	4.400	4.344	4.405	48	05/19/2026
45157PBB5	7-082124A	IDEAL Credit Union		08/21/2024	245,000.00	245,365.05	245,000.00	4.000	3.945	4.000	506	08/20/2027
44963KAJ7	7-031726	I.H.Mississippi Valley Credit U		03/17/2026	245,000.00	243,461.40	245,000.00	3.650	3.502	3.551	901	09/18/2028
45332VDY6	7-122925	IN BANK		12/29/2025	245,000.00	243,740.70	245,000.00	3.600	3.551	3.600	637	12/29/2027
45776NGU4	7-010725	INS BANK		01/07/2025	245,000.00	245,058.80	245,000.00	3.900	3.846	3.900	281	01/07/2027
45780PCF0	7-082324A	Institution for SVG in Newbury		08/23/2024	245,000.00	244,519.80	245,000.00	3.750	3.699	3.750	509	08/23/2027
45822TAW7	7-081924	Integrity Bank & Trust		08/19/2024	245,000.00	244,360.55	245,000.00	3.700	3.649	3.700	505	08/19/2027
45906AEU7	7-123025	INTERNATIONAL BANK OF CHI		12/30/2025	245,000.00	243,093.90	245,000.00	3.550	3.503	3.552	821	06/30/2028
46117YAM0	7-052925	Intracoastal Bank		05/29/2025	245,000.00	245,311.15	245,000.00	4.000	3.945	4.000	422	05/28/2027
46091MBP8	7-082824B	Investar Bank NA		08/28/2024	245,000.00	245,000.00	245,000.00	3.900	3.847	3.900	149	08/28/2026
46256YBZ1	7-071825	Iowa Ste Bank		07/18/2025	245,000.00	243,417.30	245,000.00	3.750	3.701	3.753	1,204	07/18/2029
46355PDQ8	7-091823	Iroquois FS&LA		09/18/2023	245,000.00	247,824.85	245,000.00	4.700	4.639	4.703	534	09/17/2027
465076UP0	7-061224A	ISRAEL DISCOUNT OF BANK OF NY		06/12/2024	245,000.00	245,492.45	245,000.00	5.050	4.981	5.050	72	06/12/2026
46256VAN5	7-032024A	Iowa State Bank/Hull IA		03/20/2024	245,000.00	246,536.15	245,000.00	4.550	4.488	4.550	352	03/19/2027
472207AE9	7-093022A	JEANNE D'ARC CU		09/30/2022	245,000.00	244,659.45	245,000.00	3.800	3.750	3.802	547	09/30/2027
472312AA5	7-062923D	JEEP COUNTRY FCU		06/29/2023	245,000.00	247,398.55	245,000.00	4.700	4.639	4.704	454	06/29/2027
47804GLM3	7-092024	John Marshall Bk		09/20/2024	245,000.00	244,745.20	245,000.00	3.800	3.742	3.794	355	03/22/2027

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
48115LAK0	7-113023A	Jovia Financial Credit Union		11/30/2023	245,000.00	250,132.75	245,000.00	5.200	5.132	5.203	608	11/30/2027
485836GJ3	7-050824	Katahdin Trust Company		05/08/2024	245,000.00	246,359.75	245,000.00	4.800	4.742	4.808	219	11/06/2026
48836LCL4	7-072425	KEMBRA Financial Credit Union		07/24/2025	245,000.00	245,492.45	245,000.00	4.050	3.995	4.051	481	07/26/2027
493338AA5	7-050523	Keysavings Bank		05/05/2023	245,000.00	245,173.95	245,000.00	4.000	3.953	4.008	218	11/05/2026
499724AQ5	7-092123	Knoxville TVA Employees CU		09/21/2023	245,000.00	246,609.65	245,000.00	5.300	5.232	5.305	173	09/21/2026
50007DAF6	7-082823A	Koda Bank		08/28/2023	245,000.00	246,695.40	245,000.00	4.650	4.595	4.659	331	02/26/2027
48266PDT6	7-103125A	KS BK INC		10/31/2025	245,000.00	240,180.85	245,000.00	3.550	3.501	3.550	1,674	10/31/2030
50625LBU6	7-121323A	Lafayette Federal Credit Union		12/13/2023	245,000.00	245,543.90	245,000.00	4.950	4.885	4.953	75	06/15/2026
50500LAB9	7-110323A	La Salle State Bank		11/03/2023	245,000.00	246,737.05	245,000.00	5.100	5.035	5.105	216	11/03/2026
501798RX2	7-030422	LCA Bk Corporation		03/04/2022	245,000.00	240,438.10	245,000.00	1.850	1.825	1.850	337	03/04/2027
523744BA7	7-081324	Lea County State Bank		08/13/2024	245,000.00	245,671.30	245,000.00	4.100	4.050	4.107	499	08/13/2027
52171MAG0	7-033023	LEADERS CU		03/30/2023	245,000.00	250,218.50	245,000.00	5.000	4.937	5.006	729	03/30/2028
52470QBV5	7-092322	LEGACY BANK & TRUST CO		09/23/2022	245,000.00	243,610.85	245,000.00	3.500	3.454	3.502	540	09/23/2027
52603NBK6	7-091024A	LendingClub Bank N.A.		09/10/2024	245,000.00	245,024.50	245,000.00	4.000	3.945	4.000	161	09/09/2026
52465JJY4	7-101623	Legends Bk		10/16/2023	245,000.00	248,290.35	245,000.00	4.800	4.738	4.803	560	10/13/2027
53724CAU1	7-032125	Little Horn State Bank		03/21/2025	245,000.00	245,320.95	245,000.00	4.050	3.226	3.270	355	03/22/2027
531194BA5	7-082924	Liberty Savings Bank F.S.B.		08/29/2024	245,000.00	245,026.95	245,000.00	3.900	3.842	3.895	152	08/31/2026
530520AB1	7-011723	Liberty First Credit Union		01/17/2023	245,000.00	247,136.40	245,000.00	4.400	4.342	4.402	656	01/17/2028
534732CZ3	7-061625	Lincoln Savns Bank		06/16/2025	245,000.00	245,311.15	245,000.00	4.000	3.945	4.000	441	06/16/2027
51210SSU2	7-010923	Lakeside BK		01/09/2023	245,000.00	245,178.85	245,000.00	3.950	3.898	3.953	285	01/11/2027
538037AT9	7-013026C	Live Oak Banking Co		01/30/2026	245,000.00	244,162.10	245,000.00	3.700	3.649	3.700	667	01/28/2028
178808AA9	7-072325B	Local Government FCU		07/23/2025	245,000.00	245,847.70	245,000.00	4.150	4.096	4.153	509	08/23/2027
54342MAB1	7-072123D	LOOKOUT FCU		07/21/2023	245,000.00	245,806.05	245,000.00	5.000	4.937	5.005	111	07/21/2026
549104L62	7-082725	Luana Saving Bk		08/27/2025	245,000.00	244,093.50	245,000.00	3.650	3.112	3.155	880	08/28/2028
550032AS5	7-030725	LUMBEE GUARANTY BANK		03/07/2025	245,000.00	245,654.15	245,000.00	4.200	4.144	4.201	338	03/05/2027
55026MAE5	7-091522A	Luminate Bank		09/15/2022	245,000.00	243,287.45	245,000.00	3.400	3.355	3.402	532	09/15/2027
54889MAG9	7-032825	Loyal Trst Bank		03/28/2025	245,000.00	245,205.80	245,000.00	4.000	3.185	3.230	362	03/29/2027
55316CDP8	7-062725B	M1 Bk		06/27/2025	245,000.00	245,475.30	245,000.00	4.050	3.226	3.270	453	06/28/2027
55977RBXO	7-061423	Magyar Bank		06/14/2023	245,000.00	245,330.75	245,000.00	4.550	3.887	3.941	75	06/15/2026
56065GCZ9	7-022426	Mains Bank		02/24/2026	245,000.00	243,654.95	245,000.00	3.600	3.550	3.600	694	02/24/2028
560390BW5	7-081723	MAINE COMM BK		08/17/2023	245,000.00	246,822.80	245,000.00	4.450	4.392	4.453	503	08/17/2027
560507AQ8	7-072123A	MAINE SAV FCU		07/21/2023	245,000.00	249,772.60	245,000.00	4.800	4.740	4.806	842	07/21/2028
561764AB7	7-032125A	Manasquan Bank		03/21/2025	245,000.00	245,458.15	245,000.00	4.000	3.949	4.004	720	03/21/2028
56511PBV9	7-050925	MAPLE CITY SAVINGS BANK		05/09/2025	245,000.00	244,225.80	245,000.00	3.750	3.700	3.752	769	05/09/2028
564759RS9	7-012023A	MANUF & TRADERS TRUST CO		01/20/2023	245,000.00	245,235.20	245,000.00	4.000	3.945	4.000	294	01/20/2027

Portfolio PTS
CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
56064CBV9	7-020923A	Mainstreet Community Bank of F		02/09/2023	245,000.00	248,486.35	245,000.00	3.700	3.651	3.702	679	02/09/2028
583626AV8	7-071224	MECHANICS CO BANK		07/12/2024	245,000.00	245,558.60	245,000.00	4.700	3.748	3.800	103	07/13/2026
58404DVG3	7-062124	MEDALLION BANKK		06/21/2024	245,000.00	247,503.90	245,000.00	4.750	4.685	4.750	446	06/21/2027
58853LDC0	7-102723B	Merchants Commercial Bank		10/27/2023	245,000.00	246,617.00	245,000.00	5.050	4.986	5.055	209	10/27/2026
58958PRK2	7-021326A	MeridianBank		02/13/2026	245,000.00	244,140.05	245,000.00	3.700	3.513	3.561	684	02/14/2028
59013KR32	7-093024A	Merrick Bank		09/30/2024	245,000.00	243,948.95	245,000.00	3.600	3.550	3.600	547	09/30/2027
589227AM9	7-082824	Merchant State Bank		08/28/2024	245,000.00	245,093.10	245,000.00	4.000	3.945	4.000	149	08/28/2026
617504AF2	7-032224B	Morgantown B&TC Incorporated		03/22/2024	245,000.00	246,416.10	245,000.00	4.150	4.096	4.153	1,086	03/22/2029
59319LBA2	7-071624	MI BANK		07/16/2024	245,000.00	245,521.85	245,000.00	4.650	4.587	4.650	106	07/16/2026
59522NAX2	7-120825	MID AMERICANN		12/08/2025	245,000.00	244,220.90	245,000.00	3.750	3.697	3.748	786	05/26/2028
59828PDB3	7-103125	MIDWEST BK		10/31/2025	245,000.00	242,456.90	245,000.00	3.500	3.455	3.503	944	10/31/2028
59733BAJ1	7-051023C	Middletown Valley BK		05/10/2023	245,000.00	246,347.50	245,000.00	4.400	4.343	4.404	404	05/10/2027
59741QAB8	7-072823	MID-FLORIDA CU		07/28/2023	245,000.00	245,899.15	245,000.00	5.050	4.986	5.055	118	07/28/2026
59541KCR6	7-061623A	MID-MISSOURI BK		06/16/2023	245,000.00	246,320.55	245,000.00	4.350	4.294	4.353	441	06/16/2027
59774QNX6	7-072225	Midland States Bnk		07/22/2025	245,000.00	244,877.50	245,000.00	3.750	3.699	3.750	663	01/24/2028
598580AM0	7-030823B	Miffinburg Bank and Trust Com		03/08/2023	245,000.00	246,722.35	245,000.00	4.650	4.590	4.654	341	03/08/2027
59936MAA4	7-092523	Milford B&LA		09/25/2023	245,000.00	248,520.65	245,000.00	4.550	4.488	4.550	908	09/25/2028
60210LAF0	7-062425A	Milton Savings Bank		06/24/2025	245,000.00	245,463.05	245,000.00	4.050	3.995	4.050	449	06/24/2027
60151MBM3	7-021424	The Millyard Bank		02/14/2024	245,000.00	245,068.60	245,000.00	3.950	3.900	3.954	1,050	02/14/2029
60425SKB4	7-050123	Minnwest Bank		05/01/2023	245,000.00	245,935.90	245,000.00	4.250	4.195	4.254	397	05/03/2027
56102ABZ8	7-080825A	MALAGA BANK FSB		08/08/2025	245,000.00	242,932.20	245,000.00	3.800	3.750	3.802	1,590	08/08/2030
56033MAA2	7-052025A	Main Bank		05/20/2025	245,000.00	245,156.80	245,000.00	3.950	3.896	3.950	414	05/20/2027
620476BC4	7-051023	Mound City Bank		05/10/2023	245,000.00	245,117.60	245,000.00	4.400	4.238	4.297	40	05/11/2026
61776NCB7	7-082824A	Morgan Stanley Private Bank N.		08/28/2024	245,000.00	244,605.55	245,000.00	3.850	3.797	3.850	880	08/28/2028
623337AG7	7-101323A	Mount Vernon B&TC		10/13/2023	245,000.00	246,438.15	245,000.00	5.000	4.936	5.005	195	10/13/2026
565402AY0	7-041625	Maplemark Bank		04/16/2025	245,000.00	244,830.95	245,000.00	3.850	3.799	3.852	562	10/15/2027
61690DVF2	7-081424	Morgan Stanley Bank N.A.		08/14/2024	245,000.00	245,031.85	245,000.00	3.950	3.896	3.950	135	08/14/2026
56824JBD5	7-112724	MARINE FEDERAL CREDIT UNION		11/27/2024	245,000.00	245,516.95	245,000.00	4.200	4.142	4.200	240	11/27/2026
56035JAZ2	7-102723A	Main Street Bk		10/27/2023	245,000.00	248,675.00	245,000.00	4.900	4.833	4.900	574	10/27/2027
62424PAJ1	7-072224A	MOUNTAIN PACIFIC BANK		07/22/2024	245,000.00	246,046.15	245,000.00	4.100	4.044	4.100	1,205	07/19/2029
62430JAC2	7-022824A	Mountain Valley Credit Union		02/28/2024	249,000.00	251,405.34	249,000.00	4.300	4.244	4.303	1,064	02/28/2029
585899AG2	7-011924A	Members Trust of the SW FCU		01/19/2024	245,000.00	245,411.60	245,000.00	4.000	3.949	4.004	1,024	01/19/2029
59161YAP1	7-021822	Metro Credit Union		02/18/2022	245,000.00	240,354.80	245,000.00	1.700	1.678	1.701	323	02/18/2027
626757AL2	7-060724A	MURPHY-WALL STATE B&TC		06/07/2024	245,000.00	245,494.90	245,000.00	4.950	4.702	4.768	68	06/08/2026
62847HFE4	7-091725B	MutualOne Bank		09/17/2025	245,000.00	243,902.40	245,000.00	3.600	3.551	3.600	534	09/17/2027

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
62847NEG7	7-013124	MVB BANK INC		01/31/2024	245,000.00	245,801.15	245,000.00	4.250	4.195	4.254	303	01/29/2027
62848NAG0	7-043025	My Community		04/30/2025	245,000.00	245,242.55	245,000.00	3.950	3.803	3.856	761	05/01/2028
63970MAJ4	7-072325	Nabraskaland Bank		07/23/2025	245,000.00	242,971.40	245,000.00	3.800	3.750	3.802	1,574	07/23/2030
656653BN1	7-051525A	NORTH ALABAMA BANK		05/15/2025	245,000.00	245,173.95	245,000.00	3.950	3.896	3.950	411	05/17/2027
63008MCK5	7-013026	Nan Banc		01/30/2026	245,000.00	243,792.15	245,000.00	3.600	2.865	2.904	670	01/31/2028
636248AU0	7-062325	The National Grand Bk of Marbl		06/23/2025	245,000.00	245,460.60	245,000.00	4.000	3.949	4.004	814	06/23/2028
62880LAE8	7-020725A	NBH BANK		02/07/2025	245,000.00	245,688.45	245,000.00	4.200	3.988	4.043	313	02/08/2027
66405SEW6	7-092424	Northeast Bank		09/24/2024	245,000.00	244,595.75	245,000.00	3.850	3.406	3.453	908	09/25/2028
63970BAQ2	7-060923C	Nebraska State Bk		06/09/2023	245,000.00	245,284.20	245,000.00	4.550	4.492	4.554	69	06/09/2026
64017ABA1	7-072623A	NEIGHBORS FCU		07/26/2023	245,000.00	250,882.45	245,000.00	5.000	4.937	5.006	847	07/26/2028
64034KAB7	7-040721	Netnet Bank		04/07/2021	245,000.00	244,845.65	245,000.00	0.700	0.691	0.700	6	04/07/2026
647608AF5	7-063023E	THE NEW ORLEANS FIREMENS FC		06/30/2023	245,000.00	247,403.45	245,000.00	4.700	4.639	4.704	455	06/30/2027
64016YAD5	7-103024	NEIGHBORHOOD NATL BANK		10/30/2024	245,000.00	244,936.30	245,000.00	3.800	3.748	3.800	212	10/30/2026
654062LP1	7-030824B	Nicolet National Banks		03/08/2024	245,000.00	247,087.40	245,000.00	4.250	4.194	4.253	1,072	03/08/2029
666613MK7	7-102023A	Northpointe Bk		10/20/2023	245,000.00	250,492.90	245,000.00	4.850	4.789	4.855	933	10/20/2028
648015AD7	7-062025A	New Peoples Bank Inc.		06/20/2025	245,000.00	245,325.85	245,000.00	4.000	3.185	3.230	446	06/21/2027
66612AJH2	7-012325	North Field Bank		01/23/2025	245,000.00	246,060.85	245,000.00	4.100	4.046	4.102	1,027	01/22/2029
634116CZ8	7-093021	National Bank of New York City		09/30/2021	245,000.00	241,050.60	245,000.00	0.650	0.641	0.650	182	09/30/2026
633368HB4	7-100824A	NATIONAL BANK OF COMMERCEE		10/08/2024	245,000.00	243,571.65	245,000.00	3.500	3.452	3.500	555	10/08/2027
635573AR9	7-091223A	National Cooperative Bank, N.A		09/12/2023	245,000.00	247,910.60	245,000.00	4.450	4.389	4.450	895	09/12/2028
67054NAW3	7-051322A	NUMERICA CREDIT UNION		05/13/2022	245,000.00	242,883.20	245,000.00	3.100	3.059	3.102	407	05/13/2027
64907LAW3	7-112724A	New Valley Bank & Trust		11/27/2024	245,000.00	246,026.55	245,000.00	4.100	4.046	4.102	1,336	11/27/2029
675225AJ5	7-020426	OCEANAIR		02/04/2026	245,000.00	243,199.25	245,000.00	3.650	3.600	3.650	1,038	02/02/2029
676071AR4	7-060524	ODIN STATE BANK		06/05/2024	245,000.00	245,418.95	245,000.00	4.900	4.833	4.900	65	06/05/2026
67885MAC4	7-082925	Oklahoma Educators CU		08/29/2025	245,000.00	245,213.15	245,000.00	3.950	3.891	3.945	516	08/30/2027
679585CE7	7-122923	Old Dominion National Bank		12/29/2023	245,000.00	245,193.55	245,000.00	4.250	4.194	4.253	89	06/29/2026
68002LCJ5	7-012122A	Old Missouri BK		01/21/2022	245,000.00	242,873.40	245,000.00	1.050	1.035	1.050	111	07/21/2026
68148BAD7	7-011824A	Olympia Savings & Loan		01/18/2024	245,000.00	245,340.55	245,000.00	4.000	3.413	3.461	293	01/19/2027
682325AU9	7-111821	One Community Bank		11/18/2021	245,000.00	242,180.05	245,000.00	0.850	0.838	0.850	139	08/18/2026
68283MAP1	7-073123	ONPATH FCU		07/31/2023	245,000.00	250,118.05	245,000.00	4.850	4.789	4.855	852	07/31/2028
68405VAN9	7-091323	Optum Bank Inc.		09/13/2023	245,000.00	248,479.00	245,000.00	4.550	4.488	4.550	896	09/13/2028
68405NAD9	7-052224	OPTUS BANK		05/22/2024	245,000.00	246,673.35	245,000.00	4.500	4.438	4.500	418	05/24/2027
68584JBN8	7-012826	Oregon Community		01/28/2026	245,000.00	243,468.75	245,000.00	3.700	3.562	3.611	1,034	01/29/2029
67121MAA2	7-112825	ORNL		11/28/2025	245,000.00	244,443.85	245,000.00	3.750	3.560	3.610	607	11/29/2027
68621KCX7	7-082624	Oriental Bank		08/26/2024	245,000.00	245,090.65	245,000.00	4.000	3.945	4.000	147	08/26/2026

Portfolio PTS
CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
67114TAX6	7-062424	OSB COMMUNITY BANK		06/24/2024	245,000.00	245,575.75	245,000.00	4.950	4.882	4.950	84	06/24/2026
69068AAC5	7-103123	Owen County State Bank		10/31/2023	245,000.00	251,475.35	245,000.00	5.000	4.937	5.005	944	10/31/2028
69265MAB2	7-020426A	OZARKS FS&LA		02/04/2026	245,000.00	243,262.95	245,000.00	3.500	3.452	3.500	674	02/04/2028
69417ADA4	7-081624	Pacific Crest Savings Bk		08/16/2024	245,000.00	244,512.45	245,000.00	3.900	3.849	3.902	1,233	08/16/2029
700168JDO	7-090925A	THE PARK BANK		09/09/2025	245,000.00	244,333.60	245,000.00	3.700	3.649	3.700	526	09/09/2027
70147AFT6	7-012624B	Parkside Finl Bk & Tr Mo		01/26/2024	245,000.00	244,429.15	245,000.00	3.850	3.801	3.854	1,031	01/26/2029
70086VAU5	7-071923A	PARK STATE BK		07/19/2023	245,000.00	251,301.40	245,000.00	4.450	4.394	4.455	840	07/19/2028
70212YBE1	7-022223A	PARTNERS BK OF CA		02/22/2023	245,000.00	244,769.70	245,000.00	3.850	3.797	3.850	692	02/22/2028
70320KBR1	7-013122	Pathfinder Bank		01/31/2022	245,000.00	239,703.10	245,000.00	1.200	1.166	1.182	303	01/29/2027
70337MHH4	7-072423	PATRIOT BK, NA		07/24/2023	245,000.00	245,590.45	245,000.00	4.700	4.636	4.700	114	07/24/2026
710275AC2	7-031723	THE PEOPLES BK CO		03/17/2023	245,000.00	246,876.70	245,000.00	4.700	4.640	4.704	350	03/17/2027
71104AAS2	7-080924	PEOPLES EXCHANGE BANK		08/09/2024	245,000.00	245,825.65	245,000.00	4.150	4.093	4.150	495	08/09/2027
709771AM1	7-022223B	PEOPLE FST BK		02/22/2023	245,000.00	244,774.60	245,000.00	3.850	3.799	3.852	692	02/22/2028
712233AW5	7-012126A	People Savings Bank		01/21/2026	245,000.00	242,505.90	245,000.00	3.450	3.321	3.367	1,027	01/22/2029
712608AA6	7-091523A	Peoplestrust Bank		09/15/2023	245,000.00	245,999.60	245,000.00	4.800	4.739	4.804	167	09/15/2026
712515KW4	7-082224A	Peoples State Bnk Wisc		08/22/2024	245,000.00	245,066.15	245,000.00	3.900	3.852	3.906	324	02/19/2027
71050LBY8	7-072324	PEOPLE BANK		07/23/2024	245,000.00	247,917.95	245,000.00	4.450	3.942	3.996	845	07/24/2028
71032MAC8	7-030524A	Peoples Bank of East Tennessee		03/05/2024	245,000.00	246,484.70	245,000.00	4.550	4.488	4.551	338	03/05/2027
722000AB2	7-081723A	PIMA FCU		08/17/2023	245,000.00	248,628.45	245,000.00	5.000	4.935	5.004	503	08/17/2027
72348MBH3	7-102925B	PINACLE BK		10/29/2025	245,000.00	243,703.95	245,000.00	3.550	3.501	3.550	576	10/29/2027
723451CB4	7-102021	Pinnacle Bk		10/20/2021	245,000.00	240,768.85	245,000.00	0.700	0.690	0.700	202	10/20/2026
723602BT4	7-051525	PIONEER BANK		05/15/2025	245,000.00	243,556.95	245,000.00	3.750	3.701	3.753	1,140	05/15/2029
724468AD5	7-051723B	THE PITNEY BOWES BK INC		05/17/2023	245,000.00	247,430.40	245,000.00	4.400	4.340	4.400	777	05/17/2028
72143HAE9	7-061824	PILGRIM BANKK		06/18/2024	245,000.00	245,585.55	245,000.00	5.050	4.981	5.050	78	06/18/2026
72741LAR7	7-071524A	PLANTERS BANK AND TRUST COMPAN		07/15/2024	245,000.00	245,524.30	245,000.00	4.650	3.704	3.756	103	07/13/2026
726547CQ3	7-012425	Plains St Bank		01/24/2025	245,000.00	245,151.90	245,000.00	3.950	3.751	3.803	299	01/25/2027
72345SLQ2	7-050925A	PINNACLE BANKK		05/09/2025	245,000.00	245,154.35	245,000.00	3.950	3.896	3.951	401	05/07/2027
70962LAE2	7-090121	Pentagon Federal Credit Union		09/01/2021	245,000.00	241,917.90	245,000.00	0.850	0.839	0.850	153	09/01/2026
732329BA4	7-091422	Ponce Bank/Bronx NY		09/14/2022	245,000.00	243,289.90	245,000.00	3.400	3.355	3.402	531	09/14/2027
73317AEQ1	7-111225B	POPULAR BANKK		11/12/2025	245,000.00	243,723.55	245,000.00	3.550	3.501	3.550	590	11/12/2027
73319FDY2	7-061725A	Poppy Bk		06/17/2025	245,000.00	244,919.15	245,000.00	4.000	3.945	4.000	1,538	06/17/2030
74339JCX1	7-061124A	PROGROWTH BANK		06/11/2024	245,000.00	248,508.40	245,000.00	4.800	4.737	4.803	594	11/16/2027
73565MAF2	7-063023	PORTAGE BNK		06/30/2023	245,000.00	245,377.30	245,000.00	4.550	4.492	4.554	90	06/30/2026
73763NAA1	7-051223	Potlatch No 1		05/12/2023	245,000.00	245,191.10	245,000.00	4.650	4.591	4.655	41	05/12/2026
710253BB0	7-051625	Peop Bank		05/16/2025	245,000.00	245,203.35	245,000.00	3.800	3.748	3.800	776	05/16/2028

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
73966LAF9	7-072123C	PRAIRIE SUN BK		07/21/2023	245,000.00	246,607.20	245,000.00	4.700	4.645	4.709	295	01/21/2027
70214UCE6	7-101725	PARTNERS BK OF NEW ENGLAND		10/17/2025	245,000.00	242,481.40	245,000.00	3.500	3.455	3.503	930	10/17/2028
74048CBD3	7-040924	PREMIER COMMUNITY BANK		04/09/2024	245,000.00	245,485.10	245,000.00	4.650	4.585	4.649	99	07/09/2026
74043RAA2	7-091523B	Preferred Credit Union		09/15/2023	245,000.00	248,824.45	245,000.00	5.000	4.935	5.003	532	09/15/2027
74167LAV9	7-062624	PRIME SECURITY BANKK		06/26/2024	245,000.00	245,588.00	245,000.00	4.950	4.882	4.950	86	06/26/2026
70153RNU8	7-082825	Parkway Bank & Trust Co		08/28/2025	245,000.00	245,367.50	245,000.00	4.000	3.945	4.000	516	08/30/2027
74163LBM2	7-102425	PRMEBANK		10/24/2025	245,000.00	243,527.55	245,000.00	3.500	3.323	3.369	572	10/25/2027
747133CP9	7-060625	PYRAMAX BANK FSB		06/06/2025	245,000.00	245,421.40	245,000.00	4.000	3.945	4.000	797	06/06/2028
74348HAP3	7-033125	Promiseone Bk		03/31/2025	245,000.00	245,017.15	245,000.00	3.900	3.850	3.904	730	03/31/2028
74316VFD2	7-072722	PROFINIUM FINANCIAL INC		07/27/2022	245,000.00	244,247.85	245,000.00	2.950	2.912	2.952	117	07/27/2026
730716AF4	7-041223	Point West Credit Union		04/12/2023	245,000.00	245,095.55	245,000.00	5.000	4.275	4.334	12	04/13/2026
74731SCF4	7-021324	Quad City Bank & Trust Company		02/13/2024	245,000.00	245,071.05	245,000.00	3.950	3.900	3.954	1,049	02/13/2029
74909LAB6	7-092322B	QUORUM FEDERAL CREDIT UNION		09/23/2022	245,000.00	244,951.00	245,000.00	3.850	3.801	3.853	175	09/23/2026
760296FW8	7-103023A	Republic Bank & Trust KY		10/30/2023	245,000.00	246,697.85	245,000.00	5.150	5.079	5.150	209	10/27/2026
756558AC6	7-101323B	Red Crown FCU		10/13/2023	245,000.00	251,931.05	245,000.00	5.100	5.036	5.106	926	10/13/2028
75942DAZ7	7-071025	RELIABANK DAKOTAA		07/10/2025	245,000.00	245,173.95	245,000.00	3.950	3.896	3.950	467	07/12/2027
72347BAN6	7-060325	REGIONS BANK		06/03/2025	245,000.00	245,262.15	245,000.00	4.000	3.945	4.000	428	06/03/2027
749622AS5	7-092321	RIA Federal Credit Union		09/23/2021	245,000.00	241,244.15	245,000.00	0.650	0.641	0.650	175	09/23/2026
765667AEO	7-053024C	THE RIDDELL NATIONAL BANK		05/30/2024	245,000.00	247,261.35	245,000.00	4.700	4.636	4.701	426	06/01/2027
76857RCS1	7-111825A	RIVERBANK		11/18/2025	245,000.00	243,446.70	245,000.00	3.550	3.504	3.553	688	02/18/2028
76883EAP6	7-112625A	RIVERS EDGE BANK		11/26/2025	245,000.00	242,368.70	245,000.00	3.500	3.369	3.416	971	11/27/2028
76881MAB1	7-101323	Riverland Federal Credit Union		10/13/2023	245,000.00	249,020.45	245,000.00	5.000	4.935	5.004	560	10/13/2027
77357DAB4	7-113023D	Rockland		11/30/2023	245,000.00	251,617.45	245,000.00	5.000	4.936	5.005	974	11/30/2028
76870LAD2	7-061223	Riverfront Federal Credit Unio		06/12/2023	245,000.00	245,465.50	245,000.00	4.900	4.838	4.905	72	06/12/2026
795451EA7	7-082625	Sallie M Bank		08/26/2025	245,000.00	244,666.80	245,000.00	3.850	3.278	3.324	866	08/14/2028
80004JAE6	7-102524	SANDIA AREA FCU		10/25/2024	245,000.00	245,014.70	245,000.00	3.900	3.847	3.900	572	10/25/2027
802867AB7	7-121725	SANTEE COOPER CREDIT UNION		12/17/2025	245,000.00	243,995.50	245,000.00	3.650	3.600	3.650	625	12/17/2027
804767AB7	7-050323	Savannah Bank NA/NY		05/03/2023	245,000.00	245,953.05	245,000.00	4.100	4.049	4.105	763	05/03/2028
804375DV2	7-073021A	Sauk Valley Bank & Trust		07/30/2021	245,000.00	242,380.95	245,000.00	0.650	0.641	0.650	120	07/30/2026
805508CE6	7-052924	SAWYER SAVING BANK		05/29/2024	245,000.00	247,099.65	245,000.00	4.650	4.583	4.646	422	05/28/2027
856285K91	7-032322	State Bk of India- NY		03/23/2022	245,000.00	240,523.85	245,000.00	2.000	1.973	2.000	356	03/23/2027
84229QAA9	7-021424A	Southern Bank of Tennessee		02/14/2024	245,000.00	245,806.05	245,000.00	4.250	4.195	4.253	321	02/16/2027
84614AAN9	7-022025	Space Coast CU		02/20/2025	245,000.00	245,815.85	245,000.00	4.250	4.190	4.249	327	02/22/2027
78413RAD9	7-100423A	SCE Federal Credit Union		10/04/2023	245,000.00	246,746.85	245,000.00	5.300	5.106	5.177	187	10/05/2026
80832MAA5	7-072723A	SCHUYLER SAVINGS BK		07/27/2023	245,000.00	247,332.40	245,000.00	4.350	4.290	4.350	848	07/27/2028

Portfolio PTS

CP

PM (PRF_PM2) 7.3.11

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
81258MAB6	7-012326B	Seattle Metro Credit Union		01/23/2026	245,000.00	241,258.85	245,000.00	3.550	3.501	3.550	1,393	01/23/2030
81407SBJS	7-112823A	Security Bk		11/28/2023	245,000.00	247,131.50	245,000.00	4.850	4.790	4.857	331	02/26/2027
814010DT8	7-072525A	Security Bank and Trust		07/25/2025	245,000.00	243,451.60	245,000.00	3.850	3.797	3.850	1,576	07/25/2030
81501JAE2	7-053123	SECURITY ST BK OF WARROAD		05/31/2023	245,000.00	250,894.70	245,000.00	4.300	4.246	4.305	791	05/31/2028
81423LDB5	7-050423	Security Federal Bank		05/04/2023	245,000.00	245,102.90	245,000.00	4.450	4.394	4.455	33	05/04/2026
81424TBC7	7-073124A	SECURITY FINANCIAL BANK		07/31/2024	245,000.00	245,384.65	245,000.00	4.350	4.290	4.350	121	07/31/2026
81425PBL4	7-102523	Security First Bk		10/25/2023	245,000.00	246,585.15	245,000.00	5.000	4.275	4.335	208	10/26/2026
814898BS0	7-101124	SECURITY STATE BANKK		10/11/2024	245,000.00	244,759.90	245,000.00	3.700	3.649	3.700	195	10/13/2026
81632NBB0	7-052623B	SELF-HELP		05/26/2023	244,000.00	244,946.72	244,000.00	4.100	4.049	4.105	786	05/26/2028
818921AA6	7-031324	THE SEYMOUR BANK		03/13/2024	245,000.00	245,977.55	245,000.00	4.100	4.044	4.100	1,072	03/08/2029
82669LLC5	7-012225	Signature Bk of Arkansas		01/22/2025	245,000.00	245,249.90	245,000.00	4.000	3.945	4.000	296	01/22/2027
82671DAA5	7-102722	SIGNATURE FCU		10/27/2022	245,000.00	245,992.25	245,000.00	4.600	4.540	4.603	209	10/27/2026
83086XAG5	7-101725B	SKYLA FEDERAL CU (PARSONS FCU)		10/17/2025	245,000.00	244,333.60	245,000.00	3.750	3.704	3.756	687	02/17/2028
835104CY4	7-041725	Somerset Trst Company		04/17/2025	245,000.00	242,946.90	245,000.00	3.650	3.650	3.701	1,083	03/19/2029
817178AF3	7-082823B	Seneca Savings		08/28/2023	245,000.00	247,981.65	245,000.00	4.400	4.345	4.405	880	08/28/2028
87165FH98	7-032522A	Synchrony Bk		03/25/2022	245,000.00	240,849.70	245,000.00	2.150	2.121	2.150	358	03/25/2027
83418NAG6	7-062323C	SOLARITY		06/23/2023	245,000.00	245,622.30	245,000.00	5.050	4.986	5.055	83	06/23/2026
83088XAC2	7-110421	SkyOne Federal Credit Union		11/04/2021	245,000.00	240,910.95	245,000.00	1.000	0.986	1.000	217	11/04/2026
84223QAV9	7-100423	Southern Bancorp Bank		10/04/2023	245,000.00	248,660.30	245,000.00	4.550	4.493	4.555	917	10/04/2028
84287PHU9	7-052623	SOUTHERN FIRST BK		05/26/2023	245,000.00	246,180.90	245,000.00	4.600	4.452	4.514	240	11/27/2026
848608EW1	7-102023	Spiritbank		10/20/2023	245,000.00	252,673.40	245,000.00	4.800	4.739	4.805	933	10/20/2028
849430BX0	7-083123	SPRING BNK		08/31/2023	245,000.00	250,600.70	245,000.00	4.250	4.196	4.254	883	08/31/2028
851363AB7	7-082124C	Springfield State Bank		08/21/2024	245,000.00	245,132.30	245,000.00	4.050	3.995	4.050	142	08/21/2026
78474UAA4	7-112223A	SP Trainmen FCU		11/22/2023	245,000.00	246,710.10	245,000.00	5.150	5.081	5.152	204	10/22/2026
85214EAA0	7-031524C	SPUR SECURITY BANK		03/15/2024	245,000.00	246,653.75	245,000.00	4.200	4.142	4.200	1,076	03/12/2029
856487BS1	7-073125	State Bk of Reeseville		07/31/2025	245,000.00	245,071.05	245,000.00	3.900	3.992	4.047	485	07/30/2027
85508VAG4	7-091323A	Star Bank		09/13/2023	245,000.00	246,815.45	245,000.00	4.450	4.389	4.450	530	09/13/2027
856049AK7	7-061825A	State Bank of Bellingham		06/18/2025	245,000.00	245,485.10	245,000.00	4.000	3.799	3.851	811	06/20/2028
856412BB6	7-051724	State Bank of Newburg		05/17/2024	245,000.00	248,589.25	245,000.00	4.450	4.392	4.453	1,142	05/17/2029
855877BB1	7-112625	STATE BK & TRUST/MINFLD		11/26/2025	245,000.00	241,469.55	245,000.00	3.550	3.501	3.550	1,335	11/26/2029
85678LAA3	7-052224A	STATE EMPLOYEES		05/22/2024	245,000.00	247,494.10	245,000.00	4.800	4.735	4.801	418	05/24/2027
857894P78	7-071224A	STEARNS BANK		07/12/2024	245,000.00	245,558.60	245,000.00	4.700	3.748	3.800	103	07/13/2026
84133PFD5	7-061721	SouthEast Bank		06/17/2021	245,000.00	243,275.20	245,000.00	0.600	0.592	0.600	77	06/17/2026
84229LBM3	7-030823	Southern Bk		03/08/2023	245,000.00	246,413.65	245,000.00	4.200	4.147	4.205	707	03/08/2028
843879EC7	7-050923	Southern States Bk		05/09/2023	245,000.00	245,147.00	245,000.00	4.500	4.443	4.505	40	05/11/2026

Portfolio PTS

CP

PM (PRF_PM2) 7.3.11

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
84464PCA3	7-032825A	Southpoint Bnk		03/28/2025	245,000.00	245,328.30	245,000.00	4.050	3.846	3.900	362	03/29/2027
85231WAW1	7-063023C	ST LOUIS BK		06/30/2023	245,000.00	252,038.85	245,000.00	4.450	4.394	4.455	821	06/30/2028
791125AE7	7-022324A	Saint Lawrence Federal CU		02/23/2024	245,000.00	245,668.85	245,000.00	4.050	3.997	4.052	693	02/23/2028
843355BS6	7-111423	Southern Michigan Bk & Trust		11/14/2023	245,000.00	246,073.10	245,000.00	5.100	5.031	5.101	135	08/14/2026
861821BC9	7-073123B	STONEHAMBANK		07/31/2023	245,000.00	245,705.60	245,000.00	4.750	4.689	4.755	121	07/31/2026
864088GH6	7-032624B	Sturgis Bank & Trust Co		03/26/2024	245,000.00	245,970.20	245,000.00	4.300	4.242	4.301	359	03/26/2027
86368LAY4	7-112125	STRYV BANK		11/21/2025	245,000.00	239,029.35	245,000.00	3.450	3.404	3.452	1,695	11/21/2030
85279AAC6	7-061623	ST VINCENTS MC FCU		06/16/2023	245,000.00	247,043.30	245,000.00	4.600	4.540	4.604	441	06/16/2027
86513LAA0	7-092921	Sullivan Bank		09/29/2021	245,000.00	241,587.15	245,000.00	0.750	0.740	0.750	181	09/29/2026
86616RAH8	7-082823	Summit National Bk		08/28/2023	245,000.00	247,981.65	245,000.00	4.450	4.394	4.455	880	08/28/2028
86804DDG0	7-093024	Sunwest Bank		09/30/2024	245,000.00	241,680.25	245,000.00	3.550	3.503	3.552	1,276	09/28/2029
87227MAF2	7-013125A	TC Federal Bank		01/31/2025	245,000.00	245,602.70	245,000.00	4.100	3.892	3.946	303	01/29/2027
88054RBZ2	7-020924	Tennessee State Bank		02/09/2024	245,000.00	245,551.25	245,000.00	4.150	4.093	4.150	314	02/09/2027
88172TCE1	7-081624A	TEXANA Bank National Associati		08/16/2024	245,000.00	245,254.80	245,000.00	4.150	3.941	3.996	138	08/17/2026
30916PAA2	7-101723	The Farmers Bank of Appomattox		10/17/2023	245,000.00	251,029.45	245,000.00	4.850	4.789	4.855	930	10/17/2028
32110PAH7	7-021826	The First NB of Hebronville		02/18/2026	245,000.00	243,890.15	245,000.00	3.650	3.600	3.649	688	02/18/2028
33648PCV3	7-061725	The 1st State Bank		06/17/2025	245,000.00	245,311.15	245,000.00	3.950	3.896	3.950	442	06/17/2027
063046AQ9	7-052821	THE BANK OF KREMLIN		05/28/2021	245,000.00	243,711.30	245,000.00	0.600	0.592	0.600	57	05/28/2026
32109RAC7	7-091124A	The First NB of Williamson		09/11/2024	245,000.00	245,004.90	245,000.00	3.900	3.846	3.900	163	09/11/2026
856188CB1	7-063023D	THE STATE BK		06/30/2023	245,000.00	245,467.95	245,000.00	4.700	4.640	4.705	90	06/30/2026
856786AS7	7-042823A	THE STATE EXCHANGE BK		04/28/2023	245,000.00	245,945.70	245,000.00	4.250	4.195	4.253	392	04/28/2027
88423MAA3	7-073123A	THIRD COAST BK SSB		07/31/2023	245,000.00	245,708.05	245,000.00	4.750	4.689	4.755	121	07/31/2026
88709RBG3	7-061224	TIMBERLAND BANK		06/12/2024	245,000.00	245,490.00	245,000.00	4.950	4.882	4.950	72	06/12/2026
872308HF1	7-052325	TCM Bank National Assoc		05/23/2025	245,000.00	245,308.70	245,000.00	4.000	3.945	4.000	415	05/21/2027
61429DAD8	7-110623A	The Monticello Banking Company		11/06/2023	245,000.00	246,881.60	245,000.00	5.200	5.129	5.200	219	11/06/2026
633398AB8	7-091323B	The National Bank of Coxsackie		09/13/2023	245,000.00	247,775.85	245,000.00	4.700	4.639	4.703	530	09/13/2027
662228CV3	7-063023F	THE NORTH SALEM ST BK		06/30/2023	245,000.00	245,436.10	245,000.00	4.650	4.591	4.654	90	06/30/2026
89818JAB9	7-022324	TruNorthern FCU		02/23/2024	245,000.00	245,891.80	245,000.00	4.100	4.046	4.102	693	02/23/2028
88990AAR5	7-022726	Tompkins Community Bank		02/27/2026	245,000.00	243,895.05	245,000.00	3.650	3.465	3.513	698	02/28/2028
89269MAR1	7-050824A	TRADITIONS BANKK		05/08/2024	245,000.00	245,232.75	245,000.00	4.950	4.882	4.950	37	05/08/2026
89846HDB6	7-071924	TRUXTON TRUST COMPANY		07/19/2024	245,000.00	246,724.80	245,000.00	4.450	4.389	4.450	474	07/19/2027
89579NCM3	7-091223	Triad Bk		09/12/2023	245,000.00	248,302.60	245,000.00	4.500	4.443	4.505	895	09/12/2028
89677DJA5	7-030323	Tristate Capital Bk		03/03/2023	245,000.00	246,259.30	245,000.00	4.200	4.142	4.200	702	03/03/2028
89545TAP6	7-020525	TRI-COUNTY BANK & TRUST COMPAN		02/05/2025	245,000.00	245,556.15	245,000.00	4.150	4.092	4.149	310	02/05/2027
89388CJG4	7-091324A	Transportation Alliance Bank		09/13/2024	245,000.00	245,085.75	245,000.00	3.950	3.751	3.803	166	09/14/2026

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
89835WAB9	7-072525	Trustbank		07/25/2025	245,000.00	244,916.70	245,000.00	3.900	3.850	3.904	846	07/25/2028
89841MBR7	7-092024A	Trustone Financial		09/20/2024	245,000.00	245,200.90	245,000.00	4.050	3.994	4.050	170	09/18/2026
89788RAB7	7-113023C	Trugrocer Federal Credit Union		11/30/2023	245,000.00	251,617.45	245,000.00	5.000	4.936	5.005	974	11/30/2028
89789AAG2	7-031023A	TRULIANT		03/10/2023	245,000.00	247,761.15	245,000.00	4.700	4.643	4.708	527	09/10/2027
89839KAA3	7-112123	Trustar Bank		11/21/2023	245,000.00	247,957.15	245,000.00	4.650	4.507	4.569	600	11/22/2027
89786MAF1	7-020422A	True Sky CU		02/04/2022	245,000.00	240,394.00	245,000.00	1.400	1.381	1.400	309	02/04/2027
89287TAN3	7-012626	Trailwest Bank		01/26/2026	245,000.00	243,757.85	245,000.00	3.600	3.550	3.600	665	01/26/2028
85642NAA2	7-111723	The State Bank of Toledo		11/17/2023	245,000.00	246,974.70	245,000.00	4.900	4.837	4.904	230	11/17/2026
89854LAD5	7-072623	TTCU FCU		07/26/2023	245,000.00	250,882.45	245,000.00	5.000	4.937	5.006	847	07/26/2028
898812AB8	7-080823	Tucson Federal Credit Union		08/08/2023	245,000.00	250,679.10	245,000.00	4.950	4.888	4.956	860	08/08/2028
891743AD8	7-102023B	Tower Community Bank		10/20/2023	245,000.00	250,194.00	245,000.00	4.800	4.739	4.805	933	10/20/2028
88224MAA4	7-030123	Texas Champion Bank		03/01/2023	245,000.00	246,337.70	245,000.00	4.200	4.146	4.203	693	02/23/2028
88241TQG8	7-012523	Texas Exchange Bank		01/25/2023	245,000.00	244,958.35	245,000.00	3.850	3.799	3.852	294	01/20/2027
882212AA1	7-012722B	Texas BK		01/27/2022	245,000.00	239,926.05	245,000.00	1.300	1.282	1.300	301	01/27/2027
88283MCB8	7-080923	Texas Trust Credit Union		08/09/2023	245,000.00	248,579.45	245,000.00	5.000	4.935	5.004	495	08/09/2027
89235MSR3	7-080725	TOYOTA FINANCIAL SAVING BANK		08/07/2025	245,000.00	244,781.95	245,000.00	4.000	3.945	4.000	492	08/06/2027
87752LAG5	7-110723	Taylorsville Savings Bk		11/07/2023	245,000.00	245,284.20	245,000.00	5.250	5.024	5.094	33	05/04/2026
90355GDT0	7-060123	UBS BK USA		06/01/2023	245,000.00	251,093.15	245,000.00	4.450	4.394	4.455	792	06/01/2028
90984FBQ9	7-083123F	United Community BK of West KY		08/31/2023	245,000.00	246,553.30	245,000.00	4.600	4.545	4.608	330	02/25/2027
91334ABH5	7-052025	United Heritage Credit Union		05/20/2025	245,000.00	245,431.20	245,000.00	4.050	3.995	4.050	414	05/20/2027
903572FT7	7-032223	UINTA BK		03/22/2023	245,000.00	247,317.70	245,000.00	4.400	4.345	4.405	721	03/22/2028
90372WAD2	7-092723A	Ukrainian Federal Credit Union		09/27/2023	245,000.00	246,771.35	245,000.00	5.350	5.154	5.226	180	09/28/2026
90385LDN6	7-022723	ULTIMA BK MINNESOTA		02/27/2023	245,000.00	245,470.40	245,000.00	4.000	3.890	3.944	698	02/28/2028
90407LAM5	7-112224	UMASSFIVE College		11/22/2024	245,000.00	245,455.70	245,000.00	4.150	3.941	3.995	236	11/23/2026
910286GH0	7-062323B	UNITED FIDELITY BK FSB		06/23/2023	245,000.00	245,401.80	245,000.00	4.650	4.591	4.655	83	06/23/2026
914098DJ4	7-113022	UNIVERSITY BNK		11/30/2022	245,000.00	246,193.15	245,000.00	4.200	4.144	4.202	608	11/30/2027
914359AQ7	7-092425C	University of Illinois Communi		09/24/2025	245,000.00	244,137.60	245,000.00	3.650	3.600	3.650	541	09/24/2027
91134CCZ2	7-041124	UNITED PRAIRIE BK		04/11/2024	245,000.00	245,340.55	245,000.00	4.650	4.587	4.651	71	06/11/2026
91337VAR5	7-021326B	Universal Bank		02/13/2026	245,000.00	242,922.40	245,000.00	3.750	3.701	3.752	1,414	02/13/2030
909557JL5	7-101521	United Bankers Bk		10/15/2021	245,000.00	240,844.80	245,000.00	0.700	0.691	0.700	197	10/15/2026
90983WCF6	7-111225	UNITED COMMUNITY BANKK		11/12/2025	245,000.00	243,481.00	245,000.00	3.500	3.452	3.500	590	11/12/2027
913109AM6	7-082123	UNITED TR BK		08/21/2023	245,000.00	245,801.15	245,000.00	4.750	4.689	4.755	142	08/21/2026
91139LAB2	7-031122	United Roosevelt Savings Bank		03/11/2022	245,000.00	240,496.90	245,000.00	1.900	1.875	1.901	344	03/11/2027
91330FAP1	7-101123	Unity Bk		10/11/2023	245,000.00	246,430.80	245,000.00	5.000	4.816	4.883	194	10/12/2026
90352RDM4	7-013125	USAAllicance Credit Union		01/31/2025	245,000.00	246,413.65	245,000.00	4.150	4.095	4.152	1,036	01/31/2029

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
90343DCQ9	7-021325	U.S. CENTURY BANK		02/13/2025	245,000.00	245,874.65	245,000.00	4.250	4.192	4.250	317	02/12/2027
90353EAU7	7-102821	USF Federal Credit Union		10/28/2021	245,000.00	240,874.20	245,000.00	0.900	0.888	0.900	210	10/28/2026
90954AAT1	7-110623	UnitedBank		11/06/2023	245,000.00	245,276.85	245,000.00	5.200	5.129	5.200	35	05/06/2026
913065AB4	7-101623A	United Teletech FCU		10/16/2023	245,000.00	251,360.20	245,000.00	5.000	4.937	5.006	929	10/16/2028
91739JAA3	7-071423A	Utah First Federal CU		07/14/2023	245,000.00	252,624.40	245,000.00	4.750	4.690	4.756	835	07/14/2028
92023LBM4	7-031822	Valliance Bk		03/18/2022	245,000.00	239,708.00	245,000.00	1.600	1.579	1.601	351	03/18/2027
919853KM2	7-022124A	Valley Natl Bk Wayne		02/21/2024	245,000.00	246,332.80	245,000.00	4.450	4.079	4.135	327	02/22/2027
92023CAE3	7-032023	VALLEYSTAR CU		03/20/2023	245,000.00	248,934.70	245,000.00	4.750	4.691	4.756	719	03/20/2028
92213MAA9	7-091324	Vantage West		09/13/2024	245,000.00	245,252.35	245,000.00	4.100	3.893	3.947	166	09/14/2026
921303AG8	7-031824A	Van Wert Federal Sav Bk		03/18/2024	245,000.00	246,648.85	245,000.00	4.600	4.538	4.601	351	03/18/2027
92559TAT5	7-102725	VIBRANT CU		10/27/2025	245,000.00	244,081.25	245,000.00	3.650	3.600	3.650	574	10/27/2027
91823MBE4	7-101422A	VCC Bk		10/14/2022	245,000.00	245,470.40	245,000.00	4.250	4.195	4.253	196	10/14/2026
92535LCT9	7-062725	Verus Bank of Comm		06/27/2025	245,000.00	245,340.55	245,000.00	4.000	3.945	4.000	450	06/25/2027
92348DAH2	7-082225A	Veridian Credit Union		08/22/2025	245,000.00	245,426.30	245,000.00	4.000	3.951	4.006	692	02/22/2028
92512KAF0	7-051225	VERSABANK USA NA		05/12/2025	245,000.00	245,144.55	245,000.00	3.900	3.847	3.900	406	05/12/2027
92838DAA4	7-031623	VISIONS FEDERAL CU		03/16/2023	245,000.00	247,102.10	245,000.00	4.800	4.738	4.804	349	03/16/2027
92891KAA2	7-093021A	Vocality Community Credit Unio		09/30/2021	245,000.00	241,579.80	245,000.00	0.800	0.789	0.800	182	09/30/2026
93883MAQ1	7-030824A	Washington Financial Bank		03/08/2024	245,000.00	246,271.55	245,000.00	4.450	4.390	4.451	341	03/08/2027
931254AF3	7-021025	WALDO STATE BANK		02/10/2025	245,000.00	245,989.80	245,000.00	4.200	4.135	4.193	496	08/10/2027
93632MAA0	7-092425A	Warsaw FS & LA		09/24/2025	245,000.00	240,300.90	245,000.00	3.550	3.503	3.552	1,637	09/24/2030
939694AC9	7-071423C	Washington Saving Bk		07/14/2023	245,000.00	252,305.90	245,000.00	4.450	4.389	4.450	835	07/14/2028
93974LAH3	7-100924	WASHINGTON STATE BANK		10/09/2024	245,000.00	244,698.65	245,000.00	3.650	3.600	3.650	191	10/09/2026
96208XAD7	7-062724	WEXFORD COMMUNITY		06/27/2024	245,000.00	247,572.50	245,000.00	4.750	4.571	4.634	453	06/28/2027
94789PCH5	7-083024	Webster Five Cents Saving Bank		08/30/2024	245,000.00	245,017.15	245,000.00	3.900	3.847	3.900	516	08/30/2027
949764PR9	7-061124	WELLS FARGO BANK NAA		06/11/2024	245,000.00	247,876.30	245,000.00	4.900	4.833	4.900	436	06/11/2027
958887AM3	7-012624C	Western Nebraska Bank		01/26/2024	245,000.00	245,347.90	245,000.00	4.050	3.998	4.054	300	01/26/2027
973073AD1	7-050924	WINCHESTER SAVINGS BANK		05/09/2024	245,000.00	245,810.95	245,000.00	4.800	4.584	4.647	131	08/10/2026
975875BS3	7-102325	WINTER HILL BK FSB		10/23/2025	245,000.00	243,718.65	245,000.00	3.550	3.501	3.550	569	10/22/2027
954444BX2	7-012423	WEST MICHIGAN COMMUNITY BANK		01/24/2023	245,000.00	244,573.70	245,000.00	3.800	3.750	3.802	663	01/24/2028
97412MAK5	7-101024	WINGS FINANCIAL		10/10/2024	245,000.00	245,002.45	245,000.00	3.850	3.797	3.850	195	10/13/2026
97968LAB5	7-062824A	WOODLANDS NATIONAL BANK		06/28/2024	245,000.00	247,187.85	245,000.00	4.650	4.586	4.650	453	06/28/2027
979424AC2	7-011123A	Woodford State Bank		01/11/2023	245,000.00	244,583.50	245,000.00	3.800	3.750	3.802	650	01/11/2028
98138MDC1	7-081825	Workers Federal Credit Union		08/18/2025	245,000.00	244,532.05	245,000.00	3.900	3.849	3.903	1,237	08/20/2029
95580RAF5	7-041224	WEST SHORE BANK		04/12/2024	245,000.00	245,984.90	245,000.00	4.550	4.358	4.418	195	10/13/2026
95536KAR9	7-071224B	WEST POINT BANK		07/12/2024	245,000.00	246,830.15	245,000.00	4.500	4.438	4.500	467	07/12/2027

Portfolio PTS

CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Negotiable CD's												
956310CE4	7-070324	WEST TOWN BANK & TRUST		07/03/2024	245,000.00	245,663.95	245,000.00	4.950	4.883	4.951	96	07/06/2026
944300AJ1	7-100825	WAYNEE BANK		10/08/2025	245,000.00	243,147.80	245,000.00	3.600	3.551	3.600	923	10/10/2028
944298BH0	7-090525	WAYNE BANK AND TRUST CO		09/05/2025	245,000.00	244,522.25	245,000.00	3.750	3.699	3.750	524	09/07/2027
94432PAE5	7-011823A	WAYNE COUNTY BANK TN		01/18/2023	245,000.00	245,002.45	245,000.00	3.900	3.848	3.902	657	01/18/2028
Subtotal and Average			172,250,709.68		169,532,000.00	169,710,506.65	169,532,000.00	3.849	3.903		526	
Mid Term Note												
06376JWP2	9-031226	BMO Montreal Chicago		03/12/2026	10,000,000.00	9,883,900.00	10,000,000.00	4.100	4.044	4.100	1,806	03/12/2031
48130KMK0	9-121125	JPMorgan Chase & Co		12/11/2025	10,000,000.00	9,834,300.00	10,000,000.00	4.100	4.044	4.100	1,715	12/11/2030
Subtotal and Average			16,451,612.90		20,000,000.00	19,718,200.00	20,000,000.00	4.044	4.100		1,761	
Federal Agency Issues - Coupon												
3133EN5N6	10-010623	Federal Farm Credit Bank		01/06/2023	10,000,000.00	10,025,600.00	9,995,000.00	4.000	3.956	4.011	645	01/06/2028
3133ENKV1	10-011322	Federal Farm Credit Bank		01/13/2022	10,000,000.00	9,827,500.00	10,000,000.00	1.500	1.479	1.500	287	01/13/2027
3133ET7A9	10-011326	Federal Farm Credit Bank		01/13/2026	20,000,000.00	19,728,200.00	20,000,000.00	3.625	3.575	3.625	1,748	01/13/2031
3133ENNB2	10-020322	Federal Farm Credit Bank		02/03/2022	10,000,000.00	9,827,500.00	10,000,000.00	1.625	1.603	1.625	308	02/03/2027
3133EWCF5	10-020526	Federal Farm Credit Bank		02/05/2026	15,000,000.00	14,882,100.00	15,000,000.00	3.500	3.452	3.500	1,041	02/05/2029
3133ENPB0	10-021622	Federal Farm Credit Bank		02/16/2022	5,000,000.00	4,932,500.00	5,000,000.00	2.180	2.150	2.180	321	02/16/2027
3133EWE8	10-022426	Federal Farm Credit Bank		02/24/2026	10,000,000.00	9,927,700.00	10,000,000.00	3.375	3.329	3.375	694	02/24/2028
3133EP3Z6	10-022824	Federal Farm Credit Bank		02/28/2024	15,000,000.00	15,120,000.00	15,000,000.00	4.375	4.315	4.375	698	02/28/2028
3133EWGC8	10-030626	Federal Farm Credit Bank		03/06/2026	6,000,000.00	5,896,200.00	6,000,000.00	3.500	3.452	3.500	1,619	09/06/2030
3133EPEE1	10-032923	Federal Farm Credit Bank		03/29/2023	10,000,000.00	10,016,000.00	10,000,000.00	4.000	3.945	4.000	362	03/29/2027
3133EP7A7	10-040224	Federal Farm Credit Bank		04/02/2024	13,000,000.00	13,102,180.00	13,000,000.00	4.250	4.192	4.250	915	10/02/2028
3133ENTS9	10-040522	Federal Farm Credit Bank		04/05/2022	5,000,000.00	4,943,700.00	5,004,500.00	2.600	2.545	2.581	369	04/05/2027
3133ERCU3	10-042924A	Federal Farm Credit Bank		04/29/2024	10,000,000.00	10,076,200.00	10,000,000.00	4.750	4.687	4.752	303	01/29/2027
3133ETF80	10-050125	Federal Farm Credit Bank		05/01/2025	10,000,000.00	9,991,200.00	10,095,000.00	4.000	3.738	3.790	1,491	05/01/2030
3133ERDS7	10-050624	Federal Farm Credit Bank		05/06/2024	15,000,000.00	15,172,500.00	15,000,000.00	4.750	4.685	4.750	400	05/06/2027
3133EMZS4	10-051821	Federal Farm Credit Bank		05/18/2021	10,000,000.00	9,962,100.00	10,000,000.00	0.900	0.888	0.900	47	05/18/2026
3133ETHN0	10-052225	Federal Farm Credit Bank		05/22/2025	20,000,000.00	19,952,200.00	19,985,800.00	3.875	3.847	3.900	782	05/22/2028
3133ETJV0	10-053025	Federal Farm Credit Bank		05/30/2025	20,000,000.00	20,024,400.00	20,000,000.00	4.000	3.946	4.001	1,339	11/30/2029
3133EMB92	10-060121	Federal Farm Credit Bank		06/01/2021	5,000,000.00	4,974,700.00	5,000,000.00	0.870	0.858	0.870	61	06/01/2026
3133ERGL9	10-060724	Federal Farm Credit Bank		06/07/2024	15,000,000.00	15,197,700.00	15,000,000.00	4.500	4.438	4.500	798	06/07/2028
3133ETKQ9	10-061025	Federal Farm Credit Bank		06/10/2025	20,000,000.00	20,063,200.00	20,000,000.00	4.000	3.945	4.000	1,531	06/10/2030
3133ETMD6	10-062325	Federal Farm Credit Bank		06/23/2025	5,000,000.00	5,030,200.00	5,000,000.00	4.000	3.946	4.001	1,301	10/23/2029
3133ETME4	10-062325A	Federal Farm Credit Bank		06/23/2025	15,000,000.00	15,047,100.00	15,000,000.00	4.000	3.946	4.001	1,393	01/23/2030

Portfolio PTS

CP

PM (PRF_PM2) 7.3.11

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3133ERHT1	10-062424	Federal Farm Credit Bank		06/24/2024	10,000,000.00	10,005,800.00	10,000,000.00	4.750	4.688	4.753	23	04/24/2026
3133ENZK9	10-062822	Federal Farm Credit Bank		06/28/2022	10,000,000.00	9,927,700.00	10,000,000.00	3.240	3.196	3.240	453	06/28/2027
3133ETPF8	10-070825	Federal Farm Credit Bank		07/08/2025	5,000,000.00	4,976,250.00	4,984,200.00	3.750	3.768	3.820	1,559	07/08/2030
3133ERKX8	10-071224	Federal Farm Credit Bank		07/12/2024	13,000,000.00	13,153,010.00	13,000,000.00	4.250	4.192	4.250	1,198	07/12/2029
3133EPQD0	10-071723	Federal Farm Credit Bank		07/17/2023	15,000,000.00	15,141,600.00	14,992,500.00	4.250	4.203	4.261	838	07/17/2028
3133ENB33	10-071922	Federal Farm Credit Bank		07/19/2022	10,000,000.00	9,907,100.00	10,000,000.00	3.050	3.008	3.050	474	07/19/2027
3133EMV66	10-072721	Federal Farm Credit Bank		07/27/2021	6,000,000.00	5,941,020.00	6,000,000.00	0.680	0.671	0.680	117	07/27/2026
3133ETRX7	10-080125	Federal Farm Credit Bank		08/01/2025	5,000,000.00	5,005,800.00	5,000,000.00	3.875	3.822	3.875	853	08/01/2028
3133ERNP2	10-080624	Federal Farm Credit Bank		08/06/2024	15,000,000.00	15,049,950.00	15,000,000.00	4.000	3.945	4.000	492	08/06/2027
3133ENH45	10-082422	Federal Farm Credit Bank		08/24/2022	8,000,000.00	7,980,080.00	8,000,000.00	3.125	3.082	3.125	145	08/24/2026
3133ENJ50	10-082622	Federal Farm Credit Bank		08/26/2022	5,000,000.00	4,953,900.00	5,000,000.00	3.125	3.082	3.125	512	08/26/2027
3133EPUN3	10-082823	Federal Farm Credit Bank		08/28/2023	15,000,000.00	15,200,100.00	15,000,000.00	4.500	4.438	4.500	880	08/28/2028
3133ETVW4	10-090525	Federal Farm Credit Bank		09/05/2025	10,000,000.00	9,956,000.00	10,000,000.00	3.625	3.575	3.625	888	09/05/2028
3133EM4X7	10-091021	Federal Farm Credit Bank		09/10/2021	10,000,000.00	9,868,700.00	10,000,000.00	0.800	0.789	0.800	162	09/10/2026
3133ENL99	10-091922	Federal Farm Credit Bank		09/19/2022	10,000,000.00	9,943,900.00	9,884,400.00	3.375	3.581	3.630	532	09/15/2027
3133ETYU5	10-092325	Federal Farm Credit Bank		09/23/2025	15,000,000.00	14,731,050.00	14,985,000.00	3.500	3.474	3.522	1,636	09/23/2030
3133EPYM1	10-101323	Federal Farm Credit Bank		10/13/2023	8,000,000.00	8,110,960.00	8,000,000.00	4.750	4.685	4.750	560	10/13/2027
3133ENS50	10-101422	Federal Farm Credit Bank		10/14/2022	10,000,000.00	10,044,600.00	10,000,000.00	4.125	4.068	4.125	561	10/14/2027
3133ENBP4	10-102021	Federal Farm Credit Bank		10/20/2021	5,000,000.00	4,923,050.00	5,000,000.00	1.110	1.095	1.110	202	10/20/2026
3133ENCJ7	10-102721	Federal Farm Credit Bank		10/27/2021	5,000,000.00	4,924,850.00	5,000,000.00	1.160	1.144	1.160	209	10/27/2026
3133EPA47	10-110123	Federal Farm Credit Bank		11/01/2023	15,000,000.00	15,419,400.00	15,000,000.00	4.875	4.808	4.875	945	11/01/2028
3133EPC60	10-111523	Federal Farm Credit Bank		11/15/2023	15,000,000.00	15,191,100.00	15,000,000.00	4.625	4.562	4.625	593	11/15/2027
3133ENEF3	10-111621	Federal Farm Credit Bank		11/16/2021	5,000,000.00	4,919,350.00	5,000,000.00	1.270	1.253	1.270	229	11/16/2026
3133ENEM8	10-112421A	Federal Farm Credit Bank		11/24/2021	5,000,000.00	4,925,900.00	5,000,000.00	1.430	1.410	1.429	236	11/23/2026
3133ETZ83	10-120125	Federal Farm Credit Bank		12/01/2025	10,000,000.00	9,991,600.00	10,000,000.00	3.625	3.575	3.625	244	12/01/2026
3133ENHA1	10-121421	Federal Farm Credit Bank		12/14/2021	10,000,000.00	9,841,500.00	10,000,000.00	1.500	1.479	1.500	257	12/14/2026
3130AQVW9	10-022522	Federal Home Loan Bank		02/25/2022	7,000,000.00	6,892,830.00	7,000,000.00	2.050	2.022	2.050	330	02/25/2027
3130AVRT1	10-042023	Federal Home Loan Bank		04/20/2023	5,000,000.00	5,000,600.00	5,000,000.00	3.800	3.749	3.801	464	07/09/2027
3130AVRU8	10-042023A	Federal Home Loan Bank		04/20/2023	5,000,000.00	5,000,800.00	5,000,000.00	3.800	3.749	3.801	429	06/04/2027
3130ARPR6	10-042922	Federal Home Loan Bank		04/29/2022	10,000,000.00	9,934,000.00	10,000,000.00	3.100	3.058	3.100	393	04/29/2027
3130B62U9	10-042925	Federal Home Loan Bank		04/29/2025	15,000,000.00	14,923,050.00	15,000,000.00	4.120	4.064	4.120	1,307	10/29/2029
3130B1AJ6	10-050124	Federal Home Loan Bank		05/01/2024	10,000,000.00	10,007,800.00	10,000,000.00	5.000	4.932	5.000	30	05/01/2026
3130AMMZ2	10-061021	Federal Home Loan Bank		06/10/2021	5,000,000.00	4,973,500.00	5,000,000.00	1.000	0.986	1.000	70	06/10/2026
3130ANDW7	10-072921	Federal Home Loan Bank		07/29/2021	10,000,000.00	9,905,000.00	10,000,000.00	0.840	0.828	0.840	119	07/29/2026
3130ANQ78	10-082721	Federal Home Loan Bank		08/27/2021	4,500,000.00	4,447,575.00	4,500,000.00	0.900	0.888	0.900	148	08/27/2026

Portfolio PTS
CP

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Investments
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3130AWTR1	10-091423	Federal Home Loan Bank		09/14/2023	10,000,000.00	10,128,700.00	9,975,000.00	4.375	4.369	4.429	891	09/08/2028
3130AP2P9	10-093021	Federal Home Loan Bank		09/30/2021	8,000,000.00	7,887,120.00	8,000,000.00	0.920	0.907	0.920	182	09/30/2026
3130APB46	10-101321	Federal Home Loan Bank		10/13/2021	5,000,000.00	4,924,350.00	4,995,000.00	0.950	0.957	0.971	195	10/13/2026
3130B8KQ4	10-111325	Federal Home Loan Bank		11/13/2025	10,000,000.00	9,887,300.00	10,000,000.00	3.720	3.669	3.720	1,687	11/13/2030
3130APR49	10-112421	Federal Home Loan Bank		11/24/2021	10,000,000.00	9,845,800.00	10,000,000.00	1.400	1.381	1.400	237	11/24/2026
Subtotal and Average			646,073,819.35		638,500,000.00	637,513,375.00	638,396,400.00		3.372	3.419	732	
Money Market												
1-082523M	1-082523M	Bank of the West BMO			50,000,000.00	50,000,000.00	50,000,000.00	2.678	2.641	2.678	1	
1-080123	1-080123	Sun Community Fed Credit Union			4,049,582.01	4,049,582.01	4,049,582.01	3.250	3.205	3.250	1	
Subtotal and Average			54,049,582.01		54,049,582.01	54,049,582.01	54,049,582.01		2.684	2.721	1	
US Bank Sweep												
18-100820	18-100820	U.S. BANK SWEEP		10/08/2020	301,523,360.49	301,523,360.49	301,523,360.49	3.545	3.496	3.545	1	
Subtotal and Average			276,708,110.39		301,523,360.49	301,523,360.49	301,523,360.49		3.496	3.545	1	
Total and Average			1,422,614,974.25		1,383,094,942.50	1,382,005,024.15	1,382,991,342.50		3.505	3.554	428	

IMPERIAL COUNTY TREASURER
Portfolio Management
Portfolio Details - Cash
March 31, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Treasurer's Cash											
SYS17-	17-	Treasurers Cash			61,416,884.56	61,416,884.56	61,416,884.56	0.970	0.957	0.970	1
SYS17-ZBA01VEND	17-ZBA01VEND	Treasurers Cash		07/01/2025	50,000.00	50,000.00	50,000.00		0.000	0.000	1
SYS17-ZBA06VEND	17-ZBA06VEND	Treasurers Cash		07/01/2025	50,000.00	50,000.00	50,000.00		0.000	0.000	1
		Average Balance	0.00								1
Total Cash and Investments			1,422,614,974.25		1,444,611,827.06	1,443,521,908.71	1,444,508,227.06		3.505	3.554	428

IMPERIAL COUNTY TREASURER
Portfolio Management
Activity By Type
March 1, 2026 through March 31, 2026

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
LAIF / CAMP / ZBA (Monthly Summary)								
Subtotal			194,000,000.00					194,000,000.00
Certificates of Deposit - Bank								
4-030724	4-030724	Frost State Bank		4.750	03/07/2026	0.00	245,000.00	
Subtotal			5,735,000.00			0.00	245,000.00	5,490,000.00
Negotiable CD's								
33743MCW2	7-033126A	1ST UTAH BANK		3.800	03/31/2026	245,000.00	0.00	
020080CF2	7-031722	Alma Bank		1.850	03/17/2026	0.00	245,000.00	
02772JHU7	7-032026	American NB-Fox Cities		3.500	03/20/2026	245,000.00	0.00	
033537BEO	7-030824	Anderson Brothers Bank		4.750	03/09/2026	0.00	245,000.00	
044936AE2	7-122823	Assemblies of God Credit Union		4.900	03/28/2026	0.00	245,000.00	
05059LAH5	7-031326	Auburn State Bank		3.400	03/13/2026	245,000.00	0.00	
06246PCH6	7-031826	Bank of Grand Lake		3.500	03/18/2026	245,000.00	0.00	
05549CJA9	7-031224	BLC COMMUNITY BK		4.700	03/12/2026	0.00	245,000.00	
06251FDM8	7-032026B	Bank Hapoalim B.M.		3.600	03/20/2026	245,000.00	0.00	
10549NAV8	7-033026	BRANTLEY BANK AND TRUST CO		3.600	03/30/2026	245,000.00	0.00	
11778TAE3	7-032224A	BTC Bank		4.700	03/23/2026	0.00	245,000.00	
20143PEM8	7-032823	COM BK		4.750	03/30/2026	0.00	245,000.00	
20349NAA5	7-030624	Community Bank Delaware		4.750	03/06/2026	0.00	245,000.00	
20415QJM2	7-032024	Community West Bank NA		4.800	03/20/2026	0.00	245,000.00	
22753AAF7	7-032624A	Cross Keys BK		4.850	03/26/2026	0.00	245,000.00	
23427ABF0	7-030626	Dakota Western Bank		3.500	03/06/2026	245,000.00	0.00	
27004PHA4	7-031826A	EAGLEMARK SAVINGS BANK		3.700	03/18/2026	245,000.00	0.00	
27004PBB8	7-031721	EAGLE SAVINGS BANK		0.700	03/17/2026	0.00	245,000.00	
336793CC6	7-032223B	FIRST ST BK		4.750	03/13/2026	0.00	245,000.00	
33649GAJ1	7-033126	FIRST STATE BANK MINNESOTA		3.650	03/31/2026	245,000.00	0.00	
31958JAD7	7-032624	First Citizens Bank		4.750	03/26/2026	0.00	245,000.00	
337504BT0	7-032026A	FIRST WESTERN TR BK		3.500	03/20/2026	245,000.00	0.00	
37173RAS2	7-031824	Genesee Regional Bank		4.750	03/18/2026	0.00	245,000.00	
37312PDD8	7-032723	GEORGIA BANKING CO		4.950	03/27/2026	0.00	245,000.00	
38644ACD9	7-032223A	GRAND RIVR BK		4.800	03/23/2026	0.00	245,000.00	
40219MBD5	7-032626	GULF CAPITAL BANK		3.650	03/26/2026	245,000.00	0.00	
42236XAM7	7-033123B	HEARTLND BK		4.700	03/31/2026	0.00	245,000.00	
43733WAS2	7-032224	Home Savings Bk		4.650	03/23/2026	0.00	245,000.00	

IMPERIAL COUNTY TREASURER
Portfolio Management
Activity By Type
March 1, 2026 through March 31, 2026

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Negotiable CD's								
44963KAJ7	7-031726	I.H.Mississippi Valley Credit U		3.650	03/17/2026	245,000.00	0.00	
542249BS5	7-031924B	Lone Star Capital BK NA		4.700	03/19/2026	0.00	245,000.00	
552249CH5	7-031423	The Lyons National Bk		4.850	03/16/2026	0.00	245,000.00	
58602GAH7	7-121523	Memorial Credit Union		4.950	03/16/2026	0.00	245,000.00	
59001PAQ2	7-032621	MERITRUST		0.700	03/26/2026	0.00	245,000.00	
59524LAA4	7-031323	MID CAROLINA		4.850	03/13/2026	0.00	245,000.00	
62400PKR0	7-031524A	Mountain Commerce Bank		4.750	03/16/2026	0.00	245,000.00	
74160NKX7	7-031924	Prime Alliance Bk		4.700	03/19/2026	0.00	245,000.00	
75902GBH7	7-093022B	REG MISSOURI BK		3.850	03/30/2026	0.00	245,000.00	
83542MAH5	7-032724	Sonata Bank		4.700	03/27/2026	0.00	245,000.00	
88553LAJ8	7-033123A	THREAD BK ROGERSVILLE		4.800	03/31/2026	0.00	245,000.00	
90520VAXI	7-031921	UnionBank		0.600	03/19/2026	0.00	245,000.00	
909242BK4	7-032824	United Republic Bank		4.750	03/30/2026	0.00	245,000.00	
		Subtotal	173,697,000.00			2,940,000.00	7,105,000.00	169,532,000.00
Mid Term Note								
06376JWP2	9-031226	BMO Montreal Chicago		4.100	03/12/2026	10,000,000.00	0.00	
		Subtotal	10,000,000.00			10,000,000.00	0.00	20,000,000.00
Federal Agency Issues - Coupon								
3133EP4K8	10-030524	Federal Farm Credit Bank		4.625	03/05/2026	0.00	5,000,000.00	
3133EWGC8	10-030626	Federal Farm Credit Bank		3.500	03/06/2026	6,000,000.00	0.00	
3133EPCR4	10-030923	Federal Farm Credit Bank		4.750	03/09/2026	0.00	10,000,000.00	
3133EMUK6	10-032521	Federal Farm Credit Bank		1.050	03/25/2026	0.00	7,000,000.00	
		Subtotal	768,866,400.00			6,000,000.00	22,000,000.00	752,866,400.00
Treasurer's Cash (Monthly Summary)								
SYS17-	17-	Treasurers Cash		0.970		288,030,647.19	273,401,212.17	
		Subtotal	46,887,449.54			288,030,647.19	273,401,212.17	61,516,884.56
Money Market (Monthly Summary)								
		Subtotal	54,049,582.01					54,049,582.01
US Bank Sweep								

**IMPERIAL COUNTY TREASURER
Portfolio Management
Activity By Type
March 1, 2026 through March 31, 2026**

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
US Bank Sweep								
18-100820	18-100820	U.S. BANK SWEEP		3.545		91,011,263.01	79,319,698.03	
		Subtotal	289,831,795.51			91,011,263.01	79,319,698.03	301,523,360.49
		Total	1,543,067,227.06			397,981,910.20	382,070,910.20	1,558,978,227.06

IMPERIAL COUNTY TREASURER
Portfolio Management
Activity Summary
March 2025 through March 2026

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
March	2025	855	1,339,555,478.64	3.926	3.981	5.068	11	18	880	392
April	2025	838	1,395,806,362.77	3.966	4.021	5.068	7	6	861	376
May	2025	850	1,395,137,105.40	3.946	4.001	5.068	18	16	900	413
June	2025	856	1,396,554,718.04	3.966	4.021	5.037	22	36	926	447
July	2025	835	1,311,572,917.77	3.898	3.952	5.037	17	12	977	462
August	2025	840	1,284,656,906.23	3.918	3.972	5.037	17	18	980	459
September	2025	845	1,322,711,902.50	3.708	3.759	4.352	23	33	946	459
October	2025	831	1,322,262,042.80	3.635	3.685	4.291	19	25	926	434
November	2025	823	1,339,258,626.77	3.623	3.674	4.192	17	21	905	427
December	2025	812	1,420,965,887.86	3.564	3.613	4.045	10	4	869	401
January	2026	825	1,398,356,475.50	3.554	3.603	4.045	17	26	902	417
February	2026	816	1,381,709,777.52	3.543	3.592	3.971	17	28	913	425
March	2026	802	1,382,991,342.50	3.505	3.554	3.887	14	33	910	428
Average		833	1,360,887,657.25	3.750%	3.802%	4.546	16	21	915	426

IMPERIAL COUNTY TREASURER
Portfolio Management
Distribution of Investments By Type
March 2025 through March 2026

Security Type	March 2025	April 2025	May 2025	June 2025	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	March 2026	Average by Period
LAIF / CAMP / ZBA	14.5	13.9	13.9	13.9	14.8	15.1	14.7	14.7	14.5	13.7	13.9	14.0	14.0	14.3%
Repurchase Agreements														
Certificates of Deposit - S & L														
Certificates of Deposit - Bank	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.5%
Treasury Securities - Coupon														
Mortgage Backed Securities														
Negotiable CD's	13.5	12.9	13.0	12.7	13.6	13.9	13.4	13.4	13.2	12.5	12.6	12.6	12.3	13.0%
Treasury Securities - Discount														
Mid Term Note										0.7	0.7	0.7	1.5	0.3%
Federal Agency Issues - Coupon	45.9	45.2	47.1	48.9	50.5	50.6	49.1	48.0	46.6	44.7	46.1	47.4	46.2	47.4%
Commercial Paper - Interest Bearing														
Commercial Paper - Discount														
Miscellaneous Securities - Coupon														
Miscellaneous Securities - Discount														
Bankers Acceptances														
Federal Agency Issues - Discount														
Treasurer's Cash														
Money Market	4.0	3.9	3.9	3.9	4.1	4.2	4.1	4.1	4.0	3.8	3.9	3.9	3.9	4.0%
US Bank Sweep	21.4	23.6	21.5	20.1	16.3	15.6	18.2	19.4	21.2	24.2	22.4	21.0	21.8	20.5%

IMPERIAL COUNTY TREASURER
Portfolio Management
Interest Earnings Summary
March 31, 2026

	March 31Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	2,789,856.90	21,686,860.31
Plus Accrued Interest at End of Period	6,514,546.41	6,522,210.87
Less Accrued Interest at Beginning of Period	(6,821,315.15)	(6,267,240.84)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	2,483,088.16	21,941,830.34
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	2,483,088.16	21,941,830.34
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	1,220,897.16	14,499,364.26
Plus Accrued Interest at End of Period	7,058,587.99	7,058,587.99
Less Accrued Interest at Beginning of Period	(6,602,261.37)	(6,013,665.49)
Interest Earned during Period	1,677,223.78	15,544,286.76
Total Interest Earned during Period	4,160,311.94	37,486,117.10
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	4,160,311.94	37,486,117.10

