NEW ISSUE — FULL BOOK-ENTRY

RATINGS: Moody's: "Aa2"; S&P: "AA"
See "MISCELLANEOUS – Ratings"

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Federally Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Federally Taxable Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein with respect to tax consequences relating to the Bonds.

$198,370,000
CERRITOS COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)

2014-1568

2014-1777

$100,000,000
Election of 2012 General Obligation Bonds,
Series 2014A (Federally Tax-Exempt)

$80,395,000
2014 General Obligation Refunding Bonds,
Series A (Federally Tax-Exempt)

2014-1778

$17,975,000
2014 General Obligation Refunding Bonds,
Series B (Federally Taxable)

Dated: Date of Delivery **Due: August 1, as shown on inside cover page**

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

The Cerritos Community College District (Los Angeles County, California) Election of 2012 General Obligation Bonds, Series 2014A (Federally Tax-Exempt) (the "2014A Bonds") were authorized at an election of the registered voters of the Cerritos Community College District (the "District") held on November 6, 2012 at which the requisite 55% or more of the persons voting on the proposition voted to authorize the issuance and sale of $350,000,000 principal amount of general obligation bonds of the District. The 2014A Bonds are being issued to finance the acquisition, construction, modernization and equipping of District sites and facilities, and to pay the costs of issuance associated with the 2014A Bonds.

The Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series A (Federally Tax-Exempt) and the Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series B (Federally Taxable) (collectively, the "Refunding Bonds," and together with the 2014A Bonds, the "Bonds"), are being issued to (i) refund portions of the District's prior bonded indebtedness, and (ii) pay the costs of issuance associated with the Refunding Bonds.

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

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (collectively, "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interest in the Bonds. The Bonds are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof.

The Bonds will be issued as current interest bonds such that interest thereon will accrue from the Date of Delivery of the Bonds, and be payable semiannually on February 1 and August 1 of each year, commencing February 1, 2015 (each, a "Bond Payment Date"). Payments of principal of and interest on the Bonds will be made by the designated paying agent, bond registrar, authentication agent and transfer agent (collectively, the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the Beneficial Owners of the Bonds. See "APPENDIX E – BOOK-ENTRY ONLY SYSTEM." U.S. Bank National Association, Los Angeles, California, has been appointed as agent of the Treasurer and Tax Collector of Los Angeles County to act as Paying Agent for the Bonds.

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

MATURITY SCHEDULE
(see inside front cover)

The Bonds will be offered when, as and if issued and received by the Underwriters, subject to the approval of legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel and Disclosure Counsel. Certain matters will be passed upon for the Underwriters by Nossaman LLP, Irvine, California. The Bonds, in book-entry form, will be available for delivery through the facilities of DTC in New York, New York on or about November 20, 2014.

Wells Fargo Securities
(Senior Manager: Election of 2012 Bonds, Series 2014A)

RBC Capital Markets
(Senior Manager: Refunding Bonds)

J. P. Morgan

Dated: November 4, 2014

MATURITY SCHEDULE

Base CUSIP†:156792

$100,000,000
CERRITOS COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)
Election of 2004 General Obligation Bonds, Series 2014A (Federally Tax-Exempt)

$34,075,000 Serial Bonds

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2015	$8,455,000	1.500%	0.150%	GY3
2016	10,190,000	4.000	0.370	GZ0
2017	7,455,000	4.000	0.590	HA4
2031	2,310,000	5.000	2.930[1]	HB2
2032	2,650,000	5.000	2.980[1]	HC0
2033	3,015,000	5.000	3.030[1]	HD8

$27,470,000 – 5.000% Term Bonds due August 1, 2039 - Yield: 3.240%[1] - CUSIP†: HE6

$38,455,000 – 4.000% Term Bonds due August 1, 2044 - Yield: 3.790%[1] - CUSIP†: HF3

† CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association. Neither the District nor the Underwriters are responsible for the selection or correctness of the CUSIP numbers set forth herein.

(1) Yield to call at par on August 1, 2024.

MATURITY SCHEDULE

Base CUSIP†:156792

$80,395,000
CERRITOS COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)
2014 General Obligation Refunding Bonds, Series A (Federally Tax-Exempt)

$80,395,000 Serial Bonds

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2015	$1,565,000	2.000%	0.120%	FU2
2016	480,000	2.000	0.370	FV0
2017	505,000	3.000	0.590	FW8
2018	540,000	4.000	0.830	FX6
2019	585,000	5.000	1.090	FY4
2020	2,050,000	5.000	1.390	FZ1
2021	2,290,000	5.000	1.670	GA5
2022	500,000	1.750	1.950	HG1
2022	2,040,000	5.000	1.950	GB3
2023	500,000	2.000	2.130	HH9
2023	2,290,000	5.000	2.130	GC1
2024	5,010,000	5.000	2.280	GD9
2025	5,545,000	5.000	2.430(1)	GE7
2026	6,110,000	5.000	2.580(1)	GF4
2027	6,720,000	5.000	2.700(1)	GG2
2028	7,370,000	5.000	2.780(1)	GH0
2029	8,060,000	5.000	2.830(1)	GJ6
2030	8,810,000	4.000	3.280(1)	GK3
2031	9,505,000	4.000	3.330(1)	GL1
2032	4,785,000	4.000	3.380(1)	GM9
2033	5,135,000	4.000	3.430(1)	GN7

$17,975,000
CERRITOS COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)
2014 General Obligation Refunding Bonds, Series B (Federally Taxable)

$17,975,000 Serial Bonds

Maturity (August 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2015	$575,000	0.506%	0.506%	GP2
2016	1,730,000	0.836	0.836	GQ0
2017	1,830,000	1.312	1.312	GR8
2018	1,940,000	1.845	1.845	GS6
2019	2,070,000	2.165	2.165	GT4
2020	2,210,000	2.581	2.581	GU1
2021	2,365,000	2.781	2.781	GV9
2022	2,535,000	2.971	2.971	GW7
2023	2,720,000	3.121	3.121	GX5

† CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of the American Bankers Association. Neither the District nor the Underwriters are responsible for the selection or correctness of the CUSIP numbers set forth herein.

(1) Yield to call at par on August 1, 2024.

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

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

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

When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced in this Official Statement, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

The Underwriters have provided the following sentence for inclusion in this Official Statement.

> "The Underwriters have reviewed the information in this Official Statement pursuant to their responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information."

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

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

CERRITOS COMMUNITY COLLEGE DISTRICT

Board of Trustees

District Administration

Dr. Linda L. Lacy, *President/Superintendent*
Dr. David El Fattal, *Vice President, Business Services/Assistant Superintendent*

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel

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

Paying Agent

U.S. Bank National Association, as agent of the
Treasurer and Tax Collector of Los Angeles County,
Los Angeles, California

Escrow Agent

U.S. Bank National Association
Los Angeles, California

Verification Agent

Grant Thornton LLP
Minneapolis, Minnesota

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$198,370,000
CERRITOS COMMUNITY COLLEGE DISTRICT
(Los Angeles County, California)

$100,000,000 **Election of 2012 General Obligation Bonds** **Series 2014A (Federally Tax-Exempt)**	**$80,395,000** **2014 General Obligation Refunding Bonds** **Series A (Federally Tax-Exempt)**

$17,975,000
2014 General Obligation Refunding Bonds
Series B (Federally Taxable)

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page and appendices hereto, provides information in connection with the sale of the (i) Cerritos Community College District (Los Angeles County, California) Election of 2004 General Obligation Bonds, Series 2014A (Federally Tax-Exempt) (the "2014A Bonds"), (ii) Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series A (Federally Tax-Exempt) (the "Series A Refunding Bonds"), and (iii) Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series B (Federally Taxable) (the "Series B Refunding Bonds").

The 2014A Bonds, Series A Refunding Bonds, and Series B Refunding Bonds are collectively referred to herein as the "Bonds." The Series A Refunding Bonds and Series B Refunding Bonds are also collectively referred to herein as the "Refunding Bonds." With respect to discussions herein regarding the tax consequences of ownership of the Bonds, the 2014A Bonds and Series A Refunding Bonds are collectively referred to as the "Federally Tax-Exempt Bonds," while the Series B Refunding Bonds are referred to as the "Federally Taxable Bonds."

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

Changes Since the Preliminary Official Statement

Since the publication of the Preliminary Official Statement, at the November 4, 2014 Statewide election, voters approved Proposition 2, a ballot proposition that, among other things, creates a Proposition 98 reserve to smooth out spikes in State funding for school districts and community college districts. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance." In addition, voters of the District re-elected two members of the District's Board of Trustees (Mr. John Paul Drayer and Dr. Shin Liu), and elected an additional new member (Mr. Zurich Lewis). These Board members will begin their new terms effective as of December, 2014. See "CERRITOS COMMUNITY COLLEGE DISTRICT – Administration."

The District

The Cerritos Community College District (the "District"), founded in 1955, serves an area of 52 square miles of southeastern Los Angeles County (the "County"), and includes within its service area the Cities of Artesia, Bellflower, Cerritos, Downey, Hawaiian Gardens, La Mirada, Norwalk, and portions of Bell Gardens, Lakewood, Long Beach, Santa Fe Springs, and South Gate. The District currently operates

Cerritos College (the "College"), which provides collegiate level instruction, degrees, and certificates in 87 areas of study in grades 13 and 14. The College is fully accredited by the Accrediting Commission for Community and Junior Colleges (the "ACCJC"). For fiscal year 2014-15, the District has a projected full-time equivalent student ("FTES") count of 17,019, and taxable property within the District has an assessed valuation of $39,195,127,209.

The District is governed by a seven-member Board of Trustees (the "Board of Trustees"), each member of which is elected to a four-year term. Elections for positions to the Board of Trustees are held every two years, alternating between three and four available positions. The management and policies of the District are administered by a President/Superintendent appointed by the Board of Trustees who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel. Dr. Linda L. Lacy currently serves as the President/Superintendent of the District and Dr. David El Fattal currently serves as the Vice President, Business Services/Assistant Superintendent.

See "TAX BASE FOR REPAYMENT OF BONDS" for more information regarding the District's tax base, and "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA" and "CERRITOS COMMUNITY COLLEGE DISTRICT" for more information regarding the District generally.

Purpose of the Bonds

2014A Bonds. The 2014A Bonds are being issued by the District to finance the acquisition, construction, modernization and equipping of District sites and facilities, and to pay the costs of issuance associated with the 2014A Bonds.

Refunding Bonds. The Series A Refunding Bonds are being issued to (i) currently refund the District's outstanding Election of 2004 General Obligation Bonds, Series 2004A, (ii) advance refund a portion of the District's outstanding Election of 2004 General Obligation Bonds, Series 2006B and Election of 2004 General Obligation Bonds, Series 2009C and (iii) pay the costs of issuance associated with the Series A Refunding Bonds. The Series B Refunding Bonds are being issued to (i) advance refund the District's outstanding 2005 General Obligation Refunding Bonds, and (ii) pay the costs of issuance associated with the Series B Refunding Bonds. See "THE BONDS – Application and Investment of Bond Proceeds – Refunding Bonds" and "ESTIMATED SOURCES AND USES OF FUNDS – Refunding Bonds." The portions of the bond issues described above expected to be refunded with proceeds of the Bonds are referred to collectively herein as the "Refunded Bonds."

Authority for Issuance of the Bonds

The Bonds are issued pursuant to certain provisions of the State of California Government Code and pursuant to resolutions adopted by the Board of Trustees. See "THE BONDS – Authority for Issuance."

Security and Sources of Payment for the Bonds

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

Description of the Bonds

Form and Registration. The Bonds will be issued in fully registered form only (without coupons), initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover, under the book-entry only system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "APPENDIX E – BOOK-ENTRY ONLY SYSTEM." In event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolutions described herein. See "THE BONDS – Transfer and Exchange of Bonds."

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

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

Redemption. The Bonds are subject to redemption as further provided herein. See "THE BONDS – Redemption."

Payments. The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the initial date of delivery of the Bonds (the "Date of Delivery"), and is payable semiannually on each February 1 and August 1, commencing February 1, 2015 (each, a "Bond Payment Date"). Principal of the Bonds is payable on August 1 in the year, and amounts set forth on the inside cover page hereof. Payments of the principal of and interest on the Bonds will be made by the designated paying agent, bond registrar, authentication agent and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement through DTC Participants (defined herein) to the Beneficial Owners of the Bonds. U.S. Bank National Association has been appointed as agent of the Treasurer and Tax Collector of the County (the "Treasurer") to act as Paying Agent for the Bonds.

Tax Matters

Federally Tax-Exempt Bonds. In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel, based on existing statutes, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest on the Federally Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest on the Federally Tax-Exempt Bonds is exempt from State of California personal income tax. See "TAX MATTERS – Federally Tax-Exempt Bonds."

Federally Taxable Bonds. In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Federally Taxable Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Federally Taxable Bonds is exempt from State of California personal income tax. See "TAX MATTERS –Federally Taxable Bonds."

Offering and Delivery of the Bonds

The Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel. It is anticipated that the Bonds in book-entry form will be available for delivery through the facilities of DTC in New York, New York on or about November 20, 2014.

Bondowner's Risks

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

Continuing Disclosure

The District will covenant for the benefit of the Owners and Beneficial Owners of the Bonds that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate relating to the disclosure of annual financial information and notices of certain events executed by the District as of the date of issuance and delivery of the Bonds, as it may be amended from time to time in accordance with the terms thereof. See "LEGAL MATTERS – Continuing Disclosure" and "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Forward-Looking Statements

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

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Professionals Involved in the Offering

Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. Stradling Yocca Carlson & Rauth will receive compensation from the District contingent upon the sale and delivery of the Bonds. Certain matters will be passed on for the Underwriters (defined herein) by Nossaman LLP, Irvine, California. In addition to acting as Paying Agent for the Bonds, U.S. Bank National Association will act as Escrow Agent for the Refunded Bonds. Grant Thornton LLP, Minneapolis, Minnesota, will act as Verification Agent for the Refunded Bonds.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

Copies of documents referred to herein and information concerning the Bonds are available from Cerritos Community College District, 1110 Alondra Boulevard, Norwalk, California 90650, telephone: (562) 860-2451. The District may impose a charge for copying, mailing and handling.

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

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

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

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

THE BONDS

Authority for Issuance

2014A Bonds. The Bonds are issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Act"), Article XIIIA of the California Constitution and pursuant to a resolution adopted by the Board of Trustees on October 1, 2014 (the "2014A Resolution").

The District received authorization at an election held on November 6, 2012 by the requisite 55% or more of the votes cast by eligible voters within the District to issue $350,000,000 of general obligation bonds (the "2012 Authorization"). The Bonds represent the first series of bonds within the 2012 Authorization and, following the issuance thereof, $250,000,000 of bonds authorized by the 2012 Authorization will remain unissued.

Refunding Bonds. The Refunding Bonds are being issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of the Government Code of the State of California and other applicable law (the "Refunding Act"), and pursuant to a resolution adopted by the Board of Trustees on October 27, 2014 (the "Refunding Resolution" and, collectively with the 2014A Resolution, the "Resolutions").

Security and Sources of Payment

The Bonds are general obligations of the District, payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy such *ad valorem* taxes, without limitation as to rate or amount, for the payment of the principal of and interest on the Bonds when due, upon all property subject to taxation by the District (except certain personal property which is taxable at limited rates). The levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. While the County has historically levied *ad valorem* property taxes to establish such a reserve for other bonds of the District, the County is not obligated to establish or maintain such a reserve, and the District can make no representations that the County will do so in future years. Such *ad valorem* taxes, when collected, will be placed by the County in the respective Debt Service Funds (defined herein), which funds are segregated and maintained by the County and which are designated for the payment of the respective series of Bonds and interest thereon when due, and for no other purpose. Pursuant to the Resolutions, the District has pledged funds on deposit in each Debt Service Fund to the payment of each of the respective series of Bonds. Although the County is obligated to levy an *ad valorem* property tax for the payment of the Bonds, and will maintain the Debt Service Funds, the Bonds are not a debt of the County. See "TAX BASE FOR REPAYMENT OF BONDS" for information on the District's tax base.

The moneys in the Debt Service Funds, to the extent necessary to pay the principal of and interest on the respective series of Bonds as the same becomes due and payable, shall be transferred by the County to the Paying Agent, who will in turn remit the funds to DTC for eventual disbursement to the Beneficial Owners of the Bonds.

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

General Provisions

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee of DTC. Beneficial Owners will not receive certificates representing their interests in the Bonds.

The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the Date of Delivery, and be payable semiannually on each Bond Payment Date, commencing February 1, 2015. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each Bond shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month immediately preceding any Bond Payment Date to and including such Bond Payment Date, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2015, in which event it shall bear interest from its date. The Bonds are issuable in denominations of $5,000 principal amount or any integral multiple thereof. The Bonds mature on August 1, in the years and amounts set forth on the inside cover page hereof.

The principal of the Bonds will be payable in lawful money of the United States of America to the registered Owner thereof, upon the surrender thereof at the principal office of the Paying Agent. The interest on the Bonds will be payable in lawful money to the person whose name appears on the bond registration books of the Paying Agent as the registered Owner thereof as of the close of business on the 15th day of the month preceding any Bond Payment Date (a "Record Date"), whether or not such day is a business day, such interest to be paid by check mailed on such Bond Payment Date to such registered Owner at such registered Owner's address as it appears on such registration books or at such address as the registered Owner may have filed with the Paying Agent for that purpose on or before such Record Date. The interest payments on the Bonds will be made in immediately available funds (e.g., by wire transfer) to any registered Owner of at least $1,000,000 of such outstanding Bonds who shall have requested in writing such method of payment of interest on such Bonds prior to the close of business on the Record Date immediately preceding any Bond Payment Date.

Application and Investment of Bond Proceeds

2014A Bonds. The 2014A Bonds are being issued by the District to finance the acquisition, construction, modernization and equipping of District sites and facilities, and to pay the costs of issuance associated with the 2014A Bonds.

The net proceeds of the sale of the 2014A Bonds will be deposited in the fund held by the County and known as the "Cerritos Community College District, Election of 2012 General Obligation Bonds, Series 2014A Building Fund" (the "Building Fund") and will be applied only for the purposes for which the Bonds are issued. The *ad valorem* property taxes levied by the County for the payment of the Bonds, when collected, will be deposited into the fund held by the County and designed as the "Cerritos Community College District, Election of 2012 General Obligation Bonds, Series 2014A Debt Service Fund" (the "2014A Debt Service Fund"). Any accrued interest or premium received by the County on the sale of the 2014A Bonds shall be deposited in the 2014A Debt Service Fund.

Refunding Bonds. The Refunding Bonds are being issued to refund the Refunded Bonds and pay the costs of issuance associated with the Refunding Bonds. The following tables show information with respect to the specific maturities of the Refunded Bonds to be refunded with proceeds of the Refunding Bonds.

REFUNDED BONDS
Cerritos Community College District
Election of 2004 General Obligation Bonds, Series 2004A

Maturity Date	CUSIP	Principal Amount	Redemption Date	Redemption Price (% of Principal Amount)
8/1/2016	156792CN1	$60,000	12/6/2014	100%
8/1/2017	156792CP6	70,000	12/6/2014	100
8/1/2018	156792CQ4	80,000	12/6/2014	100
8/1/2019	156792CR2	90,000	12/6/2014	100
8/1/2020	156792CS0	100,000	12/6/2014	100
8/1/2021	156792CT8	115,000	12/6/2014	100
8/1/2022	156792CU5	130,000	12/6/2014	100
8/1/2023	156792CV3	145,000	12/6/2014	100
8/1/2024	156792CW1	165,000	12/6/2014	100
8/1/2025	156792CX9	180,000	12/6/2014	100
8/1/2026	156792CY7	200,000	12/6/2014	100
8/1/2027	156792CZ4	220,000	12/6/2014	100
8/1/2028	156792DA8	245,000	12/6/2014	100

REFUNDED BONDS
Cerritos Community College District
2005 General Obligation Refunding Bonds

Maturity Date	CUSIP	Principal Amount	Redemption Date	Redemption Price (% of Principal Amount)
8/1/2016	156792BM4	$1,695,000	8/1/2015	100%
8/1/2017	156792BN2	1,885,000	8/1/2015	100
8/1/2018	156792BP7	2,090,000	8/1/2015	100
8/1/2019	156792BQ5	2,315,000	8/1/2015	100
8/1/2020	156792BR3	2,550,000	8/1/2015	100
8/1/2021	156792BS1	2,800,000	8/1/2015	100
8/1/2022	156792BT9	3,070,000	8/1/2015	100
8/1/2023	156792BU6	3,360,000	8/1/2015	100

REFUNDED BONDS
Cerritos Community College District
Election of 2004 General Obligation Bonds, Series 2006B

Maturity Date	CUSIP	Principal Amount	Redemption Date	Redemption Price (% of Principal Amount)
8/1/2024	156792DK6	$2,570,000	8/1/2016	100%
8/1/2025	156792DL4	2,855,000	8/1/2016	100
8/1/2026	156792DM2	3,155,000	8/1/2016	100
8/1/2027	156792DN0	3,485,000	8/1/2016	100
8/1/2031	156792DP5	18,580,000	8/1/2016	100

REFUNDED BONDS
Cerritos Community College District
Election of 2004 General Obligation Bonds, Series 2009C

Maturity Date	CUSIP	Principal Amount	Redemption Date	Redemption Price (% of Principal Amount)
8/1/2020	156792EA7	$1,525,000	8/1/2019	100%
8/1/2021	156792EB5	1,720,000	8/1/2019	100
8/1/2022	156792EC3	1,935,000	8/1/2019	100
8/1/2023	156792ED1	2,160,000	8/1/2019	100
8/1/2024	156792EE9	2,400,000	8/1/2019	100
8/1/2025	156792EF6	2,660,000	8/1/2019	100
8/1/2026	156792EG4	2,935,000	8/1/2019	100
8/1/2027	156792EH2	3,225,000	8/1/2019	100
8/1/2028	156792EJ8	3,540,000	8/1/2019	100
8/1/2029	156792EK5	3,875,000	8/1/2019	100
8/1/2030	156792EL3	4,235,000	8/1/2019	100
8/1/2031	156792EM1	4,615,000	8/1/2019	100
8/1/2033	156792EP4	10,465,000	8/1/2019	100

The net proceeds from the sale of the Refunding Bonds will be paid to U.S. Bank National Association, acting as Escrow Agent, to the credit of an escrow fund (the "Escrow Fund") created pursuant to an escrow agreement (the "Escrow Agreement") by and between the District and the Escrow Agent. Amounts deposited in the Escrow Fund will be used to purchase certain non-callable direct and general obligations of the United States of America, or non-callable obligations unconditionally guaranteed as to payment by the United States of America, the principal of and interest on which will be sufficient, together with any monies deposited in the Escrow Fund and held uninvested as cash, to enable the Escrow Agent to pay the respective principal of the Refunded Bonds on the first optional redemption dates shown above, as well as interest on the Refunded Bonds due on and prior to such dates.

The sufficiency of the securities and cash on deposit in the Escrow Fund, together with realizable interest and earnings thereon, to pay the Refunded Bonds as described above, will be verified by Grant Thornton LLP, as Verification Agent. As a result of the deposit and application of funds so provided in the Escrow Agreement, and assuming the accuracy of the Underwriters' and Verification Agent's computations, each series of Refunded Bonds will be defeased and the obligation of the County to levy *ad valorem* taxes for payment thereof will terminate.

The *ad valorem* property taxes levied by the County for the payment of the Series A Refunding Bonds, when collected, will be kept separate and apart in a fund held by the County and designated as the "Cerritos Community College District, 2014 General Obligation Refunding Bonds, Series A Debt Service Fund" (the "Series A Refunding Debt Service Fund"), and used only for the payment of principal of and interest on the Series A Refunding Bonds. The *ad valorem* property taxes levied by the County for the payment of the Series B Refunding Bonds, when collected, will be kept separate and apart in a fund held by the County and designated as the "Cerritos Community College District, 2014 General Obligation Refunding Bonds, Series B Debt Service Fund" (the "Series B Refunding Debt Service Fund," and, together with the 2014A Debt Service Fund and Series A Refunding Debt Service Fund, the "Debt Service Funds") and used only for payment of principal of and interest on the Series B Refunding Bonds.

Investment of Proceeds. Moneys in the Debt Service Funds and the Building Fund are expected to be invested through the County's pooled investment fund. See "APPENDIX F – LOS ANGELES COUNTY INVESTMENT POOL." Any interest earnings on moneys held in the Building Fund shall be retained therein. Any interest earnings on moneys held in each respective Debt Service Funds shall be retained therein. If, after a series of Bonds has been redeemed or paid and otherwise cancelled, there are moneys remaining in the respective Debt Service Fund therefor, said moneys shall be transferred to the general fund of the District as provided and permitted by law.

Annual Debt Service

The following table summarizes the debt service requirements of the District for the 2014A Bonds (assuming no optional redemptions):

Year Ending (August 1)	Annual Principal Payment	Annual Interest Payment[1]	Total Annual Debt Service Payment
2015	$8,455,000.00	$2,888,643.96	$11,343,643.96
2016	10,190,000.00	4,016,250.00	14,206,250.00
2017	7,455,000.00	3,608,650.00	11,063,650.00
2018	--	3,310,450.00	3,310,450.00
2019	--	3,310,450.00	3,310,450.00
2020	--	3,310,450.00	3,310,450.00
2021	--	3,310,450.00	3,310,450.00
2022	--	3,310,450.00	3,310,450.00
2023	--	3,310,450.00	3,310,450.00
2024	--	3,310,450.00	3,310,450.00
2025	--	3,310,450.00	3,310,450.00
2026	--	3,310,450.00	3,310,450.00
2027	--	3,310,450.00	3,310,450.00
2028	--	3,310,450.00	3,310,450.00
2029	--	3,310,450.00	3,310,450.00
2030	--	3,310,450.00	3,310,450.00
2031	2,310,000.00	3,310,450.00	5,620,450.00
2032	2,650,000.00	3,194,950.00	5,844,950.00
2033	3,015,000.00	3,062,450.00	6,077,450.00
2034	3,410,000.00	2,911,700.00	6,321,700.00
2035	3,835,000.00	2,741,200.00	6,576,200.00
2036	4,290,000.00	2,549,450.00	6,839,450.00
2037	4,775,000.00	2,334,950.00	7,109,950.00
2038	5,300,000.00	2,096,200.00	7,396,200.00
2039	5,860,000.00	1,831,200.00	7,691,200.00
2040	6,460,000.00	1,538,200.00	7,998,200.00
2041	7,040,000.00	1,279,800.00	8,319,800.00
2042	7,655,000.00	998,200.00	8,653,200.00
2043	8,305,000.00	692,000.00	8,997,000.00
2044	8,995,000.00	359,800.00	9,354,800.00
Total	$100,000,000.00	$82,449,943.96	$182,449,943.96

(1) Interest payments on the 2014A Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2015.

The following table summarizes the annual debt service requirements of the District for the Refunding Bonds (assuming no optional redemptions):

	SERIES A REFUNDING BONDS		SERIES B REFUNDING BONDS		
Year Ending August 1	**Annual Principal Payment**	**Annual Interest Payment[1]**	**Annual Principal Payment**	**Annual Interest Payment[1]**	**Total Annual Debt Service**
2015	$1,565,000.00	$2,530,428.61	$575,000.00	$282,380.02	$4,952,808.63
2016	480,000.00	3,598,000.00	1,730,000.00	402,097.70	6,210,097.70
2017	505,000.00	3,588,400.00	1,830,000.00	387,634.90	6,311,034.90
2018	540,000.00	3,573,250.00	1,940,000.00	363,625.30	6,416,875.30
2019	585,000.00	3,551,650.00	2,070,000.00	327,832.30	6,534,482.30
2020	2,050,000.00	3,522,400.00	2,210,000.00	283,016.80	8,065,416.80
2021	2,290,000.00	3,419,900.00	2,365,000.00	225,976.70	8,300,876.70
2022	2,540,000.00	3,305,400.00	2,535,000.00	160,206.06	8,540,606.06
2023	2,790,000.00	3,194,650.00	2,720,000.00	84,891.20	8,789,541.20
2024	5,010,000.00	3,070,150.00	--	--	8,080,150.00
2025	5,545,000.00	2,819,650.00	--	--	8,364,650.00
2026	6,110,000.00	2,542,400.00	--	--	8,652,400.00
2027	6,720,000.00	2,236,900.00	--	--	8,956,900.00
2028	7,370,000.00	1,900,900.00	--	--	9,270,900.00
2029	8,060,000.00	1,532,400.00	--	--	9,592,400.00
2030	8,810,000.00	1,129,400.00	--	--	9,939,400.00
2031	9,505,000.00	777,000.00	--	--	10,282,000.00
2032	4,785,000.00	396,800.00	--	--	5,181,800.00
2033	5,135,000.00	205,400.00	--	--	5,340,400.00
Total	$80,395,000.00	$46,895,078.61	$17,975,000.00	$2,517,660.98	$147,782,739.59

[1] Interest payments on the Refunding Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2015.

See "CERRITOS COMMUNITY COLLEGE DISTRICT – District Debt Structure – General Obligation Bonds" for a schedule of the total annual debt service requirements for all of the District's outstanding general obligation bonds.

Redemption

Optional Redemption. The 2014A Bonds maturing on or before August 1, 2017 are not subject to redemption prior to their respective stated maturity dates. The 2014A Bonds maturing on or after August 1, 2031 are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after August 1, 2024, at a redemption price equal to the principal amount of the 2014A Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

The Series A Refunding Bonds maturing on or before August 1, 2024 are not subject to redemption prior to their respective stated maturity dates. The Series A Refunding Bonds maturing on or after August 1, 2025 are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after August 1, 2024, at a redemption price equal to the principal amount of the Series A Refunding Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

The Series B Refunding Bonds are not subject to redemption prior to their stated maturity dates.

Mandatory Sinking Fund Redemption. The 2014A Bonds maturing on August 1, 2039 are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 2034, at a redemption price equal to the principal amount thereof as of the date fixed for redemption, together with interest accrued to the date set for such redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the redemption dates therefor, and the final payment date is as indicated in the following table:

Redemption Date (August 1)	Principal Amount
2034	$3,410,000
2035	3,835,000
2036	4,290,000
2037	4,775,000
2038	5,300,000
2039[(1)]	5,860,000

[(1)] Maturity.

The 2014A Bonds maturing on August 1, 2044 are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 2040, at a redemption price equal to the principal amount thereof as of the date fixed for redemption, together with interest accrued to the date set for such redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the redemption dates therefor, and the final payment date is as indicated in the following table:

Redemption Date (August 1)	Principal Amount
2040	$6,460,000
2041	7,040,000
2042	7,655,000
2043	8,305,000
2044[(1)]	8,995,000

[(1)] Maturity.

In the event that portions of the Bonds shown above are optionally redeemed prior to their respective maturity dates, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately, in integral multiples of $5,000 principal amount, in respect of the portion of such Bonds optionally redeemed.

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

Redemption Notice. When redemption is authorized or required pursuant to the Resolutions, the Paying Agent, upon written instruction from the District, will give notice (a "Redemption Notice") of the redemption of the Bonds. Each Redemption Notice will specify (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the

Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part.

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

"Information Services" means Financial Information, Inc.'s "Daily Called Bond Service," 1 Cragwood Road, 2nd Floor, South Plainfield, New Jersey 07080, Attention: Editor; Mergent Inc., 585 Kingsley Park Drive, Fort Mill, South Carolina 29715, Attention: Called Bond Department; and Standard and Poor's J.J. Kenny Information Services' "Called Bond Record," 55 Water Street, 45th Floor, New York, New York 10041.

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

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

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

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

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

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

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

Transfer and Exchange of Bonds

Any Bond may be exchanged for Bonds of like tenor, maturity and principal amount, upon presentation and surrender at the principal office of the Paying Agent, together with a request for exchange signed by the registered Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred only on the Bond Register by the person in whose name it is registered, in person or by his 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. Upon exchange or transfer, the Paying Agent shall register, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

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

Defeasance

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

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

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

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

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

ESTIMATED SOURCES AND USES OF FUNDS

2014A Bonds. The proceeds of the 2014A Bonds are expected to be applied as follows:

Sources of Funds	
Principal Amount of 2014A Bonds	$100,000,000.00
Net Premium	7,371,060.55
Total Sources	$107,371,060.55
Uses of Funds	
Building Fund	$99,533,925.00
Debt Service Fund	7,371,060.55
Costs of Issuance [(1)]	466,075.00
Total Uses	$107,371,060.55

(1) Reflects all initial costs of issuance, including but not limited to, the Underwriting discount, legal fees, printing expenses, demographics, filing fees and the costs and fees of the Paying Agent.

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

Sources of Funds	**Series A Refunding Bonds**	**Series B Refunding Bonds**	**Total**
Principal Amount of Refunding Bonds	$80,395,000.00	$17,975,000.00	$98,370,000.00
Net Premium	11,428,336.80	--	11,428,336.80
Total Sources	$91,823,336.80	$17,975,000.00	$109,798,336.80
Uses of Funds			
Escrow Fund	$91,467,138.23	$17,893,719.24	$109,360,857.47
Costs of Issuance [(1)]	356,198.57	81,280.76	437,479.33
Total Uses	$91,823,336.80	$17,975,000.00	$109,798,336.80

(1) Reflects all initial costs of issuance, including but not limited to, the Underwriting discount, legal fees, printing expenses, demographics, filing fees and the costs and fees of the Paying Agent, Escrow Agent and Verification Agent.

TAX BASE FOR REPAYMENT OF BONDS

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

Ad Valorem Property Taxation

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

Taxes are levied for each fiscal year on taxable real and personal property which is located in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll." A supplemental roll is developed when property changes hands or new construction is completed. The County levies and collects all property taxes for property falling within the County's taxing boundaries.

The valuation of secured property is established as of January 1 and is subsequently equalized in August. Property taxes on the secured roll are due in two installments, November 1 and February 1 of the calendar year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent installment plus a $10 cost on the second installment, plus any additional amount determined by the Treasurer. Property on the secured roll with delinquent taxes is declared tax-defaulted on or about June 30 of the calendar year. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a $15 redemption fee and a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the Treasurer.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent if they are not paid by August 31. In the case of unsecured property taxes, a 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue beginning November 1 of the fiscal year, and a lien may be recorded against the assessee. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the assessee; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on specific property of the assessee; (3) filing a certificate of delinquency for record in the County Recorder's office in order to obtain a lien on specified property of the assessee; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. See also "—Secured Tax Charges and Delinquencies."

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

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

Assessed valuation growth allowed under Article XIIIA (new construction, certain changes of ownership, 2% inflation) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies, including community college districts, share the growth of "base" revenues from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year.

Assessed Valuations

The following represents the 10-year history of assessed valuations in the District.

ASSESSED VALUATIONS
Fiscal Years 2005-06 through 2014-15
Cerritos Community College District

	Local Secured	Utility	Unsecured	Total	% Change
2005-06	$27,852,368,237	$12,153,385	$1,317,817,133	$29,182,438,755	--
2006-07	30,688,234,331	10,680,836	1,374,224,839	32,073,140,006	9.91%
2007-08	33,298,404,621	7,085,881	1,382,779,376	34,688,269,878	8.15
2008-09	34,982,773,138	7,473,604	1,510,125,110	36,500,371,852	5.22
2009-10	33,656,319,921	7,131,220	2,144,626,941	35,808,078,082	(1.90)
2010-11	33,445,340,169	7,130,890	1,474,919,116	34,927,390,175	(2.46)
2011-12	34,085,647,852	6,570,158	1,477,728,807	35,569,946,817	1.84
2012-13	34,805,214,018	6,570,158	1,516,132,620	36,327,916,796	2.13
2013-14	36,014,484,505	6,570,158	1,495,632,142	37,516,686,805	3.27
2014-15	37,591,590,637	6,570,158	1,596,966,414	39,195,127,209	4.47

Source: California Municipal Statistics, Inc.

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

Appeals and Adjustments of Assessed Valuations. Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization ("SBE"), with the appropriate county board of equalization or assessment appeals board. County assessors may independently reduce assessed values as well based upon the above factors or reductions in the fair market value of the taxable property. In most cases, an appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly reappraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution."

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.

The District does not have information regarding pending appeals of assessed valuation of property within the District. No assurance can be given that property tax appeals currently pending or in the future will not significantly reduce the assessed valuation of property within the District.

Assessed Valuation and Parcels by Land Use

The following is an analysis of the District's fiscal year 2014-15 assessed valuation (excluding utility and unsecured property) by land use.

ASSESSED VALUATION AND PARCELS BY LAND USE
Fiscal Year 2014-15
Cerritos Community College District

Non-Residential:	**2014-15 Assessed Valuation** (1)	**% of Total**	**No. of Parcels**	**% of Total**
Commercial	$4,523,650,956	12.03%	2,863	2.82%
Vacant Commercial	147,055,089	0.39	402	0.40
Industrial	4,258,888,030	11.33	1,420	1.40
Vacant Industrial	170,738,060	0.45	367	0.36
Recreational	140,622,436	0.37	59	0.06
Government/Social/Institutional	492,485,218	1.31	969	0.96
Miscellaneous	24,002,873	0.06	115	0.11
Subtotal Non-Residential	$9,757,442,662	25.96%	6,195	6.11%
Residential:				
Single Family Residence	$22,845,634,950	60.77%	81,446	80.34%
Condominium/Townhouse	1,256,956,770	3.34	6,515	6.43
Mobile Home	20,039,430	0.05	910	0.90
Mobile Home Park	59,207,132	0.16	50	0.05
2-4 Residential Units	1,259,366,366	3.35	3,547	3.50
5+ Residential Units/Apartments	2,279,586,617	6.06	1,597	1.58
Vacant Residential	113,356,710	0.30	1,111	1.10
Subtotal Residential	$27,834,147,975	74.04%	95,176	93.89%
Total	$37,591,590,637	100.00%	101,371	100.00%

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

Assessed Valuation by Jurisdiction

The following table shows a breakdown of the District's fiscal year 2014-15 assessed valuation by jurisdiction.

ASSESSED VALUATION BY JURISDICTION[(1)]
Fiscal Year 2014-15
Cerritos Community College District

Jurisdiction:	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Artesia	$1,407,900,158	3.59%	$1,407,900,158	100.00%
City of Bell Gardens	24,014,326	0.06	1,523,035,952	1.58
City of Bellflower	4,160,765,916	10.62	4,555,717,874	91.33
City of Cerritos	8,076,326,406	20.61	8,076,326,406	100.00
City of Downey	9,268,523,386	23.65	9,525,613,969	97.30
City of Hawaiian Gardens	695,290,540	1.77	695,571,810	99.96
City of La Mirada	5,172,519,405	13.20	5,554,773,893	93.12
City of Lakewood	2,742,211,884	7.00	7,899,493,879	34.71
City of Long Beach	133,185,222	0.34	49,710,099,200	0.27
City of Norwalk	5,062,719,705	12.92	6,331,707,221	79.96
City of Paramount	2,230,683	0.01	3,363,331,783	0.07
City of Santa Fe Springs	1,851,794,383	4.72	6,754,513,405	27.42
City of South Gate	464,024,328	1.18	4,953,525,322	9.37
Unincorporated Los Angeles County	133,620,867	0.34	89,355,630,286	0.15
Total District	$39,195,127,209	100.00%		
Los Angeles County	$39,195,127,209	100.00%	$1,201,271,457,529	3.26%

(1) Before deduction of redevelopment incremental valuation.
Source: California Municipal Statistics, Inc.

Assessed Valuation of Single Family Homes

The following table is a per parcel analysis of the assessed valuation of single-family homes within the District, in terms of their fiscal year 2014-15 assessed valuation.

ASSESSED VALUATION OF SINGLE FAMILY HOMES
Fiscal Year 2014-15
Cerritos Community College District

	No. of Parcels	2014-15 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	81,446	$22,845,634,950	$280,500	$266,169

2014-15 Assessed Valuation	No. of Parcels[(1)]	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $24,999	110	0.135%	0.135%	$2,161,853	0.009%	0.009%
25,000 - 49,999	2,322	2.851	2.986	95,027,401	0.416	0.425
50,000 - 74,999	6,243	7.665	10.651	396,147,901	1.734	2.159
75,000 - 99,999	4,446	5.459	16.110	383,740,070	1.680	3.839
100,000 - 124,999	2,913	3.577	19.687	326,612,720	1.430	5.269
125,000 - 149,999	3,033	3.724	23.411	418,144,952	1.830	7.099
150,000 - 174,999	3,192	3.919	27.330	519,574,998	2.274	9.373
175,000 - 199,999	4,148	5.093	32.423	779,896,760	3.414	12.787
200,000 - 224,999	5,220	6.409	38.832	1,111,069,998	4.863	17.651
225,000 - 249,999	5,551	6.816	45.647	1,316,400,246	5.762	23.413
250,000 - 274,999	5,301	6.509	52.156	1,389,683,224	6.083	29.496
275,000 - 299,999	5,013	6.155	58.311	1,439,682,531	6.302	35.797
300,000 - 324,999	4,812	5.908	64.219	1,501,903,004	6.574	42.372
325,000 - 349,999	4,745	5.826	70.045	1,599,877,146	7.003	49.375
350,000 - 374,999	4,511	5.539	75.584	1,632,943,615	7.148	56.522
375,000 - 399,999	3,817	4.687	80.270	1,476,233,393	6.462	62.984
400,000 - 424,999	3,090	3.794	84.064	1,271,752,464	5.567	68.551
425,000 - 449,999	2,520	3.094	87.158	1,100,286,847	4.816	73.367
450,000 - 474,999	1,879	2.307	89.465	866,843,801	3.794	77.161
475,000 - 499,999	1,411	1.732	91.198	686,678,327	3.006	80.167
500,000 and greater	7,169	8.802	100.000	4,530,973,699	19.833	100.000
	81,446	100.000%		$22,845,634,950	100.000%	

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

Alternative Method of Tax Apportionment - "Teeter Plan"

Certain counties in the State of California operate under a statutory program entitled Alternate Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"). Under the Teeter Plan local taxing entities receive 100% of their tax levies net of delinquencies, but do not receive interest or penalties on delinquent taxes collected by the county. **The County has not adopted the Teeter Plan, and consequently the Teeter Plan is not available to local taxing entities within the County, such as the District. The District's receipt of property taxes is therefore subject to delinquencies.**

The District participates in the California Statewide Delinquent Tax Finance Authority ("CSDTFA"). CSDTFA is a joint exercise of powers agency formed for the purpose of purchasing delinquent *ad valorem* property taxes of its members in accordance with Section 6516.6 of the Government Code of the State of California. The District anticipates that CSDTFA will from time to time purchase delinquent *ad valorem* property tax receivables from the District at a purchase price equal to 108.5% of such receivable. Any penalty charges collected with respect to such delinquencies will be retained by CSDTFA. CSDTFA does not ensure that the District will receive the timely payment of *ad valorem* property taxes levied to secure the Bonds. Also, the District can make no assurance that it will continue to participate in CSDTFA in the future. See also "—*Ad Valorem* Property Taxation."

Secured Tax Charges and Delinquencies

Information regarding annual secured tax levies within the District for fiscal years 2007-08 through 2013-14, and amounts delinquent as of June 30, are shown below.

SECURED TAX CHARGES AND DELINQUENCIES
Fiscal Years 2007-08 through 2013-14
Cerritos Community College District

Fiscal Year	Secured Tax Charge(1)	Amt. Del. June 30	% Del. June 30
2007-08	$8,495,812.55	$423,998.38	4.99%
2008-09	8,911,113.22	416,940.68	4.68
2009-10	8,727,805.05	299,101.08	3.43
2010-11	8,552,167.50	204,941.60	2.40
2011-12	8,747,024.99	182,262.08	2.08
2012-13	8,980,166.13	161,238.87	1.80
2013-14	9,296,854.81	136,954.22	1.47

Fiscal Year	Secured Tax Charge(2)	Amt. Del. June 30	% Del. June 30
2007-08	$3,541,457.85	$215,739.61	6.09%
2008-09	3,423,227.03	162,700.38	4.75
2009-10	6,155,721.68	192,477.15	3.13
2010-11	8,829,149.06	179,392.22	2.03
2011-12	6,002,407.92	110,663.95	1.84
2012-13	8,968,699.40	169,679.58	1.89
2013-14	8,938,996.32	116,283.15	1.30

(1) 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects countywide delinquency rate.
(2) Bond debt service levy only
Source: California Municipal Statistics, Inc.

Principal Taxpayers

The following table lists the major taxpayers in the District in terms of their 2014-15 secured assessed valuations.

LARGEST 2014-15 LOCAL SECURED TAXPAYERS
Cerritos Community College District

	Property Owner	Primary Land Use	2014-15 Assessed Valuation	% of Total [1]
1.	Macerich Co.	Shopping Center	$463,365,443	1.23%
2.	Golden Springs Development Company LLC	Industrial	277,368,649	0.74
3.	Walton CWCA O'Donnell Cerritos 46 LLC	Industrial	153,182,284	0.41
4.	Cerritos Office Center	Office Building	114,387,526	0.30
5.	Coca Cola Bottling Co. of Los Angeles	Industrial	96,218,469	0.26
6.	Maguire Partners Inc.	Office Building	95,092,132	0.25
7.	Cerritos Towne Center LLC, Lessee	Shopping Center	86,820,028	0.23
8.	Norwalk MM LLC	Office Building	67,463,680	0.18
9.	Cerritos Best Plaza LLC	Commercial	66,690,411	0.18
10.	Kaiser Foundation Health Plan Inc.	Medical Offices	66,547,887	0.18
11.	Duke Realty LP	Industrial	64,756,666	0.17
12.	Vons Companies Inc.	Industrial	54,795,894	0.15
13.	Freeway Springs LLC	Industrial	48,204,440	0.13
14.	Price REIT Inc.	Shopping Center	46,965,232	0.12
15.	SRGMF Bloomfield Norwalk LLC	Apartments	46,000,770	0.12
16.	Fremont Rancho Limited	Industrial	44,374,324	0.12
17.	USF Propco I LLC	Industrial	43,931,803	0.12
18.	Bloomfield Cerritos Associates LLC, Lessee	Office Building	42,900,000	0.11
19.	AG Crowsnest Cerritos Owner LLC	Industrial	42,500,000	0.11
20.	Prologis LLC	Industrial	41,354,095	0.11
			$1,962,919,733	5.22%

[1] 2014-15 Local Secured Assessed Valuation: $37,591,590,637.
Source: California Municipal Statistics, Inc.

Tax Rates

The table below demonstrates the total *ad valorem* tax rates levied by all taxing entities, as a percentage of assessed valuation, in typical tax rate area ("TRA") of the District during the five-year period from 2010-11 through 2014-15.

TYPICAL TAX RATES - TRA 3304
Fiscal Years 2010-11 through 2014-15
Cerritos Community College District

	2010-11	2011-12	2012-13	2013-14	2014-15[1]
General	1.000000%	1.000000%	1.000000%	1.000000%	1.000000%
Cerritos Community College District	.026773	.067254	.025942	.025023	.048092
Downey Unified School District	.070182	.017822	.071324	.066034	.065493
Metropolitan Water District	.003700	.003700	.003500	.003500	.003500
Total	1.100655%	1.088776%	1.100766%	1.094557%	1.117085

[1] 2014-15 assessed valuation of TRA 3304 is $2,169,604,102, which represents 5.54% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

Statement of Direct and Overlapping Debt

Set forth on the following page is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc. effective as of September 30, 2014. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

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

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

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

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STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT
Cerritos Community College District

2014-15 Assessed Valuation: $39,195,127,209

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	**% Applicable**[(1)]	**Debt 9/30/14**
Los Angeles County Flood Control District	3.380%	$590,824
Metropolitan Water District	1.718	2,272,485
Cerritos Community College District	**100.000**	**185,745,023**[(2)]
ABC Unified School District	100.000	39,364,966
Bellflower Unified School District	100.000	36,100,000
Downey Unified School District	98.796	61,471,124
Norwalk-La Mirada Unified School District	100.000	134,442,323
Los Angeles County Regional Park and Open Space Assessment District	3.293	2,729,238
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$462,715,983
OVERLAPPING GENERAL FUND DEBT:		
Los Angeles County General Fund Obligations	3.293%	$58,861,891
Los Angeles County Superintendent of Schools Certificates of Participation	3.293	287,120
Bellflower Unified School District Certificates of Participation	100.000	15,300,000
Norwalk-La Mirada Unified School District Certificates of Participation	100.000	2,770,165
City of Downey General and Pension Fund Obligation Bonds	97.302	24,782,820
City of Norwalk General Fund Obligations	80.163	11,912,222
Other City General Fund Obligations	Various	25,156,873
Los Angeles County Sanitation District No. 2 Authority	33.652	6,513,619
Los Angeles County Sanitation District No. 3 Authority	3.425	221,787
Los Angeles County Sanitation District No. 18 Authority	37.622	4,071,065
Los Angeles County Sanitation District No. 19 Authority	72.535	2,528,812
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		$152,406,374
Less: Los Angeles County general fund obligations supported by landfill revenues		165,810
City supported obligations		6,355,303
TOTAL NET OVERLAPPING GENERAL FUND DEBT		$145,885,261
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):		$333,794,243
GROSS COMBINED TOTAL DEBT		$948,916,600[(3)]
NET COMBINED TOTAL DEBT		$942,395,487

Ratios to 2014-15 Assessed Valuation:
Direct Debt ($185,745,023)..0.47%
Total Direct and Overlapping Tax and Assessment Debt 1.18%
Gross Combined Total Debt 2.42%
Net Combined Total Debt...2.40%

Ratio to Redevelopment Incremental Valuation ($8,717,847,947):
Total Overlapping Tax Increment Debt 3.83%

(1) Based on 2013-14 ratios.
(2) Excludes the Bonds described herein. Includes the Refunded Bonds.
(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

The principal of and interest on the Bonds are payable from the proceeds of an ad valorem *property tax levied by the County for the payment thereof. See "THE BONDS – Security and Sources of Payment" Articles XIIIA, XIIIB, XIIIC and XIIID of the Constitution, Propositions 98 and 111, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes on behalf of the District and the District spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIIIA, Article XIIIC, and all applicable laws.*

Article XIIIA of the California Constitution

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

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

Article XIIIA requires a vote of two-thirds of the qualified electorate of a city, county, special district or other public agency to impose special taxes, while totally precluding the imposition of any additional *ad valorem*, sales or transaction tax on real property. Article XIIIA exempts from the 1% tax limitation any taxes above that level required to pay debt service (i) on any indebtedness approved by the voters prior to July 1, 1978, or (ii) as the result of an amendment approved by State voters on July 3, 1986, on any bonded indebtedness approved by two-thirds of the votes cast by the voters for the acquisition or improvement of real property on or after July 1, 1978, or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% or more of the votes cast on the proposition, but only if certain accountability measures are included in the proposition. In addition, Article XIIIA requires the approval of two-thirds of all members of the state legislature to change any state taxes for the purpose of increasing tax revenues.

Legislation Implementing Article XIIIA

Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the counties 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.

That portion of annual property tax revenues generated by increases in assessed valuations within each tax rate area within a county, subject to claims, if any, on tax increment and subject to changes in organizations, if any, of affected jurisdictions, is allocated to each jurisdiction within the tax rate area in the same proportion that the total property tax revenue from the tax rate area for the prior year was allocated to such jurisdictions.

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.

Beginning in fiscal year 1981-82, assessors in California no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as $4 per $100 of assessed value. All taxable property is now shown at 100% of assessed value on the tax rolls. Consequently, the tax rate is expressed as $1 per $100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

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

Unitary Property

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

The California electric utility industry has been undergoing significant changes in its structure and in the way in which components of the industry are regulated and owned. Sale of electric generation assets to largely unregulated, nonutility companies may affect how those assets are assessed, and which local agencies are to receive the property taxes. The District is unable to predict the impact of these changes on its utility property tax revenues, or whether legislation may be proposed or adopted in response to industry restructuring, or whether any future litigation may affect ownership of utility assets or the State's methods of assessing utility property and the allocation of assessed value to local taxing agencies, including the District. So long as the District is not a Basic Aid district (as defined herein), taxes lost through any reduction in utility assessed valuation will be compensated by the State as equalization aid under the State education financing formula. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Major Revenues."

Article XIIIB of the California Constitution

Article XIIIB of the State Constitution ("Article XIIIB"), as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, community college district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. As amended, Article XIIIB defines

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

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

For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year pursuant to the provisions of Article XIIIB, as amended.

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

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

Article XIIIB includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

Article XIIIB also includes a requirement that fifty percent of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution. See "Proposition 98" and "Proposition 111" below.

Article XIIIC and Article XIIID of the California Constitution

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

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as community college districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4. Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

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

Proposition 26

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

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 fiscal year, or (b) the amount actually appropriated to such districts from the State general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period. The current level of guaranteed funding pursuant to Proposition 98 is 34.55% of the State general fund.

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 XIIIB 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.

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

Proposition 111

On June 5, 1990, the voters of California approved the "Traffic Congestion Relief and Spending Limitation Act of 1990 ("Proposition 111"), which modified the State Constitution to alter the Article XIIIB spending limit and the education funding provisions of Proposition 98. Proposition 111 took effect on July 1, 1990.

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

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

b. Treatment of Excess Tax Revenues. "Excess" tax revenues with respect to Article XIIIB are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess is 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 such district's 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.

c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIIIB spending limit. First, excluded are all appropriations for “qualified capital outlay projects” as defined by the Legislature. Second, excluded are any increases in gasoline taxes above the then-current nine cents per gallon level, 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 Government, which was expected to raise over $15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

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

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

Proposition 39

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

The 55% vote requirement applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the governing board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the governing 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 district and community college district 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 this proposition and can be changed with a majority vote of both houses of the Legislature and approval by the Governor.

Jarvis v. Connell

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

Proposition 30

On November 6, 2012, voters of the State approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"), which temporarily increases the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposes 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 imposes 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, for storage, use, or other consumption in the State. This excise tax will be 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 on January 1, 2012 and ending in the taxable year commencing on 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 $340,000 but less than $408,000 for joint filers), (ii) 2% for taxable income over $300,000 but less than $500,000 for single filers (over $408,000 but less than $608,000 for joint filers), and (iii) 3% for taxable income over $500,000 for single filers (over $608,000 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 "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND

APPROPRIATIONS – Propositions 98 and 111." 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 schools 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.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amends the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to K-14 school districts, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Proposition 1A allows the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to K-14 school districts or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's General Fund and transportation funds, the State's main funding source for school districts and community college districts, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the State Legislative Analysts Office (the "LAO") on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was to be approximately $1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total General Fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, will be an increase in the State's General Fund costs by approximately $1 billion annually for several decades. See also "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Dissolution of Redevelopment Agencies."

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC and Article XIIID of the California Constitution and Propositions 98, 39, 22, 26 and 30 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted further affecting

District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA

The information in this section concerning State funding of community colleges 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 State revenues. 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.

Major Revenues

California community college districts (other than Basic Aid Districts, as described below) receive a majority of their funding from the State, and the balance from local and federal sources. State funds include general apportionment, categorical funds, capital construction, the lottery (which generally is less than 3 percent), and other minor sources. Local funds include property taxes, student fees, and miscellaneous sources.

A bill passed the State's legislature ("SB 361"), and signed by the Governor on September 29, 2006, established the present system of funding for community college districts. This system includes allocation of state general apportionment revenues to community college districts based on criteria developed by the Board of Governors of the California Community Colleges (the "Board of Governors") in accordance with prescribed statewide minimum requirements. In establishing these minimum requirements, the Board of Governors was required to acknowledge community college districts' need to receive an annual allocation based on the number of colleges and comprehensive centers in each respective district, plus funding received based on the number of credit and noncredit FTES in each district.

SB 361 also specified that, commencing with the 2006-07 fiscal year, the minimum funding per FTES would be: (a) not less than $4,367 per credit FTES; (b) at a uniform rate of $2,626 per noncredit FTES; and (c) set at $3,092 per FTES for a new instructional category of "career development and college preparation" ("CDCP") enhanced non-credit rate. Each such minimum funding rate is subject to cost of living adjustments (each, a "COLA"), if any, funded through the State budgeting legislation in each fiscal year. Pursuant to SB 361, the State Chancellor (the "Chancellor") developed criteria for one-time grants for districts that would have received more funding under the prior system or a then-proposed rural college access grant, than under the new system.

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The table on the following page shows the District's FTES figures for the last five fiscal years, along with projected FTES for the current fiscal year.

FULL TIME EQUIVALENT STUDENTS[1]
Fiscal Years 2009-10 through 2014-15
Cerritos Community College District

Fiscal Year	Funded FTES	Unfunded FTES[2]	Total FTES
2009-10	16,703	1,373	18,076
2010-11	17,097	461	17,558
2011-12	15,760	1,432	17,192
2012-13	16,027	--	16,027
2013-14	16,404	404	16,808
2014-15[3]	16,967	52	17,019

(1) One FTES is equivalent to 525 student contact hours, which is determined based on a State formula of one student multiplied by 15 weekly contact hours multiplied by 35 weeks. Accordingly, the number of FTES in the District may not equal the number of students enrolled in the District. Reflects resident FTES counts only. Non-resident FTES are generally excluded from State funding formula calculations.

(2) In each fiscal year, the State budget will establish an enrollment cap on the maximum number of FTES, known as the "funded" FTES, for which a community college district will receive a revenue allocation, as determined by the program-based model. A district's enrollment cap is based on the previous fiscal year's reported FTES, plus the growth allowance provide for by the State budget, if any. All student hours in excess of the enrollment cap are considered "unfunded" FTES.

(3) Projected.

Source: Cerritos Community College District.

Local revenues are first used to satisfy District expenditures. The major local revenue source is local property taxes that are collected from within District boundaries. Student enrollment fees from the local community college district generally account for the remainder of local revenues for the District. Property taxes and student enrollment fees are applied towards fulfilling the District's financial need. Once these sources are exhausted, State funds are used. State aid is subject to the appropriation of funds in the State's annual budget. Decreases in State revenues may affect appropriations made by the legislature to the District. The sum of the property taxes, student enrollment fees, and State aid generally comprise the District's total funding allocation.

"Basic Aid" community college districts are those districts whose local property tax and student enrollment fee collections, including EPA funds, exceed the revenue allocation determined by the program-based model. The current law in California allows these districts to keep the excess funds without penalty. Basic Aid districts do not receive any general apportionment funding from the State, though they are currently entitled to the minimum amount of Proposition 30 tax proceeds. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Proposition 30." The implication for Basic Aid districts is that the legislatively determined annual cost of living adjustment and other politically determined factors are less significant in determining such districts' primary funding sources. Rather, property tax growth and the local economy become the determinant factors. The District is not a Basic Aid district.

A small part of a community college district's budget is from local sources other than property taxes and student enrollment fees, such as interest income, donations and sales of property. Every community college district receives the same amount of lottery funds per pupil from the State, however, these are not categorical funds as they are not for particular programs or students. The initiative authorizing the lottery does require the funds to be used for instructional purposes, and prohibits their use for capital purposes.

Tax Shifts and Triple Flip

Assembly Bill No. 1755 ("AB 1755"), introduced March 10, 2003 and substantially amended June 23, 2003, requires the shifting of property taxes between redevelopment agencies and K-14 school districts. On July 29, 2003, the Assembly amended Senate Bill No. 1045 to incorporate all of the provisions of AB 1755, except that the Assembly reduced the amount of the required Education Revenue Augmentation Fund ("ERAF") shift to $135 million. Legislation commonly referred to as the "Triple Flip" was approved by the voters on March 2, 2004, as part of a bond initiative formally known as the "California Economic Recovery Act." This act authorized the issuance of $15 billion in bonds to finance the 2002-03 and 2003-04 State budget deficits, which are payable from a fund established by the redirection of tax revenues through the "Triple Flip." Under the "Triple Flip," one-quarter of local governments' 1% share of the sales tax imposed on taxable transactions within their jurisdiction is redirected to the State. In an effort to eliminate the adverse impact of the sales tax revenue redirection on local government, the legislation redirects property taxes in the ERAF to local government. Because the ERAF monies were previously earmarked for K-14 school districts, the legislation provides such districts to receive other State general fund revenues.

Budget Procedures

On or before September 15, the Board of Trustees of a community college district is required under Section 58305 of the California Code of Regulations, Title V, to adopt a balanced budget. Each September, every State agency, including the Chancellor's Office of the California Community Colleges, submits to the Department of Finance ("DOF") proposals for changes in the State budget. These proposals are submitted in the form of Budget Change Proposals ("BCPs"), involving analyses of needs, proposed solutions and expected outcomes. Thereafter, the DOF makes recommendations to the governor, and by January 10 a proposed State budget is presented by the governor to the legislature. The Governor's Budget is then analyzed and discussed in committees and hearings begin in the State Assembly and Senate. In May, based on the debate, analysis and changes in the economic forecasts, the governor issues a revised budget with changes he or she can support. The law requires the legislature to submit its approved budget by June 15, and by June 30 the governor should announce his or her line item reductions and sign the State budget. In response to growing concern for accountability and with enabling legislation (AB 2910, Chapter 1486, Statutes of 1986), the statewide governing board of the California community colleges (the "Board of Governors") and the Chancellor's Office have established expectations for sound district fiscal management and a process for monitoring and evaluating the financial condition to ensure the financial health of California's community college districts. In accordance with statutory and regulatory provisions, the Chancellor has been given the responsibility to identify districts at risk and, when necessary, the authority to intervene to bring about improvement in their financial condition. To stabilize a district's financial condition, the Chancellor may, as a last resort, seek an appropriation for an emergency apportionment.

The monitoring and evaluation process is designed to provide early detection and amelioration that will stabilize the financial condition of a district before an emergency apportionment is necessary. This is accomplished by (1) assessing the financial condition of districts through the use of various information sources and (2) taking appropriate and timely follow-up action to bring about improvement in a district's financial condition, as needed. A variety of instruments and sources of information are used to provide a composite of each district's financial condition, including quarterly financial status reports, annual financial and budget reports, attendance reports, annual district audit reports, district input and other financial records. In assessing each district's financial condition, the Chancellor will pay special attention to each district's general fund balance, spending pattern, and full-time equivalent student patterns. Those districts with greater financial difficulty will receive follow-up visits from the Chancellor's Office where financial solutions to the district's problems will be addressed and implemented.

The table below shows the District's general fund budgets for fiscal years 2011-12 through 2014-15, the District's ending results for fiscal years 2011-12 through 2013-14. See also "APPENDIX B – EXCERPTS FROM THE 2012-13 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT."

COMPARISON OF GENERAL FUND BUDGETS
Fiscal Years 2011-12 through 2014-15
Cerritos Community College District

	Fiscal Year 2011-12		Fiscal Year 2012-13		Fiscal Year 2013-14		Fiscal Year 2014-15
	Budgeted[1]	Ending[1]	Budgeted[1]	Ending[1]	Budgeted[1]	Ending	Budgeted
REVENUES:							
Federal	$2,472,236	$3,552,670	$3,986,594	$3,821,453	$4,296,161	$4,374,872	$4,100,012
State	70,287,294	70,903,556	66,397,194	56,376,380	73,100,291	75,311,735	81,904,406
Local	17,289,612	15,621,414	15,403,052	31,296,964	18,349,753	18,864,074	19,932,815
TOTAL REVENUES	90,049,142	90,077,640	85,786,840	91,494,797	95,746,205	98,550,681	105,937,233
EXPENDITURES:							
Academic Salaries	39,796,261	39,047,409	39,446,286	39,596,704	41,154,502	42,463,193	43,862,905
Classified Salaries	21,429,670	19,914,516	20,541,870	20,274,467	20,587,073	21,119,584	22,706,213
Employee Benefits	19,357,793	19,166,571	19,112,917	18,442,820	18,477,374	17,998,113	19,099,467
Books and Supplies	8,287,429	2,121,449	8,514,865	2,037,743	4,011,186	2,210,779	2,775,852
Services and Other Operating Expenditures	8,000,917	7,275,474	7,510,342	7,140,347	7,717,564	7,448,832	8,634,446
Capital Outlay	1,608,045	1,466,718	1,454,427	1,421,027	1,625,496	1,307,838	3,777,870
TOTAL EXPENDITURES	98,480,115	88,992,137	96,580,707	88,913,108	93,573,195	92,548,339	100,856,753
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(8,430,973)	1,085,503	(10,793,867)	2,581,689	2,173,010	6,002,342	5,080,480
OTHER FINANCING SOURCES/USES	--	--	--	191,248	--	--	--
OTHER OUTGO	606,103	881,430	652,487	1,691,430	1,335,728	1,967,705	3,704,539
NET CHANGE IN FUND BALANCE	(9,037,076)	204,073	(11,446,354)	1,081,507	837,282	4,034,637	1,375,941
BEGINNING FUND BALANCE	13,761,283	13,761,283	13,965,356	13,965,356	15,046,863	15,046,863	19,081,500
ENDING FUND BALANCE	$4,724,207	$13,965,356	$4,724,207	$15,046,863	$15,884,145	$19,081,500	$20,457,441

(1) Budgeted figures for fiscal years 2011-12 through 2013-14, and ending figures for fiscal years 2011-12 and 2012-13, are drawn from the District's CCFS-311 Reports filed with the Chancellor's Office. For audited statements of revenues, expenditures and changes in fund balances for the District's governmental funds for fiscal years 2011-12 and 2012-13, see "CERRITOS COMMUNITY COLLEGE DISTRICT — Comparative Financial Statements."

Source: Cerritos Community College District.

Minimum Funding Guarantees for California Community College Districts Under Propositions 98 and 111

General. In 1988, California voters approved Proposition 98, an initiative that amended Article XVI of the State Constitution and provided specific procedures to determine a minimum guarantee for annual K-14 funding. The constitutional provision links the K-14 funding formulas to growth factors that are also used to compute the State appropriations limit. Proposition 111 (Senate Constitutional Amendment 1), adopted in June 1990, among other things, changed some earlier school funding provisions of Proposition 98 relating to the treatment of revenues in excess of the State spending limit and added Test 3 to calculate the annual funding guarantee. This third calculation is operative in years in which general fund tax revenue growth is weak. The amendment also specified that under Test 2 (see below), the annual COLA for the minimum guarantee for annual K-14 funding would be the change in California's per-capita personal income, which is the same COLA used to make annual adjustments to the State appropriations limit (Article XIIIB).

Calculating Minimum Funding Guarantee. There are currently three tests which determine the minimum level of K-14 funding. Under implementing legislation for Proposition 98 (AB 198 and SB 98 of 1989), each segment of public education (K-12 districts, community college districts, and direct elementary and secondary level instructional services provided by the State) has separately calculated amounts under the Proposition 98 tests. The base year for the separate calculations is the 1989-90 fiscal year. Each year, each segment is entitled to the greater of the amounts separately computed for each under Test 1 or 2. Should the calculated amount under Proposition 98 guarantee (K-14 aggregated) be less than the sum of the separate calculations, then the Proposition 98 guarantee amount shall be prorated to the three segments in proportion to the amount calculated for each. This statutory split has been suspended in every year beginning with 1992-93. In those years, community colleges received less than was required from the statutory split.

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

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

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

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

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

State Dissolution of Redevelopment Agencies

On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos* ("*Matosantos*"), finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all Redevelopment Agencies in California ceased to exist as a matter of law on February 1, 2012. The Court in *Matosantos* also found that ABx1 27, a companion bill to ABx1 26, violated the California Constitution, as amended by Proposition 22. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 1A and Proposition 22." ABx1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to K-14 school districts and county offices of education, totaling $1.7 billion statewide.

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

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

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

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

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

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

State Assistance

California community college districts' principal funding formulas and revenue sources are derived from the budget of the State of California. The following information concerning the State of California's budgets has been obtained from publicly available information which the District believes to be reliable; however, neither the District nor the Underwriters take any responsibility as to the accuracy or completeness of such publicly available information and has not independently verified such information.

2014-15 Budget. On June 20, 2014, the Governor signed into law the State budget for fiscal year 2014-15 (the "2014-15 Budget"). The following information is drawn from the State Department of Finance's summary of the 2014-15 Budget and the LAO report entitled "The 2014-15 Budget: California Spending Plan," and certain other sources relating to Proposition 2 (defined herein).

The 2014-15 Budget is based on revenue projections previously included in the Governor's May revision to the proposed budget for fiscal year 2014-15. For fiscal year 2013-14, the 2014-15 Budget projects total State general fund revenues of $102.2 billion, and total State general fund expenditures of $100.7 billion. The 2014-15 Budget projects that the State will end the 2013-14 fiscal year with a $2.9 billion general fund surplus. For fiscal year 2014-15, the 2014-15 Budget projects total State general fund revenues of $109.4 billion and total State general fund expenditures of $108 billion, leaving the State with a projected general fund surplus for fiscal year 2014-15 of approximately $2.1 billion. This projected reserve is a combination of $449 million in the State's general fund traditional reserve, and an authorized deposit of $1.6 billion into the Budget Stabilization Account (the "BSA") established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

As part of implementing certain provisions of the 2014-15, a legislatively-referred constitutional amendment (Proposition 2), has been placed on the November 4, 2014 statewide ballot which, if approved by the requisite vote of the electors, would (i) require an annual deposit into the BSA of 1.5% of annual general fund revenues and an additional amount each year whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the BSA at 10% of State general fund revenues; (iii) require half of each year's deposit into the BSA for the next 15 years be used for supplemental payments to pay fiscal obligations, such as budgetary loans and unfunded state-level pensions plans; (iv) allow the withdrawal of funds from the BSA only for a disaster or if spending remains at or below the highest level of spending from the past three years and limit the amount that could be withdrawn from the BSA in the first year of a recession to half of the BSA fund balance; (v) require the State to provide a multi-year budget forecast to help better manage the State's longer term finances; and (vi) create a Proposition 98 reserve, whereby spikes in funding would be deposited thereto to smooth K-14 education spending. This reserve would make no changes to the Proposition 98 calculations, and it would not begin to operate until the existing maintenance factor is fully paid off.

The 2014-15 Budget sets the Proposition 98 minimum funding guarantee for fiscal year 2014-15 at $60.9 billion, including $44.5 billion of support from the State's general fund. The total Proposition 98 minimum funding guarantee in the 2014-15 Budget represents an increase of $5.6 billion over the amount included in the fiscal year 2013-14 State budget. When combined with increases of $4.4 billion in fiscal years 2012-13 and 2013-14, the 2014-15 Budget provides a $10 billion increased funding for K-14 education. The State makes a $5.2 billion maintenance factor payment in 2012-13, which reduces the State's outstanding maintenance factor obligation from $11 billion to $5.8 billion. Since Test 3 is operative in fiscal year 2013-14, $458 million in new maintenance factor is created. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 111." In fiscal year 2014-15, the State is expected to make another maintenance factor payment of $2.6 billion, which would reduce the outstanding maintenance factor to $4 billion by the end of fiscal year 2014-15.

Significant features of the 2014-15 Budget related to the funding of community college districts include the following:

- The 2014-15 Budget includes a plan to reduce the $74.4 billion unfunded STRS liability in approximately 30 years by increasing contribution rates among the State, K-14 school districts, and participating employees. For fiscal year 2014-15, these increases are expected to result in $276 million of additional contributions from all three entities. The plan also provides the STRS Board (as defined herein) with limited authority to (i) increase State, school district and community college district contributions based on changing conditions, and (ii) reduce school district and community college district contributions if they are no longer necessary. For additional information, see "CERRITOS COMMUNITY COLLEGE DISTRICT – State Retirement Programs."
- *Implementing Statewide Performance Strategies* – $1.1 million of non-Proposition 98 funding to add nine positions for the State Chancellor's Office to develop leading indicators of student success and to monitor community college districts' performance. The 2014-15 Budget also provides $2.5 million of Proposition 98 funding to provide local technical assistance to support the implementation of effective practices across all community college districts, with a focus on underperforming districts.
- *Investing in Student Success* – $170 million in Proposition 98 funding to improve and expand student success programs and to strengthen efforts to assist underrepresented students. This amount is allocated as follows: (i) $100 million to increase orientation, assessment, placement, counseling and other education planning services for all matriculated students, and (ii) $70 million to close gaps in access and achievement in underrepresented student groups, as identified in local Student Equity Plans.

- *Apportionments* – An increase of $140.4 million in Proposition 98 funding for growth in general-purpose apportionments, which represents a 2.75% increase in enrollment, and which, according to the LAO, equates to an additional 30,000 full-time equivalent students. The 2014-15 Budget directs the State Board of Governors to adopt a growth formula beginning in fiscal year 2015-16 that gives first priority to the community college districts identified as having the greatest unmet need in adequately serving their community's higher educational needs. The 2014-15 Budget also provides $47.3 million of Proposition 98 funding for a 0.85% COLA.

- *Career Technical Education* – A one-time increase of $50 million in Proposition 98 funding to improve career technical education. The $50 million will support the Economic and Workforce Development program at the Chancellor's Office. Additionally, beginning in fiscal year 2015-16, the State Budget increases the funding rate for career development and college preparation noncredit courses to equal the funding rate for credit courses.

- *Technology Infrastructure* – A $1.4 million one-time increase in Proposition 98 funding and a $4.6 million ongoing increase in Proposition 98 funding to upgrade bandwidth and replace technology equipment at community college districts.

- *Disabled Student Programs and Services* – $30 million in Proposition 98 funding to provide support services to students with disabilities.

- *Eliminating Apportionment Deferrals* – $498 million in Proposition 98 funding to buy down deferrals. The 2014-15 Budget also includes a trigger mechanism that will allow any additional funding resources attributable to fiscal years 2013-14 or 2014-15 subsequent to the enactment of the 2014-15 Budget to be appropriated for the purpose of retiring the remaining $94 million deferral balance.

- *Mandates* – $49.5 million in one-time Proposition 98 funding to reimburse community college districts for the cost of State-mandated programs to be distributed on a per-student basis. For community colleges, the 2014-15 Budget repeals one mandate related to certain information included in infrastructure plans and adds to the block grant one mandate related to public contracts. The LAO notes that, the 2014-15 Budget does not increase funding for the block grant as the added costs are expected to be minimal.

- *Financial Stability for Apportionments* – An increase of $40.5 million in fiscal year 2013-14 and $37.8 million in fiscal year 2014-15 in Proposition 98 funding by shifting a portion of the revenues from former redevelopment agencies that are scheduled to be received in the final months of the fiscal year to the following fiscal year. Proposition 98 funding will backfill the difference between estimated total fiscal year redevelopment agency revenues and the amount the community college districts receive through April 15.

- *Investing in Deferred Maintenance and Instructional Equipment* – A one-time increase of $148 million in Proposition 98 funding for deferred maintenance or instructional equipment purchases. This program funds facility maintenance projects as well as replacement of instructional equipment and library materials.

- *Proposition 39.* Passed by voters in November 2012, Proposition 39 increases State corporate tax revenues and requires a five-year period, starting in fiscal year 2013-14, that a portion of these revenues be used to improve energy efficiency and expand the use of alternative energy in public buildings. The 2014-15 Budget provides $38 million in Proposition 98 funding for community college grants and $28 million of Proposition 98 funding for a revolving loan program for K-14 School Districts.

- *Chapter 751 Obligation.* The 2014-15 Budget makes a final $410 million payment to retire the State's obligation set forth in Chapter 751, Statutes of 2006 ("Chapter 751"), which required the State to provide additional annual school and community college payments until a total of $2.8 billion had been provided.

- *Pay Down of Remainder of Economic Recovery Bonds.* The 2014-15 Budget transfers 3% of general fund revenues – or $3.2 billion- to the BSA. Under Proposition 98, one-half of those revenues must be used to accelerate the repayment of the State's Economic Recovery Bonds. The $1.6 billion payment is expected to pay off the remaining principal amount of the Economic Recovery Bonds during fiscal year 2014-15. See "– Tax Shifts and Triple Flip" above.

- *Capital Outlay.* The 2014-15 Budget appropriates a total of $21 million in general obligation bond funding for one continuing community college project and seven new projects. The LAO notes that future State costs for these projects are expected to total an additional $102 million.

For additional information regarding the State's 2014-15 Budget, see the State Department of Finance website at www.dof.ca.gov and the LAO's website at www.lao.ca.gov. However, the information presented on such websites is not incorporated herein by reference.

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

Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California Community College Budget and Accounting Manual. This manual, according to Section 84030 of the California Education Code, is to be followed by all California community college districts. The Governmental Accounting Standards Board ("GASB") has released (i) Statement No. 34, which is effective for the District and makes changes in the annual financial statements for all governmental agencies in the United States, especially in recording of fixed assets and their depreciation, and in the way the report itself is formatted, and (ii) Statement No. 35, which is effective for the District and makes changes in the required content and format of annual financial statements for public colleges and universities. These requirements become effective for the District in May 15, 2002. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

Comparative Financial Statements

Pursuant to applicable guidance from GASB, the District's financial statements present a comprehensive, entity-wide perspective of the District's assets, liabilities, and cash flows rather than the fund-group perspective previously required. The table on the following page displays the District's revenues, expenses and changes in net assets for its primary government funds during fiscal years 2008-09 through 2012-13.

AUDITED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS – PRIMARY GOVERNMENT
Fiscal Years 2008-09 through 2012-13
Cerritos Community College District

	Fiscal Year 2008-09	Fiscal Year 2009-10	Fiscal Year 2010-11	Fiscal Year 2011-12	Fiscal Year 2012-13
OPERATING REVENUES					
Enrollment, tuition and other fees (gross)	$12,567,115	$13,411,195	$13,138,126	$16,748,987	$15,919,463
Less: Scholarship discounts and allowances	(5,270,234)	(7,151,185)	(7,839,033)	(11,771,360)	(9,065,155)
Net enrollment, tuition and other fees	7,296,881	6,260,010	5,299,093	4,977,627	6,854,308
Grant and contracts, non-capital:[1]					
Federal	--	--	--	--	3,883,261
State	--	--	--	--	7,185,265
Local	--	--	--	--	6,579,049
Other operating revenues	--	148,087	45,410	--	--
TOTAL OPERATING REVENUES	7,296,881	6,408,097	5,344,503	4,977,627	24,501,883
OPERATING EXPENSES					
Salaries	68,570,152	64,710,335	64,384,525	60,941,456	61,925,082
Employee benefits	18,983,838	18,554,3700	24,810,845	21,689,406	21,004,426
Supplies, materials and other operating expenses and services	19,311,953	18,508,370	19,009,180	17,302,962	10,868,852
Equipment, maintenance, and repairs	2,261,874	1,830,049	2,250,137	2,463,791	--
Financial aid	19,193,355	30,656,491	41,559,476	42,208,791	41,016,916
Utilities	--	--	--	--	--
Program expenses	--	--	--	--	--
Depreciation	2,341,155	2,881,742	3,074,853	3,101,883	3,334,315
TOTAL OPERATING EXPENSES	130,662,327	137,141,017	155,089,016	147,707,956	138,149,591
OPERATING INCOME (LOSS)	(123,365,446)	(130,732,920)	(149,744,513)	(142,730,329)	(113,647,708)
NON-OPERATING REVENUES (EXPENSES)					
State apportionments, non-capital	71,974,652	67,934,249	68,790,685	62,452,363	35,309,242
Local property taxes	14,391,247	14,633,461	9,065,934	16,176,487	23,862,692
State taxes and other revenues	2,051,143	2,043,186	9,108,871	2,351,186	15,932,174
Federal Grants	20,451,406	32,520,473	42,603,710	43,811,738	39,176,358
State Grants	12,027,708	7,891,991	8,112,539	8,121,075	--
Other non-operating revenues	4,031,065	7,010,029	2,235,711	6,704,214	116,702
Investment income, net	1,301,374	1,232,210	895,188	761,033	951,172
Contributions, gifts and grants, non-capital	--	--	6,512,486	--	--
Loss on sale of capital assets	--	--	(167,749)	--	--
Interest income on capital asset-related debt, net	116,165	102,110	109,313	92,031	--
Interest expense	(3,190,111)	(5,944,889)	(6,112,341)	(5,858,091)	(8,527,699)
TOTAL NON-OPERATING REVENUES (EXPENSES)	123,154,649	127,422,820	141,154,347	134,612,036	106,820,640
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS OR (LOSSES)	(210,797)	(3,310,100)	(8,590,166)	(8,118,293)	(6,827,067)
OTHER REVENUES, EXPENSES, GAINS OR (LOSSES)					
State apportionments, capital	877,620	169,688	3,347,683	4,157,140	2,089,038
Local revenues, capital	649,988	500,000	51,450	--	1,004,694
Loss on disposal of equipment	--	--	--	--	9,550,826
TOTAL OTHER REVENUES, EXPENSES, GAINS OR (LOSSES)	1,527,608	669,688	3,399,133	4,157,140	12,644,558
INCREASE IN NET ASSETS	1,316,811	(2,640,412)	(5,191,033)	(3,961,153)	5,817,491
NET ASSETS, BEGINNING OF YEAR	77,491,980	78,808,791	76,168,379	70,977,346	67,016,193
ADJUSTMENT FOR RESTATEMENT	--	--	--	--	13,181,902[2]
NET ASSETS, AS RESTATED	--	--	--	--	80,198,095
NET ASSETS, END OF YEAR	$78,808,791	$76,168,379	$70,977,346	$67,016,193	$86,015,586

(1) Beginning in fiscal year 2012-13, the majority of audited grant and contract revenue has been classified as operating revenue.
(2) Restatement to the net beginning position for fiscal year 2012-13 results from the implementation of GASB Statement No. 62, which requires the capitalization of interest expense on bonded debt that previously had been expensed.
Source: Cerritos Community College District.

CERRITOS COMMUNITY COLLEGE DISTRICT

The information in this section concerning the operations of the District and the District's finances is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of and interest on the Bonds is payable from the General Fund of the District. The Bonds are payable solely from the revenues generated by an ad valorem *property tax required to be levied by the County in an amount sufficient for the payment thereof. See "THE BONDS – Security and Sources of Payment."*

General Information

The District, founded in 1955, serves an area of 52 square miles of southeastern portion of the County, and includes within its service the area the Cities of Artesia, Bellflower, Cerritos, Downey, Hawaiian Gardens, La Mirada, Norwalk, and portions of Bell Gardens, Lakewood, Long Beach, Santa Fe Springs, and South Gate. The District currently operates Cerritos College, which provides collegiate level instruction, degrees, and certificates in 87 areas of study in grades 13 and 14. The College is fully accredited by the ACCJC. For fiscal year 2014-15, the District has a projected FTES count of 17,019, and taxable property within the District has an assessed valuation of $39,195,127,209.

Administration

The District is governed by a seven-member Board of Trustees, each member of which is elected to a four-year term. Elections for positions to the Board are held every two years. Current members of the Board, together with their offices and the dates their terms expire, are listed below:

BOARD OF TRUSTEES
Cerritos Community College District

Name	Office	Term Expires
Carmen Avalos	President	November 30, 2016
Dr. Sandra Salazar	Vice President	November 30, 2016
Marisa Perez	Secretary	November 30, 2016
Bob Arthur	Member	November 30, 2016
John Paul Drayer	Member	November 30, 2014
Dr. Shin Liu	Member	November 30, 2014
Dr. Bob Hughlett	Member	November 30, 2014

The management and policies of the District are administered by an President/Superintendent appointed by the Board of Trustees who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel. Dr. Linda L. Lacy is the President/Superintendent of the District and Dr. David El Fattal is the Vice President, Business Services/Assistant Superintendent. Brief biographies of the President/Superintendent and the Vice President, Business Services/Assistant Superintendent follow:

Dr. Linda L. Lacy, President/Superintendent. Dr. Linda Lacy began her tenure as President/Superintendent of the District in September 2009. She received her Ed.D. in Higher Education Administration from Oklahoma State University, her M.S. from Central State University and her B.S. from Oklahoma State University. Prior to coming to Cerritos College, she served as Vice Chancellor of Student Services and Operations of the Riverside Community College District and Interim President of Riverside City College. Dr. Lacy served the Riverside Community College District in multiple capacities beginning in 1986 as an instructor and coach. Before her career at Riverside, she served as an instructor and Assistant Principal for a K-12 school system in Oklahoma for 12 years.

Dr. Lacy has announced her intention to retire at the expiration of her current employment contract with the District, ending July 1, 2015. The District is currently in the process of forming a President Screening Advisory Committee, expected to be composed of members of the Board and certain other community members, to assist the Board in the selection of a new President/Superintendent.

Dr. David El Fattal, Vice President, Business Services/Assistant Superintendent. Dr. El Fattal began his tenure as Vice President of Business Services of the District on March 1, 2010. Prior to serving the District, Dr. El Fattal served for 7 years as Assistant Superintendent of Business Services for Culver City Unified School District. His career in education began in 2002 and includes service at the Alameda County Office of Education as well as assignments with the Conejo Valley Unified School District and Las Virgenes Unified School District. Dr. El Fattal's private sector career includes more than 15 years of service in senior level administrative positions. Dr. El Fattal received his Associate of Arts degree from Azusa Pacific University, a Bachelor of Science degree in business administration from the University of Redlands, and Master of Business Administration degree from Pepperdine University, and a Doctorate degree in educational leadership/community college leadership from the California State University, Fullerton.

Accreditation

General. The ACCJC is recognized by the federal Department of Education as one of the six regional associations that accredit public and private schools, colleges and universities in the United States. The ACCJC is the recognized accrediting association for the western region, which includes the States of California and Hawaii, as well as the territories of Guam, American Samoa and Northern Marianas Islands. Community colleges within this sphere are reviewed on rolling, six year cycles.

Accreditation by the ACCJC is voluntary and designed to evaluate and enforce standards of educational quality and institutional effectiveness. Accreditation is also a form of peer review. ACCJC standards and criteria are developed and implemented by representatives from the member institutions. Although the ACCJC is not a governmental agency, and has no direct authority over the operations of the District, it is responsible for determining whether a college receives accreditation. For public colleges, the loss of accreditation would result in the loss of State and federal funding, including student financial aid.

If the ACCJC determines that a community college is out of compliance with accreditation standards or eligibility requirements, it may issue several levels of sanctions, including being placed on "warning" status, indicating the ACCJC's concern regarding identified deficiencies. If a college significantly deviates from accreditation standards, it may also be placed on "probation" status. Finally, if a college continues to be significantly out of compliance with accreditation standards or eligibility requirements, or fails to properly respond to ACCJC recommendations with respect to identified deficiencies, the ACCJC may place the affected college on a "show cause" status, requiring the affected institution to show cause why its accreditation should not be withdrawn at the end of the stated period. For a community college district issued such show cause status, ACCJC policies require the development of a closure plan for the affected college, to become operative in the event such district is unable to remedy the identified deficiencies. The requirement to develop a closure plan ensures that all those affected by the potential loss of accreditation are informed as early as possible, and that the affected district has a contingency plan for the completion of programs by students, the securing of confidential student and employee records, and the disposition of assets of the affected college. The ACCJC's policy, however, does not address State or federal laws that could bear on the ability of a community college district to close a college. Therefore, the development of a closure plan, as required by the ACCJC, should not be seen as an affirmative election to close an affected college.

Recent Accreditation History of the District. By letter dated July 3, 2014, the District was notified by the ACCJC that the accredited status of the College was being placed on "warning" status, the least severe level of sanctions. In so doing, the ACCJC found that the College was deficient in meeting certain portions the following accreditation standards: (i) Standard II.A (Student Learning Programs and Services – Instructional Programs); (ii) Standard IV.A (Leadership and Governance – Decision-Making Roles and Processes); and (iii) Standard IV.B (Board and Administrative Organization). The ACCJC advanced three major recommendations for the District to address in the areas of degree and certificate outcomes, District Board leadership and governance, and District Board development. The ACCJC also advance eight additional recommendations to improve institutional effectiveness. The District will be required to complete and submit a follow up report by March 15, 2015 addressing the three major recommendations discussed above. The accredited status of the College will continue through the warning period.

Regarding the ACCLC's recommendation related to degree and certificate outcomes, the District has completed the necessary improvements and expects to file a response to the ACCJC in December of 2014, in advance of the filing deadline for the follow up report. With regard to the other ACCJC recommendations, the District is currently working to revise existing Board governance policies in an effort to fully meet accreditation requirements and provide an adequate response to the ACCJC via the follow up report.

Additional information regarding the College's accreditation is available at http://cms.cerritos.edu/accreditation/. However, the information presented on such website is not incorporated herein by any reference.

Labor Relations

As of July 1, 2014, the District employed 266 full-time certificated professionals and 369 full-time classified employees and managers. As of such date, the District also employed 540 part-time faculty and 450 part-time staff. District employees, except management and some part-time employees, are represented by five bargaining units as noted below:

LABOR RELATIONS ORGANIZATIONS
Cerritos Community College District

Labor Organization	Number of Employees In Organization	Contract Expiration Date
California School Employees Association	279	June 30, 2015
American Federation of Teachers	1,014	June 30, 2015

Source: Cerritos Community College District.

State Retirement Programs

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

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

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, neither the employee, employer or State contribution rate to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. In recent years, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program has increased significantly in recent fiscal years. In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State recently passed legislation described below to increase contribution rates.

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

MEMBER CONTRIBUTION RATES
STRS (Defined Benefit Program)

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

Source: A.B. 1469.

Pursuant to A.B. 1469, K-14 school districts' contribution rate will increase over a seven year phase in period in accordance with the following schedule:

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

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

Source: A.B. 1469.

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

The District's contributions to STRS for the fiscal years 2011-12, 2012-13 and 2013-14 were $2,926,353, $2,939,939, and $3,184,760 (unaudited), respectively. The District has projected its STRS contribution for fiscal year 2014-15 to be $3,757,594.

The State also contributes to STRS, currently in an amount equal to 3.454% of teacher payroll for fiscal year 2014-15. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Pursuant to A.B. 1469, the State contribution rate will increase over the next three years to a total of 6.328% in fiscal year 2016-17. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990. In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

PERS. Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants at June 30, 2013 included 1,580 public agencies and schools (representing more than 2,500 entities). PERS acts as the common investment and administrative agent for the member agencies. The State and school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for school districts throughout the State (the "Schools Pool").

Contributions by employers to the PERS Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The District is currently required to contribute to PERS at an actuarially determined rate, which is 11.771% of eligible salary expenditures for fiscal year 2014-15. Participants enrolled in PERS prior to January 1, 2013 contribute 7% of their respective salaries, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 6% of their respective salaries for fiscal year 2013-14. See "—California Public Employees' Pension Reform Act of 2013."

The District's contributions to PERS for fiscal years 2011-12, 2012-13 and 2013-14 were $2,099,132, $2,298,831, and $2,342,567 (unaudited), respectively. The District has projected its PERS contribution for fiscal year 2014-15 to be $3,031,504.

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

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

The following table sets forth information regarding the actuarially-determined accrued liabilities of both STRS and PERS.

FUNDED STATUS
Fiscal Years 2010-11 through 2012-13
STRS (Defined Benefit Program) and PERS
(Dollar Amounts in Millions) (1)

	STRS				PERS			
Fiscal Year	**Accrued Liability**	**Value of Trust Assets (MVA)**(2)	**Unfunded Liability (MVA)**(2)(3)	**Unfunded Liability (AVA)**(4)	**Accrued Liability**	**Value of Trust Assets (MVA)**(2)	**Unfunded Liability (MVA)**(2)	**Unfunded Liability (AVA)**(4)
2010-11	$208,405	$147,140	$68,365	$64,475	$58,358	$45,901	$12,457	$6,811
2011-12	215,189	143,118	80,354	70,957	59,439	44,854	14,585	5,648
2012-13	222,281	157,176	74,374	73,667	61,487	49,782	12,005	5,237

(1) Amounts may not add due to rounding.
(2) Reflects market value of assets.
(3) Excludes SBPA reserve.
(4) Reflects actuarial value of assets.
Source: PERS State & Schools Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

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

On March 14, 2012, the PERS Board voted to lower the PERS' rate of expected price inflation and its investment rate of return (net of administrative expenses) (the "PERS Discount Rate") from 7.75% to 7.5%. As one consequence of such decrease, the annual contribution amounts paid by PERS member public agencies, including the District, have been increased by 1 to 2% for miscellaneous plans and by 2 to 3% for safety plans beginning in fiscal year 2013-14. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%.

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

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The cost of the revised assumptions shall be amortized over a 20-year period and related increases in public agency contribution rates shall be affected over a three year period, beginning in fiscal year 2014-15. The new demographic assumptions affect each of: the State, K-14 school districts and all other public agencies.

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

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employee's Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps "pensionable compensation" for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

Supplemental Early Retirement Program.

The District has established two supplemental early retirement programs (collectively, the "SERPs") administered by the Public Agency Retirement Services. The SERPs provides eligible employees 80% of their final pay as an incentive to resign from District employment. Faculty and certificated management employees are eligible once they have reached the age of 55, with five years of service to the District, or alternatively the age of 50 with 30 years of service. Classified non-management, confidential management and classified management employees are eligible once they have reached the age of 50 with five years of service to the District. All employees to be eligible must have been concurrently eligible to retire with the PERS or STRS programs as of June 30, 2011 and June 30, 2013, depending on the SERP. The SERP provides several options for the payout of the benefit. As of June 30, 2013, the District had a long-term obligation with respect to the SERPs of $3,340,269. See also "APPENDIX B – EXCERPTS FROM THE 2012-13 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 7."

Other Post-Employment Benefits

Benefit Plan. The District operates a defined benefit healthcare plan that provides medical, dental and vision insurance benefits (the "Post-Employment Benefits") to eligible retirees of the District and their spouses. As of June 30, 2014, there were 200 retirees currently receiving benefits, and 550 active plan members.

Funding Policy. The District recognizes expenditures for Post-Employment Benefits on a pay-as-you-go-basis to cover the cost of benefits for current retirees, together with an additional amount to prefund the District's outstanding accrued liability for Post-Employment Benefits (as discussed herein). During fiscal year 2013-14, the District realized total expenditures of $1,118,685 for Post-Employment

Benefits for retired employees, net of a $500,000 deposit to a retiree benefits fund. The District has projected $1,207,810 for such expenditures in fiscal year 2014-15, net of a projected deposit to such fund of $500,000.

The District has established a retiree benefits fund to begin funding the accrued liability (discussed below) represented by the Post-Employment Benefits. The balance in this fund, as of June 30, 2014, was $5,274,971. The retiree benefits fund, however, has not been irrevocably pledged to the payment of Post-Employment Benefits, and may be accessed upon Board action for other purposes.

Accrued Liability. The District has implemented *Governmental Accounting Standards Board Statement #45, Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pension Plans* ("GASB 45"), pursuant to which the District has commissioned and received several actuarial studies of its accrued liability with respect to the Post-Employment Benefits. The most recent of these studies concluded that the District's actuarial accrued liability ("AAL") in respect of the Post-Employment Benefits, as of the March 1, 2012 valuation date, was $13,452,378, and that the annual required contribution (the "ARC") was $1,058,655 beginning in fiscal year 2013-14. The ARC is the amount that would be necessary to fund the value of future benefits earned by current employees during each fiscal year (the "Normal Cost") and the amount necessary to amortize the AAL, in accordance with the Governmental Accounting Standards Board Statements Nos. 43 and 45.

As of June 30, 2013, the District recognized a net balance sheet liability of $2,171,068 based upon its contributions towards the actuarially-determined ARC. See "—District Debt Structure" and "APPENDIX B – EXCERPTS FROM THE 2012-13 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT —Note 9."

Risk Management

The District participates in several joint powers authorities (the "JPAs") for insurance coverage purposes. Specifically, the District participates in the Statewide Association of Community Colleges ("SWACC") and the Schools Association for Excess Risk ("SAFER") for property and liability insurance coverage, as well the Southern California Community College District Joint Powers Agency ("SCCCD") and the Protected Insurance Program for Schools and Community Colleges ("PIPS") for workers compensation insurance coverage. Coverage limits are as follows: (i) $249,750,000 of property coverage and $24,000,000 of liability coverage through SAFER, (ii) $250,000 of property coverage and $1,000,000 of liability coverage through SWACC, and (iii) $1,000,000 of workers compensation through PIPS. SCCD operates as an insurance purchasing pool, pursuant to which the District achieves a reduced premium for workers compensation coverage.

The District pays annual premiums to each of SWACC, SAFER, and SCCCD for its property and liability, and workers' compensation insurance coverage. In addition, SCCCD holds a reserve fund for the payment of post-employment benefit obligations. The relationship between the District and the JPAs is such that none of the JPAs are a component unit of the District for financial reporting purposes.

There are currently no pending claims against the District. For the past three fiscal years, settled claims have not exceeded available insurance coverages.

District Debt Structure

Long-Term Debt. A schedule of the District's general long-term debt as of June 30, 2013, is shown below:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
General Obligation Bonds	$191,615,201	$2,020,306	$1,705,001	$191,930,506
Premium on issuance of bonds	5,595,889	--	450,030	5,143,859
SERP	4,453,692	--	1,113,423	3,340,269
Compensated absences	2,151,091	--	84,365	2,066,726
OPEB Obligation	1,788,021	383,047	--	2,171,068
Totals	$205,603,894	$2,403,353	$3,352,819	$204,654,428

Source: Cerritos Community College District.

Operating Leases. The District has entered various operating leases for building and equipment with terms in excess of one year. None of the agreements contain purchase options. Future minimum lease payments, as of June 30, 2013, were as follows:

Year Ending June 30	Lease Payment
2014	$130,263
2015	7,264
Total	$157,527

General Obligation Bonds. At an election held on March 2, 2004, the voters of the District approved the issuance of not-to-exceed $210,000,000 of general obligation bonds of the District (the "2004 Authorization"). The District has issued the entirety of bonds authorized by the 2004 Authorization. Pursuant to the 2012 Authorization, the voters have approved the issuance of $350,000,000 of bonds. The District has also issued one series of general obligation refunding bonds to refinance then-outstanding portions of the bonds issued pursuant to the 2004 Authorization. The following table summarizes the prior bond issuances of the District, not including the Bonds.

SUMMARY OF OUTSTANDING BONDED DEBT
Cerritos Community College District

Issuance	Initial Principal Amount	Principal Currently Outstanding[(1)]	Date of Delivery
Election of 2004, Series 2004A	$37,325,000.00	$1,850,000.00	July 14, 2004
Election of 2004, Series 2006B	34,845,000.00	30,645,000.00	September 6, 2006
Election of 2004, Series 2009C	55,000,000.00	50,405,000.00	March 9, 2009
Election of 2004, Series 2012D	82,825,515.05	82,591,432.00	April 4, 2012
2005 Refunding Bonds	27,135,993.50	20,253,591.00	June 16, 2005

(1) Reflects principal outstanding prior to the issuance of the Refunding Bonds. Following the deposit and application of proceeds of the Refunding Bonds as described in "THE BONDS – Application and Investment of Bond Proceeds – Refunding Bonds," the Refunded Bonds will be defeased and the obligation of the County to levy *ad valorem* taxes for payment thereof will terminate.

The table below summarizes the total debt service requirements for the District's outstanding general obligation bonded debt following the issuance of the Bonds (and assuming no further optional redemptions).

GENERAL OBLIGATION BONDS – CONSOLIDATED DEBT SERVICE SCHEDULE[(1)]
Cerritos Community College District

Year Ending (August 1)	Election of 2004 Series 2004A Bonds	2005 Refunding Bonds	Election of 2004 Series 2009C Bonds	Election of 2004 Series 2012D Bonds	The Bonds	Total Annual Debt Service
2015	$52,062.50	$1,590,000.00	$799,600.00	$2,625,718.76	$16,296,452.59	$21,363,833.85
2016	--	--	1,090,800.00	2,600,718.76	20,416,347.70	24,107,866.46
2017	--	--	1,194,400.00	2,785,718.76	17,374,684.90	21,354,803.66
2018	--	--	1,302,400.00	2,965,718.76	9,727,325.30	13,995,444.06
2019	--	--	1,414,400.00	3,155,718.76	9,844,932.30	14,415,051.06
2020	--	--	--	3,365,718.76	11,375,866.80	14,741,585.56
2021	--	--	--	3,580,718.76	11,611,326.70	15,192,045.46
2022	--	--	--	3,795,718.76	11,851,056.06	15,646,774.82
2023	--	--	--	4,030,718.76	12,099,991.20	16,130,709.96
2024	--	--	--	5,115,718.76	11,390,600.00	16,506,318.76
2025	--	--	--	5,500,718.76	11,675,100.00	17,175,818.76
2026	--	--	--	5,750,718.76	11,962,850.00	17,713,568.76
2027	--	--	--	6,010,718.76	12,267,350.00	18,278,068.76
2028	--	--	--	6,290,718.76	12,581,350.00	18,872,068.76
2029	--	--	--	6,535,718.76	12,902,850.00	19,438,568.76
2030	--	--	--	6,835,718.76	13,249,850.00	20,085,568.76
2031	--	--	--	7,145,718.76	15,902,450.00	23,048,168.76
2032	--	--	--	13,020,718.76	11,026,750.00	24,047,468.76
2033	--	--	--	13,825,718.76	11,417,850.00	25,243,568.76
2034	--	--	--	17,135,718.76	6,321,700.00	23,457,418.76
2035	--	--	--	17,135,718.76	6,576,200.00	23,711,918.76
2036	--	--	--	17,133,950.00	6,839,450.00	23,973,400.00
2037	--	--	--	17,086,175.00	7,109,950.00	24,196,125.00
2038	--	--	--	17,089,625.00	7,396,200.00	24,485,825.00
2039	--	--	--	--	7,691,200.00	7,691,200.00
2040	--	--	--	--	7,998,200.00	7,998,200.00
2041	--	--	--	--	8,319,800.00	8,319,800.00
2042	--	--	--	--	8,653,200.00	8,653,200.00
2043	--	--	--	--	8,997,000.00	8,997,000.00
2044	--	--	--	--	9,354,800.00	9,354,800.00
Total	$52,062.50	$1,590,000.00	$5,801,600.00	$190,519,843.96	$330,232,683.55	$528,196,190.01

(1) Does not reflect debt service on the Refunded Bonds. See "THE BONDS – Application and Investment of Bond Proceeds."

TAX MATTERS

Federally Tax-Exempt Bonds

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest on the Federally Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest on the Federally Tax-Exempt Bonds is exempt from State of California personal income tax. Bond Counsel notes that, with respect to corporations, interest on the Federally Tax-Exempt Bonds may be included as an adjustment in the calculation of alternative minimum taxable income which may affect the alternative minimum tax liability of corporations.

The difference between the issue price of a Federally Tax-Exempt Bond (the first price at which a substantial amount of the Federally Tax-Exempt Bonds of the same series and maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Federally Tax-Exempt Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Federally Tax-Exempt Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the Federally Tax-Exempt Bond Owner will increase the Federally Tax-Exempt Bond Owner's basis in the appliacble Federally Tax-Exempt Bond. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the owner of the Federally Tax-Exempt Bond is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

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

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

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

SUBSEQUENT TO THE ISSUANCE OF THE FEDERALLY TAX-EXEMPT BONDS, THERE MIGHT BE FEDERAL, STATE OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY INTERPRETATIONS OF FEDERAL, STATE OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE OR LOCAL TAX TREATMENT OF THE INTEREST ON THE FEDERALLY TAX-EXEMPT BONDS OR THE MARKET VALUE OF THE FEDERALLY TAX-EXEMPT BONDS. LEGISLATIVE CHANGES HAVE BEEN PROPOSED IN CONGRESS, WHICH, IF ENACTED, WOULD RESULT IN ADDITIONAL FEDERAL INCOME TAX BEING IMPOSED ON CERTAIN OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE FEDERALLY TAX-EXEMPT BONDS. THE INTRODUCTION OR ENACTMENT OF ANY OF SUCH CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE FEDERALLY TAX-EXEMPT BONDS. NO ASSURANCE CAN BE GIVEN THAT, SUBSEQUENT TO THE ISSUANCE OF THE FEDERALLY TAX-EXEMPT BONDS, SUCH CHANGES (OR OTHER CHANGES) WILL NOT BE INTRODUCED OR ENACTED OR INTERPRETATIONS WILL NOT OCCUR. BEFORE PURCHASING ANY OF THE FEDERALLY TAX-EXEMPT BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE FEDERALLY TAX-EXEMPT BONDS.

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

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

Copies of the proposed forms of opinions of Bond Counsel for each series of Federally Tax-Exempt Bonds are attached hereto as APPENDIX A.

Federally Taxable Bonds

In the opinion of Bond Counsel, under existing statutes, regulation, rulings and judicial decisions, interest on the Federally Taxable Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code but is exempt from State of California personal income tax.

Except for certain exceptions, the difference between the issue price of a Federally Taxable Bond (the first price at which a substantial amount of the Federally Taxable Bonds of the same maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Federally Taxable Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by the Beneficial Owner of a Federally Taxable Bond will increase the Beneficial Owner's basis in the Federally Taxable Bond. Beneficial Owners of Federally Taxable Bonds should consult their own tax advisor with respect to taking into account any original issue discount on the Federally Taxable Bonds.

The amount by which a Federally Taxable Bond Beneficial Owner's original basis for determining loss on sale or exchange in the applicable Federally Taxable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which the Beneficial Owner of a Federally Taxable Bond may elect to amortize under Section 171 of the Code. Such amortizable bond premium reduces the Federally Taxable Bond Beneficial Owner's basis in the applicable Federally Taxable Bond (and the amount of taxable interest received) and is deductible for federal income tax purposes. The basis reduction as a result of the amortization of Federally Taxable Bond premium may result in the Beneficial Owner of a Federally Taxable Bond realizing a taxable gain when a Federally Taxable Bond is sold by the Beneficial Owner for an amount equal to or less (under certain circumstances) than the original cost of the Federally Taxable Bond to the Beneficial Owner. The Beneficial Owners of the Federally Taxable Bonds that have a basis in the Federally Taxable Bonds that is greater than the principal amount of the Federally Taxable Bonds should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code.

The federal tax and State of California personal income tax discussion set forth above with respect to the Federally Taxable Bonds is included for general information only and may not be applicable depending upon a Beneficial Owner's particular situation. The ownership and disposal of the Federally Taxable Bonds and the accrual or receipt of interest with respect to the Federally Taxable Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. ANY FEDERAL TAX ADVICE CONTAINED HEREIN WITH RESPECT TO THE FEDERALLY TAXABLE BONDS IS NOT INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE CODE. THE FEDERAL TAX ADVICE CONTAINED HEREIN WITH RESPECT TO THE FEDERALLY TAXABLE BONDS WAS WRITTEN TO SUPPORT THE PROMOTING AND MARKETING OF THE FEDERALLY TAXABLE BONDS. BEFORE PURCHASING ANY OF THE FEDERALLY TAXABLE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR INDEPENDENT TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES RELATING TO THE FEDERALLY TAXABLE BONDS AND THE TAXPAYER'S PARTICULAR CIRCUMSTANCES.

A copy of the proposed form of opinion of Bond Counsel for the Federally Taxable Bonds is attached hereto as Appendix A.

LEGAL MATTERS

Legality for Investment in California

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

Continuing Disclosure

In connection with the issuance of the Bonds, the District has covenanted for the benefit of the Owners and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Reports") by not later than nine months following the end of the District's fiscal year (which currently ends June 30), commencing with the report for the 2013-14 fiscal year, and to provide notices of the occurrence of certain enumerated events. The Annual Reports and notices of material events will be filed by the District in accordance with the requirements of S.E.C. Rule 15c2-12(b)(5) (the "Rule"). The specific nature of the information to be contained in the Annual Reports or the notices of material events is included in "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. These covenants have been made in order to assist the Underwriters in complying with the Rule.

Within the past five years, the District failed to file certain portions of its required annual reports for fiscal years 2008-09 through 2012-13, as required by its prior continuing disclosure undertakings. The missing portions of such annual reports have since been filed. The District also failed to file certain notices of material events as required by such undertakings.

No Litigation

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

Information Reporting Requirements

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

Legal Opinion

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

MISCELLANEOUS

Ratings

The Bonds have been assigned ratings of "AA" and "Aa2" by S&P and Moody's, respectively. The ratings reflect only the view of the rating agencies, and any explanation of the significance of such ratings should be obtained from the rating agencies at the following address: Standard & Poor's, a Standard & Poor's Financial Services LLC business, 55 Water Street, 45th Floor, New York, NY 10041, and Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007. There is no assurance that the ratings will be retained for any given period of time or that the same will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of the rating agencies, circumstances so warrant. The District undertakes no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of the ratings obtained may have an adverse effect on the market price of the Bonds.

The District has covenanted in a Continuing Disclosure Certificate to file notices of any ratings changes on the Bonds. See the caption "LEGAL MATTERS – Continuing Disclosure" below and "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE." Notwithstanding such covenant, information relating to ratings changes on the Bonds may be publicly available from Moody's or S&P 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 pursuant to the Rule. Purchasers of the Bonds are directed to the respective websites of Moody's and S&P, and official media outlets, for the most current ratings changes with respect to the Bonds after the initial issuance thereof.

Financial Statements

Portions of the financial statements with supplemental information for the year ended June 30, 2013, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated December 20, 2013 of Christy White Associates, a Professional Accountancy Corporation (the "Auditor"), are included in this Official Statement as Appendix B. In connection with the inclusion of portions of the financial statements and the report of the Auditor thereon in Appendix B to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

Underwriting

Purchase of Bonds. Wells Fargo Bank, National Association, on behalf of itself, J.P. Morgan Securities LLC and RBC Capital Markets LLC (collectively, the "Underwriters") has agreed, to purchase all of the 2014A Bonds for a purchase price of $107,096,985.55 (which is equal to the principal amount thereof, plus net original issue premium of $7,371,060.55, and less an underwriting discount of $274,075.00).

RBC Capital Markets LLC, on behalf of the Underwriters, has agreed to purchase all of the Series A Refunding Bonds for a purchase price of a purchase price of $91,601,701.57 (equal to the principal amount, plus net original issue premium of $11,428,336.80, and less Underwriters' discount of $221,635.23). RBC Capital Markets, LLC, on behalf of the Underwriters, has further agreed to purchase all of the Series B Refunding Bonds for a purchase price of $17,925,446.01 (equal to the principal amount thereof, less Underwriters' discount of $49,553.99).

The purchase contracts related to the Bonds provide that the Underwriters will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the purchase contracts, the approval of certain legal matters by Bond Counsel and certain other conditions. The initial offering prices stated on the cover of this Official Statement may be changed from time to time by the Underwriters. The Underwriters may offer and sell Bonds to certain dealers and others at prices lower than such initial offering prices.

Underwriter Disclosures. The Underwriters have provided the information below for inclusion in this Official Statement.

Wells Fargo Securities Trade Name Disclosure. Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association.

Distribution Agreements. Wells Fargo Bank, National Association ("WFBNA"), the lead underwriter of the Bonds, has entered into an agreement (the "Wells Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the Bonds. Pursuant to the Wells Distribution Agreement, WFBNA will share a portion of its underwriting compensation, as applicable, with respect to the Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliates, Wells Fargo Securities, LLC ("WFSLLC") and Wells Fargo Institutional Securities, LLC ("WFIS"), for the distribution of municipal securities offerings, including the Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, WFIS, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Bonds, has entered into a negotiated dealer agreement (the "JPMS Dealer Agreement") with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings, including the Bonds, at the original issue prices. Pursuant to the JPMS Dealer Agreement (if applicable to this transaction), CS&Co. will purchase Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

Election Contribution. RBC Capital Markets, LLC, one of the Underwriters of the Bonds, made a voluntary contribution to the committee that was formed to support the election authorizing the 2014A Bonds.

Bidding Compensation. RBC Capital Markets, LLC, the lead Underwriter for the Refunding Bonds, will also receive a fee for conducting a competitive bidding process regarding the investment of proceeds of the Refunding Bonds deposited into the Escrow Fund. See "THE BONDS – Application and Investment of Bond Proceeds – Refunding Bonds."

Additional Information

This Official Statement supplies information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the Resolutions providing for issuance of the Bonds, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

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

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

This Official Statement and the delivery thereof have been duly approved and authorized by the District.

CERRITOS COMMUNITY COLLEGE DISTRICT

By: /s/ Dr. David El Fattal
Vice President, Business Services/
Assistant Superintendent

APPENDIX A

FORMS OF OPINIONS OF BOND COUNSEL

Upon issuance of the 2014A Bonds, Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, proposes to render its final approving opinion with respect thereto in substantially the following form.

November 20, 2014

Board of Trustees
Cerritos Community College District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of $100,000,000 Cerritos Community College District (Los Angeles County, California) Election of 2012 General Obligation Bonds, Series 2014A (Federally Tax-Exempt) (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, a greater than fifty-five percent vote of the qualified electors of the Cerritos Community College District (the "District") voting at an election held on November 6, 2012, and a resolution adopted by the Board of Trustees of the District (the "Resolution").

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

3. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that, with respect to corporations, such interest may be included as an adjustment in the calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of corporations.

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

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

accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond. Original issue discount that accrues to the Bondowner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

6. The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Internal Revenue Code of 1986, as amended (the "Code"); such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Bondowner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bondowner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

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

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

It is possible that subsequent to the issuance of the Bonds there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

Respectfully submitted,

Stradling Yocca Carlson & Rauth

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

November 20, 2014

Board of Trustees
Cerritos Community College District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of $80,395,000 Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series A (Federally Tax-Exempt) (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Trustees of the Cerritos Community College District (the "District").

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

3. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that, with respect to corporations, such interest may be included as an adjustment in the calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of corporations.

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

5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bonds constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond. Original issue discount that accrues to the Bondowner is excluded from the gross income of such owner for federal income tax purposes, is

not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

6. The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the of the Internal Revenue Code of 1986, as amended (the "Code"); such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Bondowner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bondowner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

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

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

It is possible that subsequent to the issuance of the Bonds there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

Respectfully submitted,

Stradling Yocca Carlson & Rauth

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

November 20, 2014

Board of Trustees
Cerritos Community College District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of $17,975,000 Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series B (Federally Taxable) (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Trustees of the Cerritos Community College District (the "District").

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

3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

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

5. Except for certain exceptions, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated payment price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by a Bond owner will increase the Bond owner's basis in the applicable Bond.

Except as expressly set forth in paragraphs (3), (4) and (5), we express no opinion regarding any tax consequences with respect to the Bonds.

The opinions expressed herein are based upon our analysis and interpretation of existing statutes, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement as bond counsel to the District terminates upon the issuance of the Bonds.

Any federal tax advice contained herein with respect to the Bonds is not intended or written to be used, and it cannot be used, for the purpose of avoiding penalties under the Code. The federal tax advice contained herein with respect to the Bonds was written to support the promoting and marketing of the Bonds. Before purchasing any of the Bonds, all potential purchasers should consult their independent tax advisors with respect to the tax consequences relating to the Bonds and the taxpayer's particular circumstances.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

Respectfully submitted,

Stradling Yocca Carlson & Rauth

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APPENDIX B

EXCERPTS FROM THE 2012-13
AUDITED FINANCIAL STATEMENTS OF THE DISTRICT

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Cerritos Community College District

Audit Report

June 30, 2013

San Diego

Los Angeles

San Francisco
Bay Area

christy white associates
A PROFESSIONAL
ACCOUNTANCY CORPORATION

CERRITOS COMMUNITY COLLEGE DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2013

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FINANCIAL SECTION

christy white associates
A PROFESSIONAL ACCOUNTANCY CORPORATION

Christy White, CPA

John Dominguez, CPA, CFE

Tanya M. Rogers, CPA, CFE

Michael Ash, CPA

Heather Daud

SAN DIEGO
LOS ANGELES
SAN FRANCISCO/BAY AREA

Corporate Office:
2727 Camino Del Rio South
Suite 219
San Diego, CA 92108

toll-free: 877.220.7229
tel: 619.270.8222
fax: 619.260.9085
www.christywhite.com

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Cerritos Community College District
Norwalk, California

Report on the Financial Statements

We have audited the accompanying basic financial statements of the business-type activity, and the aggregate discretely presented component units and the fiduciary funds of the Cerritos Community College District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Cerritos Community College District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activity, the aggregate discretely presented component units and the fiduciary funds of the Cerritos Community College District, as of June 30, 2013, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis on pages 4 through 10 and the schedule of postemployment healthcare benefits funding progress on page 40 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cerritos Community College District's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of Federal awards, which is required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013 on our consideration of the Cerritos Community College 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 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 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 Cerritos Community College District's internal control over financial reporting and compliance.

Christy White Associates

San Diego, California
December 20, 2013

INTRODUCTION

The following discussion and analysis provides an overview of the financial position and activities of the Cerritos Community College District (the "District") for the year ended June 30, 2013. This discussion has been prepared by college administration and should be read in conjunction with the financial statements and notes thereto which follow this section.

The District is using the Business Type Activity (BTA) model in which financial reports are generated using the full accrual basis of accounting. The California Community College Chancellor's Office, through its Fiscal Standards and Accountability Committee, recommended that all community college districts implement the reporting standards of the BTA model. To comply with the recommendation of the Chancellor's Office and to report in a manner consistent with other California Community College Districts, the District has adopted the BTA reporting model for these financial statements.

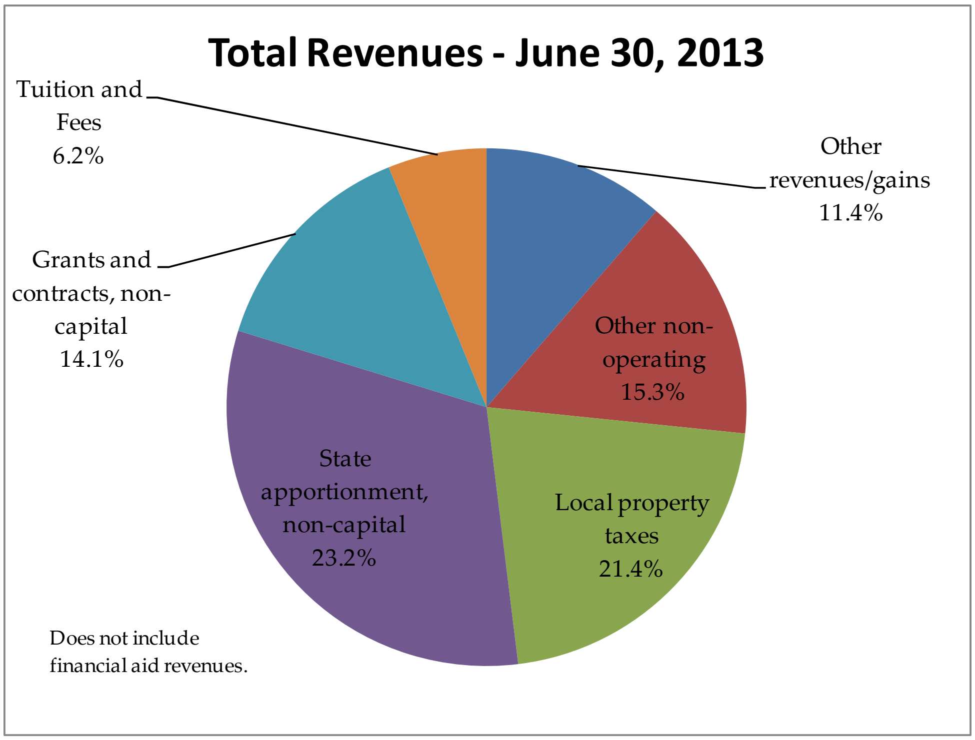
THE COLLEGE

Cerritos College is the preeminent educational, cultural, and economic development institution in the cities of Artesia, Bellflower, Cerritos, Downey, Hawaiian Gardens, La Mirada, Norwalk, and portions of Bell Gardens, Lakewood, Long Beach, Santa Fe Springs, and South Gate. We offer programs of the highest quality for Cerritos College students who continue on with their higher education studies; programs of remediation and reentry for Cerritos College students; cultural and arts programs of national distinction; programs of exceptional depth in professional training, job training and workforce development; and community education programs of personal interest. In addition, we are a leading community provider of programs for seniors. We invite you to learn more about us and our services to students and the community at www.cerritos.edu.

FINANCIAL HIGHLIGHTS

Revenues

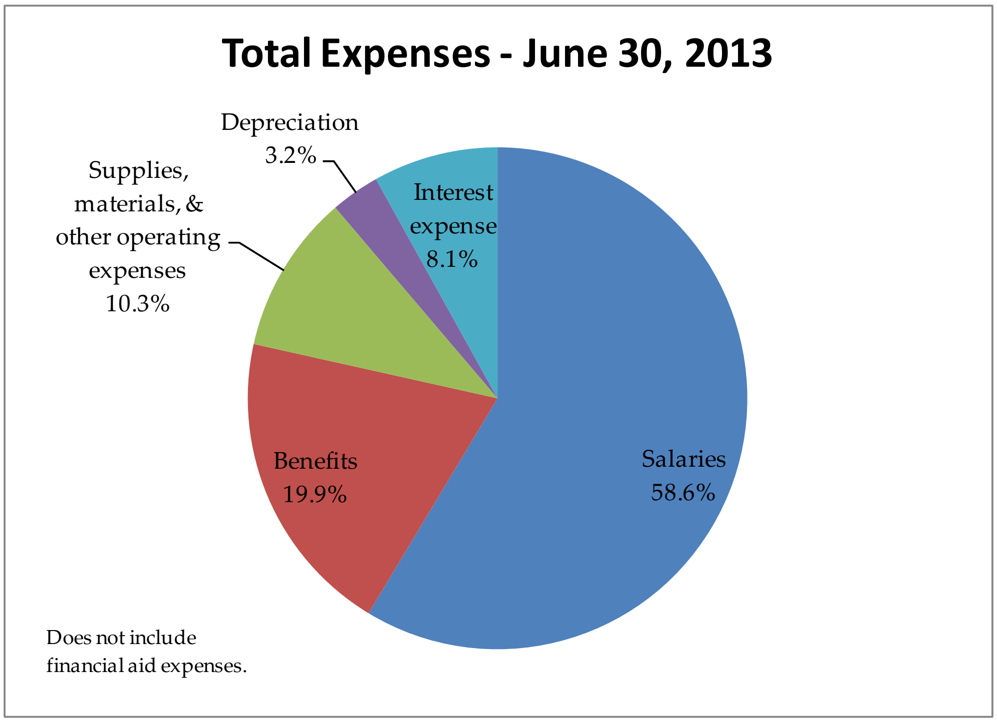
For fiscal year (FY) 2012-13, Cerritos College received total revenues of $111,362,259, excluding pass-through financial aid revenues that are to be distributed to students. The following chart depicts each source of revenue with its relevant percentage to total revenues.



FINANCIAL HIGHLIGHTS (continued)

Expenditures

For FY 2012-13, the college's total expenditures were $105,660,374, excluding pass-through financial aid funds that were distributed to students. The following chart depicts each expenditure category with its relevant percentage to total expenditures.



Capital Assets

As of June 30, 2013, the District had $173.8 million in net capital assets. Total capital assets consist of land, buildings, and building improvements, construction in progress, vehicles, data processing equipment, and other equipment. Accumulated depreciation related to these assets is $43.7 million. Depreciation expense of $3.3 million was recorded for the fiscal year. Note 6 to the financial statements on page 28 provides additional information on capital assets.

Debt

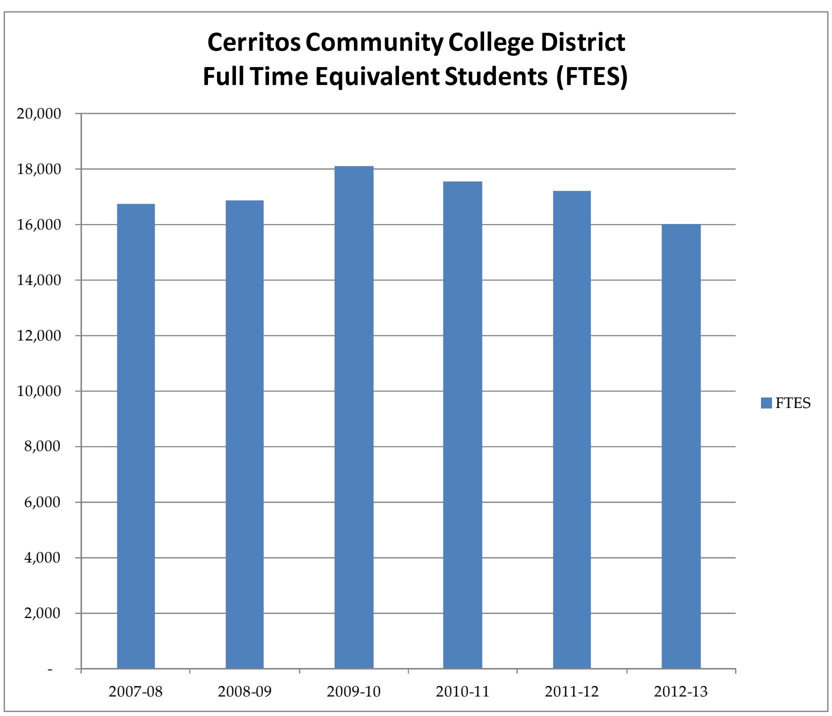
At June 30, 2013, the District had $204.7 million in debt, $191.9 million is related to the General Obligation Bonds. Note 7 to the financial statements on pages 29-31 provides additional information on long-term liabilities.

STATE BUDGET IMPACTS AND ENROLLMENT HIGHLIGHTS

The State of California's economic, budgetary, and fiscal crisis continued to have a major impact on Cerritos College during fiscal year 2012-13. The 3.39% reduction in the amount of funded FTES (full time equivalent students) the State applied in FY 2009-10 has only been partially reinstated. The State has also persisted in applying deficit coefficients to calculated apportionment revenues. The magnitude of the deficit coefficient for FY 2012-13 will be affected by the amount of backfill in redevelopment funding that will be finalized by the State. This continuation of decreased apportionment revenue occurs at a time when the District and other community colleges are trying to regrow their programs that were cut during the downturn in the economy because of lack of funding. In addition, the State's fiscal situation has resulted in its engaging in "internal borrowing' through an increasing practice of deferring apportionment payments to the colleges.

At the state level, the budget situation continues to reflect challenging economic times. A major key to increased funding for education is the recovery of the economy. There were two tax initiatives on the November 2012 ballot– the Governor's Proposition 30 and a rival tax initiative, Proposition 38. Since the Governor's proposal was approved by voters in November 2012, Community College funding for 2012-13 remained flat at roughly the 2011-12 level.

Enrollment can fluctuate due to factors such as population growth, competition from private institutions, economic conditions and housing values. Losses in enrollment will cause a district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs. For FY 2012-13 the Districts' total actual FTES decreased approximately 7.5% for credit and increased 46.4% for non-credit courses which resulted in an overall decrease of 6.4%. A District's "CAP" (maximum funded FTES) for a fiscal year represents a benchmark for growth that the State has determined it would fund each college/district throughout the Community College system in a given fiscal year. The following chart shows the trend for credit and non-credit FTES combined for the past 6 years.



ECONOMIC OUTLOOK AND FACTORS AFFECTING NEXT YEAR'S BUDGET

Governor Jerry Brown's Fiscal Year 2013-14 budget showed good news for the state's economy and fiscal position. California Community Colleges received COLA of 1.57% coupled with a deficit coefficient adjustment of 0.74%, $50 million for additional student support services, and $89.4 million for general apportionment in growth and workload restoration.

Other than the information indicated above, the District is not presently aware of any facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the fiscal year beyond those unknown variations having a global effect on virtually all types of business operations. Management will maintain a close watch over resources to maintain the ability to react to internal and external issues if and when they arise to ensure the fiscal stability of the District.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) REPORTING STANDARDS

As required by the Governmental Accounting Standards Board (GASB) reporting standards, the annual report consists of three basic financial statements that provide information on the District as a whole:

- Statement of Net Position
- The Statements of Revenue, Expenses, and Changes in Net Position
- The Statement of Cash Flows

STATEMENT OF NET POSITION

The Statement of Net Position presents the assets, liabilities, and Net Position of the District as of the end of the fiscal year and is prepared using the full accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The Statement of Net Position is a point of time financial statement whose purpose is to present to the readers a fiscal snapshot of the District. The Statement of Net Position presents end-of year data concerning assets (current and non-current), liabilities (current and non-current), and net position (assets minus liabilities).

STATEMENT OF NET POSITION (continued)

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operation of the District. Readers are also able to determine how much the District owes vendors and employees. Finally, the Statement of Net Position provides a picture of the net position availability for expenditure by the District.

The difference between total assets and total liabilities (net position) is one indicator of the current financial condition of the District; the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which is stated at historical cost less an allocation for depreciation expense.

The Net Position listed on the Statement of Net Position is divided into three major categories. The first category, Invested in Capital Assets net of related debt, provides the equity amount in property, plant, and equipment owned by the District with the debt related to those amounts subtracted. The second category is Restricted; this net position are available for expenditure by the District, but must be spent for purposes as determined by external entities and/or donors that have placed time or purpose restrictions on the use of the assets. The final category is Unrestricted; this net position is available to the District for any lawful purpose of the District. The Statement of Net Position as of June 30, 2013 is presented on page 11.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of this statement is to present the operating and non-operating revenues earned, whether received or not, by the District; the operating and nonoperating expenses incurred, whether paid or not, by the District; and any other revenues, expenses, gains and/or losses earned or incurred by the District. Thus, this statement presents the District's results of operations.

Generally, operating revenues, including tuition and fees and grants and contracts, non-capital, are earned for providing goods and services to the various customers and constituencies of the District. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for the operating revenues earned and to fulfill the mission of the District. Nonoperating revenues are those received or pledged for which goods and services are not provided; for example, state appropriations are non-operating because they are provided by the legislature to the District without the legislature directly receiving commensurate goods and services for those revenues. The Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2013 is presented on page 12.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. This Statement also helps users assess the District's ability to generate positive cash flows, meet obligations as they come due and determine the need for external financing.

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash provided by the operating activities of the District. The second part details cash received for nonoperating, non-investing, and non-capital financing purposes. The third part shows cash flows from capital and related financing activities. This deals with the cash used for the acquisition and construction of capital and related items. The fourth section provides information from investing activities and the amount of interest received. The fifth and final section reconciles the net cash provided by operating activities to the operating loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position. The Statement of Cash Flows for the year ended June 30, 2013 is presented on pages 13 and 14.

DISTRICT'S FIDUCIARY RESPONSIBILITY

The District is the trustee, or fiduciary, for certain amounts held on behalf of students, clubs, and donors for student loans and scholarships. The District's fiduciary activities are reported in a separate statement of fiduciary net position. These activities are excluded from the District's other financial statements because these assets cannot be used to finance operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the District's finances. Questions concerning this report or requests for additional financial information should be addressed to the Cerritos Community College District, Office of the Director of Fiscal Services, 11190 Alondra Blvd; Norwalk, CA 90650.

CERRITOS COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013

	2013
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 135,315,049
Accounts receivable	10,560,554
Prepaid expenses	71,137
Total Current Assets	145,946,740
NONCURRENT ASSETS	
Deferred charges	2,132,521
Capital assets, net of accumulated depreciation	173,834,016
Total Noncurrent Assets	175,966,537
TOTAL ASSETS	321,913,277
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	28,212,934
Due to fiduciary funds	1,295,342
Deferred revenue	1,734,987
Current Portion - Long-term liabilities	2,226,939
Total Current Liabilities	33,470,202
NONCURRENT LIABILITIES	
Noncurrent portion - Long-term liabliities	202,427,489
TOTAL LIABILITIES	235,897,691
NET POSITION	
Net investment in capital assets	19,559,183
Restricted for:	
Capital projects	24,194,418
Debt service	6,182,127
Unrestricted	36,079,858
TOTAL NET POSITION	$ 86,015,586

See accompanying notes to the financial statements.

CERRITOS COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

		2013
OPERATING REVENUES		
Student Tuition and Fees	$	15,919,463
Less: Scholarship discount & allowance		(9,065,155)
Net tuition & fees		6,854,308
Grants and Contracts, noncapital:		
Federal		3,883,261
State		7,185,265
Local		6,579,049
Subtotal		17,647,575
TOTAL OPERATING REVENUES		24,501,883
OPERATING EXPENSES		
Salaries		61,925,082
Benefits		21,004,426
Financial aid		41,016,916
Supplies, materials, & other operating expenses		10,868,852
Depreciation		3,334,315
TOTAL OPERATING EXPENSES		138,149,591
OPERATING LOSS		(113,647,708)
NONOPERATING REVENUES/(EXPENSES)		
State apportionments, non-capital		35,309,242
Local property taxes		23,862,692
Federal grants and contracts, noncapital		39,176,358
State taxes & other revenues		15,932,174
Investment income - Non-capital		380,189
Investment income - Capital		570,983
Interest expense		(8,527,699)
Other non-operating revenues		116,702
TOTAL NONOPERATING REVENUES (EXPENSES)		106,820,640
LOSS BEFORE OTHER REVENUES AND GAINS		(6,827,067)
OTHER REVENUES AND GAINS/(LOSSES)		
State apportionments, capital		2,089,038
Local revenues, grants and gifts, capital		1,004,694
Loss on disposal of equipment		9,550,826
TOTAL OTHER REVENUES AND GAINS		12,644,558
CHANGE IN NET POSITION		5,817,491
BEGINNING NET POSITION		67,016,193
ADJUSTMENT FOR RESTATEMENT (see Note 15)		13,181,902
NET POSITION, AS RESTATED		80,198,095
ENDING NET POSITION	$	86,015,586

See accompanying notes to the financial statements.

CERRITOS COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

		2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	$	7,171,287
Federal grants and contracts		2,974,304
State grants and contracts		7,173,375
Local grants and contracts		6,419,032
Payments to suppliers for goods and services		(12,117,066)
Payment to/on behalf of employees		(80,997,651)
Payment to/on behalf of students		(41,016,550)
Net Cash Used by Operating Activities		(110,393,269)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
State apportionments and receipts		50,641,791
Federal and State grants and contracts		39,176,358
Property taxes		23,862,692
State taxes and other revenues		17,709,648
Proceeds from temporary loans		15,000,000
Net Cash Provided by Non-capital Financing Activities		146,390,489
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
State appropriations for capital purposes		4,291,091
Purchase of capital assets		(26,099,991)
Principal paid on long-term debt		(2,818,424)
Interest paid on capital debt		(8,527,699)
Local property taxes and other revenues for capital purposes		10,555,520
Net Cash Used by Capital Financing Activities		(22,599,503)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income		951,172
Net Cash Provided/(Used) by Investing Activities		951,172
NET DECREASE IN CASH & CASH EQUIVALENTS		14,348,889
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR		120,966,160
CASH & CASH EQUIVALENTS, END OF YEAR	$	135,315,049

See accompanying notes to the financial statements.

CERRITOS COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS, continued
FOR THE YEAR ENDED JUNE 30, 2013

		2013
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	$	(113,647,708)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation expense		3,334,315
Changes in Assets and Liabilities:		
Accounts receivable		165,732
Prepaid		325,685
Accounts payable		658,922
Accrued payroll and benefits		(234,069)
Deficit cash		-
Deferred revenue		318,595
Compensated absences and SERP		(1,197,788)
OPEB obligations		(116,953)
Net Cash Flows From Operating Activities	$	(110,393,269)

See accompanying notes to the financial statements.

CERRITOS COMMUNITY COLLEGE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013

		Associated Students of Cerritos College
ASSETS		
Cash	$	1,875,062
Accounts receivable		50,319
Prepaid expenses		415
Total Assets	$	1,925,796
LIABILITIES		
Accounts payable	$	88,790
Deferred revenue		3,549
Total Liabilities	$	92,339
NET POSITION		
Restricted Net Position		1,833,457
Total Net Position	$	1,833,457

See accompanying notes to the financial statements.

CERRITOS COMMUNITY COLLEGE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

		Associated Student Government Funds
Additions		
Interest and investment income	$	636
Federal programs		56,588
Sales and other local revenues		1,654,990
Total Additions		1,712,214
Deductions		
Other operating expenses and services	$	2,217,268
Total Deductions		2,217,268
CHANGE IN NET POSITION		(505,054)
NET POSITION, BEGINNING OF YEAR		2,338,511
NET POSITION, END OF YEAR	$	1,833,457

See accompanying notes to the financial statements.

NOTE 1 – ORGANIZATION

The Cerritos Community College District (the District) was established on June 10, 1955, as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of the surrounding area. The District operates under a locally elected seven-member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, capital project funds, and proprietary funds, but these budgets are managed at the department level. Currently, the District operates one college located within Los Angeles County. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39.

Reporting Entity

The District has adopted GASB Statement No. 39, Determining Whether Certain Organizations are Component Units. This statement amends GASB Statement No. 14, The Financial Reporting Entity, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. The three components used to determine the presentation are: providing a "direct benefit", the "environment and ability to access/influence reporting", and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component unit:

Cerritos College Foundation

The Cerritos College Foundation (the Foundation) is a legally separate, tax-exempt component unit of the District. The Foundation acts primarily as a fundraising organization to provide grants and scholarships to students and support to employees, programs, and departments of the District. The 23 member board of the Foundation consists of community members, alumni, and other supporters of the Foundation. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests, are restricted to the activities of the District by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the District, the Foundation is considered a component unit of the District with the inclusion of the statements as a discretely presented component unit. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

NOTE 1 – ORGANIZATION (continued)

Reporting Entity (continued)

The Foundation is a not-for-profit organization under Internal Revenue Code (IRC) Section 501(c)(3) that reports its financial results in accordance with Financial Accounting Standards Codifications. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences; however, significant note disclosures to the Foundation's financial statements have been incorporated into the District's notes to the financial statements.

Complete financial statements for the Foundation can be obtained from the Foundation's Business Office at (562) 860-2451 ext. 2536, 11110 Alondra Boulevard; Norwalk, California 90650.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35 as amended by GASB Statements No. 37 and No. 38. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office Budget and Accounting Manual. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are classified as operating revenues. These transactions are recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, operating revenues consist primarily of student fees and auxiliary activities through the bookstore and cafeteria commissions.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain Federal and State grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent students (FTES) attendance. The corresponding apportionment revenue is recognized in the period the FTES are generated. Revenue from Federal and State grants and entitlements are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements may include time and/or purpose requirements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Operating expenses are costs incurred to provide instructional services including support costs, auxiliary services, and depreciation of capital assets. All other expenses not meeting this definition are reported as nonoperating. Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

The District reports are based on all applicable GASB pronouncements, as well as applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. The District has not elected to apply FASB pronouncements after that date.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, and GASB Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities, as amended by GASB Statements No. 37 and No. 38. The business-type activities model followed by the District requires the following components of the District's financial statements:

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
    - Statement of Net Position
    - Statement of Revenues, Expenses, and Changes in Net Position
    - Statement of Cash Flows
- Notes to the Financial Statements

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term unrestricted investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with County Treasury balances for purposes of the statement of cash flows. Restricted cash and cash equivalents represent balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

Investments

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, investments held at June 30, 2013 and 2012, are stated at fair value. Fair value is estimated based on quoted market prices at year-end. Short-term investments have an original maturity date greater than three months, but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Accounts receivable consists primarily of amounts due from the federal government, state, and local governments, or private sources, in connection with reimbursement of allowable expenses made pursuant to the District's grant and contracts.

Inventory

Inventories are presented at the lower of cost or market using the average cost method and are expensed when used. Inventory consists of expandable instructional, custodial, health and other supplies held for consumption.

Prepaid Expenses

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which goods or services are consumed.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are those amounts externally restricted as to use pursuant to the requirements of the District's grants, contracts, and debt service requirements.

Capital Assets

Capital assets are recorded at cost at the date of acquisition. Donated capital assets are recorded at their estimated fair value at the date of donation. For equipment, the District's capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life of greater than one year. Buildings as well as renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is recorded in operating expense in the year in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 25-50 years for buildings, 15-20 years for site improvements, 5-15 years for equipment and vehicle.

Accounts Payable

Accounts payable consists of amounts due to vendors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued Liabilities

Accrued liabilities consist of salaries and benefits payable, deferred summer pay and load banking. Load banking hours consist of hours worked by instructors in excess of a full-time load which they may carryover for future paid time off.

Deferred Revenue

Tuition and fees received prior to June 30 for classes and programs offered in the subsequent fiscal year are reported as deferred revenue.

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

Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences,* accumulated unpaid employee vacation benefits are recognized as a liability of the District as compensated absences in the Statement of Net Position.

Sick leave benefits are accumulated without limit for each employee. Accumulated employee sick leave benefits are not recognized as a liability of the District. The District's policy is to record sick leave as an operating expense in the period taken; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires and within the constraints of the appropriate retirement systems.

Net Position

Invested in capital assets, net of related debt: This represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

Restricted Net Position for: capital projects, scholarships, and other special purposes: Restricted expendable Net Position include resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties or by enabling legislation adopted by the District. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position (continued)

Restricted Net Position – nonexpendable: Nonexpendable restricted Net Position consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. The District has no restricted Net Position – nonexpendable. However, the component units do have nonexpendable restricted Net Position.

Unrestricted Net Position: Unrestricted Net Position represent resources available to be used for transactions relating to the general operations of the District and may be used at the discretion of the governing board as designated, to meet current expenses for specific future purposes.

State Apportionments

Certain current year apportionments from the state are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year and are recorded in the District's financial records when received.

Property Taxes

Property taxes are assessed and levied by the County of Los Angeles. Secured property taxes attach as an enforceable lien on property as of January 1. These taxes are payable in two installments on November 1 and February 1. Secured property taxes are considered delinquent after December 10 for the 1st installment and April 10 for the 2nd installment. Unsecured property taxes are payable in one installment on or before August 31 and are delinquent after August 31.

The voters of the District passed General Obligation Bonds in 2004 and 2012 for the acquisition, construction, and remodeling of certain District property. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are billed and collected as noted above.

On-Behalf Payments

GASB Statement No. 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance, requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditure by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers Retirement Systems (STRS) on behalf of all Community Colleges in California. The amount of on-behalf payments made for the District is estimated at $1,520,572 for STRS for the year ended June 30, 2013. This amount has been reflected in the basic financial statements as a component of non-operating revenue and employee benefit expense.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Revenues

The District has classified its revenues as either operating or nonoperating revenues according to the following criteria:

> Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as student fees, net of scholarship discounts and allowances, and most federal, state and local grants and contracts.
>
> Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as state apportionment, property taxes, state taxes, non-capital federal grants and contracts investment income, and other revenue sources.

Scholarship Discount and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the District, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants and other federal, state or nongovernmental programs are recorded as operating revenues in the District's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the District has recorded a scholarship discount and allowance, included in the Board of Governors (BOG) waivers.

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, FSEOG Grants, Federal Work-Study, and Stafford Direct Loan programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. These programs are audited in accordance with the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget's revised Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the related Compliance Supplement.

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foundation Financial Statement Presentation

The Cerritos College Foundation presents its financial statements in accordance with Statement of Financial Accounting Codifications. Under these reporting requirements, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the codification, the Foundation does not use fund accounting.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be met by actions of the Foundation and/or the passage of time.

Unrestricted Net Assets - Net assets not subject to donor-imposed restrictions.

Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues are reported as increases in the unrestricted net assets classification unless use of the related assets is limited by donor-imposed restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions for in-kind gifts from outside sources are recorded at their fair market value on the date of the donation.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Investments are reported at fair value in accordance with FASB Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures.

Interfund Activity

Interfund transfers and interfund receivables and payables for governmental activities are eliminated during the consolidation process in the governmental funds entity-wide financial statements.

NOTE 3 – CASH AND INVESTMENTS

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, however, the *California Government Code* requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must be equal to 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the District. As of June 30, 2013, the book balance of the District's deposit of $44,353 was entirely insured and collateralized as described above.

Investment in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section (ECS) 41001). The fair value of the District's investment in the pool is reported in the accompanying financial statements at 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 that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

The pool is managed by the Los Angeles County Treasurer and is not registered as an investment company with the U.S. Securities and Exchange Commission. Oversight of the pool is the responsibility of the County Treasury Oversight Committee. California Government Code statutes and the County Treasury Oversight Committee set forth the various investment policies that the Treasurer follows.

As provided by the Government Code, the cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. Interest earned on pooled investments is deposited to the participating funds based upon the funds' average daily deposit balance during the allocation period.

NOTE 3 – CASH AND INVESTMENTS (continued)

General Authorizations

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

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

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Summary of Cash and Investments

Cash and investments as of June 30, 2013, consist of the following:

Pooled Funds:	
Cash in County Treasury	$ 129,110,346
Deposits	
Cash on hand and in banks	44,353
Total Cash and Investments	129,154,699

NOTE 3 – CASH AND INVESTMENTS (continued)

Interest Rate Risk

Interest rate risk 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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the District's investments to this risk is provided above.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The District follows Government Code to reduce exposure to investment credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single user. The Trust and component units' investment policies limit investments to no more than 5% of assets invested in any single equity security, any single debt security or investment in any mutual fund that holds more than 5% of its portfolio in any single issue or issuer. The foregoing limitation is not intended to apply to the percentage of assets invested in a single diversified mutual fund, obligations of the U.S Government and its agencies, U.S. agency mortgage-backed pass-through securities, or to a mutual fund that invests in such obligations or securities. The Trust and the component units did not violate any provisions of the California Government Code or its investment policy during the year ended June 30, 2013.

Deposit Type	Fair Market Value	Days to Maturity	Minimum Legal Rating	Rating 6/30/2013
Los Angeles County Investment Pool	$ 128,101,941	632	Not Applicable	AA+

NOTE 4 – ACCOUNTS RECEIVABLE

Receivables for the District consisted primarily of intergovernmental grants, entitlements, interest, and other local sources. All receivables are considered collectible in full.

The accounts receivable balance as of June 30, 2013 is as follows:

Federal	$ 1,245,386
State	8,286,613
Local	1,028,555
Total	$ 10,560,554

NOTE 5 – INTERFUND TRANSACTIONS

Interfund receivables and payables result when the interfund transfer is transacted after the close of the fiscal year. Inferfund activity within the funds has been eliminated in the basic financial statements, except for balances that are reflected between the business-type activity and fiduciary funds.

NOTE 6 – CAPITAL ASSETS

The following provides a summary of changes in capital assets for the year ended June 30, 2013:

	Balance July 01, 2012	Adjustment to Beginning Balance	Restated Balance July 01, 2012	Additions	GASB 62 Adjustment	Balance June 30, 2013
Land	$ 3,570,212	$ -	$ 3,570,212	$ -	$ -	$ 3,570,212
Construction in progress	35,175,507	-	35,175,507	11,942,049	2,685,354	49,802,910
Total Capital Assets not being Depreciated	38,745,719	-	38,745,719	11,942,049	2,685,354	53,373,122
Capital Assets being Depreciated						
Buildings & improvements	133,052,416	(626,811)	132,425,605	14,383,675	11,097,403	157,906,683
Furniture & equipment	9,463,706	(3,472,703)	5,991,003	274,267	-	6,265,270
Total Capital Assets being Depreciated	142,516,122	(4,099,514)	138,416,608	14,657,942	11,097,403	164,171,953
Total Capital Assets	181,261,841	(4,099,514)	177,162,327	26,599,991	13,782,757	217,545,075
Less Accumulated Depreciation						
Buildings & improvements	36,597,124	(740,233)	35,856,891	2,983,408	589,010	39,429,309
Furniture & equipment	7,278,279	(3,347,436)	3,930,843	350,907	-	4,281,750
Total Accumulated Depreciation	43,875,403	(4,087,669)	39,787,734	3,334,315	589,010	43,711,059
Net Capital Assets	$ 137,386,438	$ (11,845)	$ 137,374,593	$ 23,265,676	$ 13,193,747	$ 173,834,016

Depreciation expense for the year ended June 30, 2013 is $3,334,315.

NOTE 7 – LONG TERM OBLIGATIONS

A schedule of changes in long-term obligations for the year ended June 30, 2013 is shown below:

	July 01, 2012	Additions	Deductions	June 30, 2013	One Year
General obligation bonds	$ 191,615,201	$ 2,020,306	$ 1,705,001	$ 191,930,506	$ 1,113,516
Premium on issuance of bonds	5,595,889	-	450,030	5,145,859	-
SERP	4,453,692	-	1,113,423	3,340,269	1,113,423
Compensated absences	2,151,091	-	84,365	2,066,726	-
OPEB Obligation	1,788,021	383,047	-	2,171,068	-
Totals	$ 205,603,894	$ 2,403,353	$ 3,352,819	$ 204,654,428	$ 2,226,939

On March 2, 2004, the District's voters approved by more than the required 55% favorable vote, Measure CC, authorizing the issuance and sale of General Obligation Bonds, not to exceed $210,000,000. Measure CC was designed to provide funds to address the urgent and critical needs of Cerritos College, including the repair and renovation of aging facilities as well as the construction of new facilities to relieve overcrowding and meet demand due to growth in student enrollment. In addition, the proceeds were used to prepay certain of the District's outstanding Certificates of Participation, Series 2002.

On July 1, 2004, $37,325,000 of Measure CC General Obligation Bonds were sold (Series 2004A). The issuance consisted of serial bonds with interest rates ranging from 4.00 percent to 5.75 percent and maturing through August 1, 2028.

On May 19, 2005, $27,135,994 of Measure CC General Obligation Refunding Bonds were sold (Series 2005 Refunding Series A). The issuance consisted of current interest bonds and capital appreciation bonds with interest rates ranging from 3.00 percent to 5.00 percent and maturing through August 1, 2023. The proceeds were issued to pay off portions of the 2004 Election, Series A General Obligation Bonds. The proceeds were placed into an irrevocable escrow account and will be used to fund the future required principal and interest payments of the refunded bonds. The refunded portions of the bonds are considered in-substance defeased and are not recorded on the financial statements. The amount of debt that remains outstanding at June 30, 2013, for the original Series A issuance is $2,330,000. The amount of refunding debt outstanding at June 30, 2013, for Series 2005 is $23,420,600.

On September 6, 2006, $34,845,000 of Measure CC General Obligation Bonds were sold (Series 2006B). The issuance consisted of serial bonds and term bonds with interest rates ranging from 4.50 percent to 5.00 percent and maturing through August 1, 2031.

On May 27, 2009, $55,000,000 of Measure CC General Obligation Bonds were sold (Series 2009C). The issuance consisted of serial bonds and term bonds with interest rates ranging from 3.00 percent to 5.25 percent and maturing through August 1, 2033.

NOTE 7 – LONG TERM OBLIGATIONS (continued)

On March 21, 2012, $82,825,515 of Measure CC General Obligation Bonds were sold (Series 2012D). The issuance consisted of serial bonds, term bonds and capital appreciation bonds with interest rates ranging from 1.97 percent to 5.88 percent and maturing through August 1, 2038.

Series	Issuance Date	Interest Rate	Maturity Date	Amount of Original Issue	Balance July 1, 2012	Additions	Redeemed Current Year	Balance June 30, 2013	Due Within One Year
2004 Series 2004A	7/1/2004	4.00-5.00%	8/1/2028	$ 37,325,000	$ 2,675,000	$ -	$ 345,000	$ 2,330,000	$ 440,000
2005 Refunding Bond Series A	5/19/2005	3.00-5.00%	8/1/2023	27,135,994	24,164,686	470,915	1,215,001	23,420,600	498,516
2004 Series 2006B	9/6/2006	4.50-5.00%	8/1/2031	34,845,000	30,645,000	-	-	30,645,000	-
2004 Series 2009C	5/27/2009	3.00-5.25%	8/1/2033	55,000,000	51,305,000	-	145,000	51,160,000	175,000
2004 Series 2012D	3/21/2012	1.97-5.88%	8/1/2038	82,825,515	82,825,515	1,549,391	-	84,374,906	-
			Total	$ 237,131,509	$ 191,615,201	$ 2,020,306	$ 1,705,001	$ 191,930,506	$ 1,113,516

The annual requirements to amortize all bonds payable as of June 30, 2013 are as follows:

Fiscal Year	Principal	Interest	Accreted Interest	Total
2014	$ 1,113,516	$ 8,066,528	$ 786,484	$ 9,966,528
2015	1,370,262	7,340,294	989,738	9,700,294
2016	1,572,800	7,315,095	1,137,200	10,025,095
2017	3,065,203	7,289,232	49,797	10,404,232
2018	3,546,033	7,165,082	93,967	10,805,082
2019-2023	25,368,101	33,317,283	1,821,899	60,507,283
2024-2028	37,670,209	27,115,605	7,699,792	72,485,606
2029-2033	50,461,623	18,191,043	18,718,378	87,371,044
2034-2038	47,736,054	9,973,404	30,343,944	88,053,402
2039-2042	16,325,000	764,625	-	17,089,625
Accretion	3,701,705	-	(3,701,705)	-
Total	$ 191,930,506	$ 126,538,191	$ 57,939,494	$ 376,408,191

Other Postemployment Benefits Obligation

The District's annual required contribution for the year ended June 30, 2013, was $1,058,655, and contributions made by the District during the year were $685,811. As of June 30, 2013, the net OPEB obligation was $2,171,068. See Note 9 for additional information regarding the OPEB obligation and the postemployment benefits plan.

Supplemental Early Retirement Program (SERP)

On behalf of the District, the Board of Trustees of the Cerritos Community College District and the Public Agency Retirement Services (PARS) developed a retirement incentive program for certain eligible employees of the District effective June 30, 2011.

NOTE 7 – LONG TERM OBLIGATIONS (continued)

Supplemental Early Retirement Program (SERP) (continued)

The Plan is to provide each employee eighty percent (80%) of final pay as an incentive to resign from District employment. Eligibility requirements are as follows:

- Faculty and Certificated Management must be age 55 with five years of District service, or age 50 with 30 years of service.
- Classified Non-Management, Confidential Management, and Classified Management must be age 50 with five years of District service.
- Eligible to retire with CalSTRS or CalPERS effective June 30, 2011.

The plan provides the following options:

Option 1	A monthly cash income paid for employee lifetime only. Option 1 does not pay out to beneficiary.
Option 2	A modified monthly cash income paid for employee lifetime and the lifetime of named beneficiary.
Option 3	A modified monthly cash income paid for the greater of 10 years or employee lifetime. In the event of death within 10 years of retirement, monthly payments will continue to beneficiary or estate until a total of 120 payments have been made.
Options 4-15	Provides a benefit guaranteed for a fixed number of years. Benefits will be paid out each month to the participant until the final payment is made. In the event of death, all remaining payments will be paid out to the beneficiary or estate.

NOTE 8 – EMPLOYEE RETIREMENT PLANS

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

State Teachers' Retirement System (STRS)

Plan Description

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

NOTE 8 – EMPLOYEE RETIREMENT PLANS (continued)

State Teachers' Retirement System (STRS) (continued)

Funding Policy

Active plan members are required to contribute 8.0% of their salary and the District is required to contribute a statutorily determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2012-2013 was 8.25% of annual payroll. The contribution requirements of the plan members are established and may be amended by State statute.

Public Employees' Retirement Systems (PERS)

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

CalPERS issues a separate comprehensive annual financial report that includes required supplementary information. Copies of the CalPERS' annual financial report maybe be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Funding Policy

Active plan members are required to contribute 7.0% of their salary. The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution for fiscal year 2012-13 was 11.447% of annual payroll. The contribution requirements of the plan members are established and may be amended by the State statute. As of January 1, 2013 Public Employees' Pension Reform Act (PERPA) Classified employees pay 6%.

NOTE 8 – EMPLOYEE RETIREMENT PLANS (continued)

Contribution to STRS and PERS

The District's contributes to STRS and PERS for each of the last three fiscal years are as follows:

	STRS			PERS		
Year Ended June 30,		Required Contribution	Percent Contributed		Required Contribution	Percent Contributed
2011	$	3,170,667	100%	$	2,204,130	100%
2012	$	2,926,353	100%	$	2,099,132	100%
2013	$	2,939,939	100%	$	2,298,831	100%

Deferred Compensation

The District offers its employees a 457 Deferred Compensation Program, which is administered by RSG Securities. The plan, available to all permanent District employees, permits them to defer a portion of their salary until the future years. The deferred compensation is not available to the employees or their beneficiaries until termination, retirement, death, or an unforeseeable emergency.

NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The Cerritos Community College District Health Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the District. The Plan offers medical, dental, and vision insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of 319 retirees and beneficiaries currently receiving benefits and 553 active Plan members.

Funding Policy

The contribution requirements are established and may be amended by the District. The required contribution is based on projected pay-as-you-go financing requirements, with an annual adjustment to fully fund the actuarially determined annual required contribution. For fiscal year 2012-13, the District contributed $685,811 to the plan for current year premiums and another $500,000 to the retiree benefits fund. The District pays for 100% of coverage.

NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS (continued)

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize an unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed, and changes in the District's net OPEB obligation:

Annual required contribution (ARC)	$ 1,058,655
Interest on net OPEB obligation	89,401
Adjustment to annual required contribution	(79,198)
Annual OPEB cost	1,068,858
Contributions made	(685,811)
Changes in net OPEB obligation	383,047
Net OPEB obligation, beginning of year	1,788,021
Net OPEB obligation, end of year	$ 2,171,068

The District's annual OPEB cost, the percentage of annual OPEB cost contributed, and the net OPEB obligation was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	$ 1,068,858	64%	$ 2,171,068
6/30/2012	$ 1,058,655	65%	$ 1,788,021
6/30/2011	$ 1,000,645	57%	$ 1,420,070
6/30/2010	$ 1,000,645	56%	$ 992,287

NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS (continued)

Funding Status and Funding Progress

As of March 1, 2012, the most recent actuarial valuation date, the funded ratio was 0%. The actuarial value of assets was $0. The actuarial liability was $14,347,766, resulting in an unfunded actuarial accrued liability (UAAL) of $14,347,766. The covered payroll (annual payroll of active employees covered by the plan) was $54,670,818, and the ratio of the UAAL to the covered payroll was 26%.

The above noted actuarial accrued liability was based on the March 1, 2012, actuarial valuation. Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, follows the notes to the financial statements and presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial values of assets, consistent with the long-term perspective of the calculations.

In the March 1, 2012, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a five percent investment rate of return, based on the assumed long-term return on Plan assets or employer assets. The cost trend rate used for the Dental and Vision Programs was four percent. The UAAL is being amortized at a level percentage of payroll method. The remaining amortization period at March 1, 2012, was 30 years. The actuarial value of assets was not determined in this actuarial valuation as the District has not established an irrevocable trust. However, the District had established a Retiree Benefits Fund and annually transfers funds to offset the obligation. The balance in this fund at June 30, 2013 was $4,744,766.

NOTE 10 – LEASE REVENUES

A ground lease agreement has been entered into with Avalon at Cerritos, LLC for terms that exceed one year. The agreement does not contain a purchase option. The agreement contains a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel the agreement prior to the expiration date. The future minimum lease payments expected to be received under this agreement are as follows:

Year Ending June 30,	Lease Revenue
2014	$ 330,667
2015	330,667
2016	330,667
2017	330,667
Total	$ 1,322,668

NOTE 11 – JOINT POWERS AGREEMENT

The District participates in four joint powers authorities: the Statewide Association of Community Colleges (SWACC), the Schools Association for Excess Risk (SAFER), the Southern California Community College District Joint Powers Agency (SCCCD-JPA), and the California Statewide Delinquent Finance Tax Authority. The relationship between the District and the JPAs is such that none of the JPAs are a component unit of the District for financial reporting purposes as explained below.

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

The District's share of year-end assets, liabilities, or fund equity has not been calculated.

NOTE 12 – RISK MANAGEMENT

Insurance Coverages

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year ending June 30, 2013, the District contracted with the Statewide Association of Community Colleges (SWACC) and the Schools Association for Excess Risk (SAFER) Joint Powers Authorities (JPAs) for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. Employee health coverage benefits are covered by a commercial insurance policy purchased by the District. The District provides health insurance benefits to District employees, their families, and retired employees of the District. There has not been a significant reduction in coverage from the prior year.

NOTE 12 – RISK MANAGEMENT (continued)

Joint Powers Authority Risk Pools

During fiscal year ending June 30, 2013, the District contracted with various joint powers authorities for property and liability insurance coverage. Coverage provided by Southern California Community College District Joint Powers Authority (SCCCD-JPA), SAFER, and SWACC for property and liability and workers' compensation is as follows:

Insurance Program/Company Name	Type of Coverage	Limits
SAFER (JPA)	Property	$ 249,750,000
SWACC (JPA)	Property	$ 250,000
SAFER (JPA)	Liability	$ 20,000,000
SAFER (JPA)	Liability	$ 4,000,000
SWACC (JPA)	Liability	$ 1,000,000
Protected Insurance Program for Schools and Community Colleges (PIPS)	Workers' Compensation	$ 1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2012-2013, the District participated in the Southern California Community College District Joint Powers Authority (SCCCD-JPA), an insurance purchasing pool. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity-pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

A. 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.

B. Purchase Commitments

As of June 30, 2013, the District was committed under various capital expenditure purchase agreements for construction and modernization projects totaling approximately $14.5 million. Projects will be funded by Measure CC and Measure G Proposition 39 Bond funds as well as State matching funds, where applicable.

C. Litigation

The District is a defendant in various pending liability lawsuits arising in the ordinary course of business. The outcome of the litigation is unknown at the present time, however, in the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the District's financial statements.

D. Operating Leases

The District has entered into various operating leases for buildings and equipment with lease terms in excess of one year. None of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date. Future minimum lease payments under these agreements are as follows:

Year Ending June 30,	Lease Payment
2014	$ 130,263
2015	27,264
Total	$ 157,527

NOTE 14 – TAX AND REVENUE ANTICIPATION NOTES

On February 28, 2013, the District issued $15,000,000 of TRANs at an interest rate of 2.00% due on December 31, 2013. These TRANs were issued under the authority of the California Government Code. Proceeds from the issuance of TRANs were used to meet fiscal 2012-13 expenditures, including operating expenditures, capital expenditures, and the discharge of other obligations or indebtedness of the District. TRANs are general obligations of the District and are payable from taxes, revenues, cash receipts, and other monies received by the District.

NOTE 15 – ADJUSTMENT FOR RESTATEMENT

An adjustment of $13,181,902 to increase beginning net position was made to account for Accounting Standards Board (GASB) Statement No. 62 as well as an adjustment to the construction in progress category. This new accounting standard requires capitalization of interest expense on bonded debt that had previously been expensed. See Note 6.

REQUIRED SUPPLEMENTARY INFORMATION

CERRITOS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (Entry Age Normal Cost Method) (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funding Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
11/16/2007	$ -	$ 15,027,259	$ 15,027,259	0.0%	$ 61,013,191	25%
3/5/2010	$ -	$ 14,146,275	$ 14,146,275	0.0%	$ 59,493,519	24%
3/1/2012	$ -	$ 14,283,221	$ 14,347,766	0.0%	$ 54,670,818	26%

See accompanying note to required supplementary information.

NOTE 1 – PURPOSE OF SCHEDULE

Schedule of Postemployment Healthcare Benefits Funding Progress

This schedule is prepared to show information for the most recent actuarial valuation and from the three most recent actuarial valuations in accordance with Statement No. 45 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The schedule is intended to show trends about the funding progress of the District's actuarially determined liability for post-employment benefits other than pensions.

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Cerritos Community College District (the "District") in connection with the issuance of (i) $100,000,000 Cerritos Community College District (Los Angeles County, California) Election of 2012 General Obligation Bonds, Series 2014A, (ii) $80,395,000 Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series A, and (iii) $17,975,000 Cerritos Community College District (Los Angeles County, California) 2014 General Obligation Refunding Bonds, Series A (collectively, the "Bonds"). The Bonds are being issued pursuant to resolutions of the Board of Trustees of the District adopted on October 1, 2014 and October 27, 2014 (collectively, the "Resolution"). The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean initially the District, or any successor Dissemination Agent designated in writing by the District (which may be the District) and which has filed with the District a written acceptance of such designation.

"Holders" shall mean registered owners of the Bonds.

"Listed Events" shall mean any of the events listed in Section 5(a) and 5(b) of this Disclosure Certificate.

"Official Statement" shall mean that certain Official Statement relating to the Bonds, dated as of November 4, 2014.

"Participating Underwriter" shall mean each of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean, the Municipal Securities Rulemaking Board, which can be found at http://emma.msrb.org/, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (presently ending June 30), commencing with the report for the 2013-14 Fiscal Year, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate, with a copy to the Participating Underwriter. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided* that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) Not later than 30 days (nor more than 60 days) prior to said date the Dissemination Agent shall give notice to the District that the Annual Report shall be required to be filed in accordance with the terms of this Disclosure Certificate. Not later than 15 Business Days prior to said date, the District shall provide the Annual Report in a format suitable for reporting to the Repository to the Dissemination Agent (if other than the District). If the District is unable to provide to the Repository an Annual Report by the date required in subsection (a), the District shall send a notice to the Repository in substantially the form attached as Exhibit A with a copy to the Dissemination Agent. The Dissemination Agent shall not be required to file a Notice to Repository of Failure to File an Annual Report.

(c) The Dissemination Agent shall file a report with the District stating it has filed the Annual Report in accordance with its obligations hereunder, stating the date it was provided to the Repository.

SECTION 4. Content and Form of Annual Reports. (a) The District's Annual Report shall contain or include by reference the following:

1. The audited financial statements of the District for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. Material financial information and operating data with respect to the District of the type included in the Official Statement in the following categories (to the extent not included in the District's audited financial statements):

(A) State funding received by the District for the last completed fiscal year;

(B) Full time equivalent student counts of the District for the last completed fiscal year;

(C) Outstanding District indebtedness;

(D) Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the then-current fiscal year;

(E) Current assessed valuation of taxable property within the District; and

(F) Data regarding secured *ad valorem* tax charges and delinquencies for property within the District, except to the extent the County of Los Angeles adopts the Teeter Plan for tax levies for District bonded indebtedness.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The District shall clearly identify each such other document so included by reference.

(b) The Annual Report will be filed in an electronic format accompanied by such identifying information as shall be prescribed by the Municipal Securities Rulemaking Board.

SECTION 5. <u>Reporting of Significant Events</u>.

(a) Pursuant to the provisions of this Section 5(a), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not in excess of 10 business days after the occurrence of the event:

1. principal and interest payment delinquencies.

2. tender offers.

3. defeasances.

4. rating changes.

5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or Notices of Proposed Issue (IRS Form 5701-TEB).

6. unscheduled draws on the debt service reserves reflecting financial difficulties.

7. unscheduled draws on credit enhancement reflecting financial difficulties.

8. substitution of the credit or liquidity providers or their failure to perform.

9. bankruptcy, insolvency, receivership or similar event of the District. For the purposes of the event identified in this Section 5(a)(9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order

confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(b) Pursuant to the provisions of this Section 5(b), the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. non-payment related defaults.

2. modifications to rights of Holders.

3. optional, contingent or unscheduled bond calls.

4. unless described under Section 5(a)(5) above, material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

5. release, substitution or sale of property securing repayment of the Bonds.

6. the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

7. Appointment of a successor or additional trustee or paying agent with respect to the Bonds or the change of name of such a trustee or paying agent.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event under Section 5(b) hereof, the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) hereof would be material under applicable federal securities laws, the District shall (i) file a notice of such occurrence with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event or (ii) provide notice of such reportable event to the Dissemination Agent in format suitable for filing with the Repository in a timely manner not in excess of 10 business days after the occurrence of the event. The Dissemination Agent shall have no duty to independently prepare or file any report of Listed Events. The Dissemination Agent may conclusively rely on the District's determination of materiality pursuant to Section 5(c).

SECTION 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(a) or 5(b), as applicable.

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign upon 15 days written notice to the District.

Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and

(d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent acts hereunder solely for the benefit of the District; this Disclosure Certificate shall confer no duties on the Dissemination Agent to the Participating Underwriter, the Holders and the Beneficial Owners. The District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall have no liability for the failure to report any event or any financial information as to which the District has not provided an information report in format suitable for filing with the Repositories. The Dissemination Agent shall not be required to monitor or enforce the District's duty to comply with its continuing disclosure requirements hereunder.

SECTION 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Certificate may be given as follows:

To the District:	Cerritos Community College District 1110 Alondra Boulevard Norwalk, California 90650
To the Dissemination Agent:	Cerritos Community College District 1110 Alondra Boulevard Norwalk, California 90650

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.

SECTION 12. Signature. This Disclosure Certificate has been executed by the undersigned on the date hereof, and such signature binds the District to the undertaking herein provided.

Date: November 20, 2014

CERRITOS COMMUNITY COLLEGE DISTRICT

By_______________________________________

Vice President, Business Services/
Assistant Superintendent

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of District: CERRITOS COMMUNITY COLLEGE DISTRICT

Name of Bond Issue: Election of 2012 General Obligation Bonds, Series 2014A (Federally Tax-Exempt)
2014 General Obligation Refunding Bonds, Series A (Federally Tax-Exempt)
2014 General Obligation Refunding Bonds, Series B (Federally Taxable)

Date of Issuance: November 20, 2014

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate relating to the Bonds. The District anticipates that the Annual Report will be filed by _____________.

Dated:_______________________

CERRITOS COMMUNITY COLLEGE DISTRICT

By ______[form only; no signature required]_________

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APPENDIX D

ECONOMIC AND DEMOGRAPHIC PROFILE OF THE CITIES OF CERRITOS, DOWNEY, LA MIRADA AND NORWALK AND LOS ANGELES COUNTY

Approximately 70% of the District lies within the Cities of Cerritos ("Cerritos"), Downey, ("Downey"), La Mirada ("La Mirada") and Norwalk ("Norwalk," and together with Cerritos, Downey and La Mirada, the "Cities"). The following information concerning the Cities and Los Angeles County (the "County") is included only for the purpose of supplying general information regarding the community. The Bonds are not a debt or obligation of either the Cities or the County.

General

Cerritos. Cerritos is located in southeast portion of the County, on the border with Orange County. It borders the Cities of Norwalk, Santa Fe Springs, Lakewood, Bellflower and Artesia on the County-side of the border, and La Palma and Buena Park on the Orange County side. Cerritos has a total area of approximately 9 square miles. It is home of the Cerritos Auto Square, the largest and most financially successfully automobile dealership mall in the world, providing Cerritos with nearly half of its taxable sales per year.

Cerritos (then known as Dairy Valley) was founded in 1888 and incorporated in 1956, becoming a charter city in 1958. In 1967, Dairy Valley changed its name to Cerritos. Cerritos is governed by a five-member council-manager government, each elected at large to four-year overlapping terms. Each year the five members vote one of themselves to be the Mayor and Mayor Pro Tem. The City Council appoints the City Manager, the City Attorney and the City Clerk/Treasurer.

Downey. Downey encompasses approximately 12 square miles and borders Norwalk, as well as the communities of Bell Gardens, Pico Rivera, Bellflower, Paramount, Compton, Lynwood and South Gate. Like its neighbors, it has access to four major freeways as well as the Los Angeles Metro Rail Green Line station.

Downey, incorporated in 1956, became a charter city in 1964. It uses a city-manager form of government, having a mayor and four other city council members. The office of mayor rotates among the five city council members in December. All council members are limited to two four-year terms, and each members is elected from and represents an electoral district. The city council appoints the City Manager, City Attorney and City Clerk, while the City Manager appoints all of Downey's department heads.

La Mirada. La Mirada immediately east of Norwalk and encompasses approximately eight square miles. La Mirada is the location of Biola University, and is also well-known for theatrical arts, hosting the La Mirada Theatre for the Performing Arts.

La Mirada is governed by a five-member council-manager government, and each year the five members elect the Mayor and Mayor Pro Tem. Council members are elected at large from within La Mirada.

Norwalk. Norwalk has a total area of approximately 9 square miles. Four freeways run directly through or immediately past Norwalk and neighboring Cerritos. The Santa Ana Freeway (I-5) bisects Norwalk. The San Gabriel River Freeway (I-605) intersects with I-5 in northern Norwalk, and passes through western Cerritos. The Century Freeway (I-105) begins in Norwalk and runs west towards Los Angeles International Airport, and the Artesia Freeway (SR 91) runs south of Norwalk and through Cerritos. The Green Line light rail also starts in Norwalk, and connects Norwalk with the cities of Los Angeles, South Gate, Lynwood, Hawthorne, El Segundo and Manhattan Beach. Norwalk also hosts the heavily-used Norwalk/Santa Fe Springs Metrolink Station.

Norwalk was founded in 1888 and incorporated in 1897. Norwalk is a full-service charter city and is governed by nine City Council members who are elected by district, and a Mayor who is elected at large. The City Attorney, City Auditor, and City Prosecutor are also elected positions.

Los Angeles County. The County encompasses an area of approximately 4,081 miles in southwestern California (the "State"). The 88 cities within the County encompass about 35% of the County, while more than 65% of the County remains unincorporated. The County has the largest population of any county in the nation with approximately 10 million inhabitants as of 2014. The County is bordered on the east and the south by Orange and San Bernardino Counties, on the north by Kern County, and on the west by Ventura County and the Pacific Ocean.

Population

The following tables show the population estimates of the Cities, the County and the State for the past ten years.

POPULATION ESTIMATES
Cities of Cerritos, Downey, La Mirada and Norwalk
2005-2014

	City of Cerritos		City of Downey		City of La Mirada		City of Norwalk	
Year[(1)]	Population	% Change	Population	% Change	Population	% Change	Population	% Change
2005	51,674	--	111,416	--	49,225	--	106,921	--
2006	51,013	(1.3)%	111,009	(0.4)%	48,543	(1.4)%	106,317	(0.6)%
2007	50,393	(1.2)	110,858	0.1	48,666	0.3	105,785	(0.5)
2008	49,930	(0.9)	110,860	0.0	48,519	(0.3)	105,404	(0.4)
2009	49,479	(0.9)	111,254	0.4	48,434	(0.2)	105,330	0.1
2010[(2)]	49,047	(0.9)	111,772	0.5	48,527	0.2	105,549	0.2
2011	49,135	0.2	111,987	0.2	48,609	0.2	105,684	0.1
2012	49,255	0.2	112,259	0.2	48,721	0.2	105,768	0.1
2013	49,506	0.5	112,829	0.5	48,958	0.5	106,155	0.4
2014	49,741	0.5	113,363	0.5	49,178	0.4	106,630	0.4

(1) As of January 1.
(2) As of April 1.
Source: 2010: U.S. Department of Commerce, Bureau of the Census, for April 1.
2005-09, 2011-14 (2000 and 2010 DRU Benchmark): California Department of Finance for January 1.

POPULATION ESTIMATES
Los Angeles County and State of California
2005 through 2014

Los Angeles County		State of California	
Population	**% Change**	**Population**	**% Change**
9,816,153	--	35,869,173	--
9,798,609	(0.2)%	36,116,202	0.7%
9,780,808	(0.2)	36,399,676	0.8
9,785,474	0.0	36,704,375	0.8
9,801,096	0.2	36,966,713	0.7
9,818,605	0.2	37,253,956	0.8
9,847,712	0.3	37,427,946	0.5
9,889,467	0.4	37,668,804	0.6
9,963,811	0.8	37,984,138	0.8
10,041,797	0.8	38,340,074	0.9

(1) As of January 1.
(2) As of April 1.
Source: 2010: U.S. Department of Commerce, Bureau of the Census, for April 1.
2005-09, 2011-14 (2000 and 2010 DRU Benchmark): California Department of Finance for January 1.

Personal Income

The following table shows of per capita personal income for the County, State of California and the United States from 2003 through 2012.

PER CAPITAL PERSONAL INCOME[(1)]
Los Angeles County, State of California, and United States
2003 through 2012

Year	County of Los Angeles	%. Change	California	% Change	United States	% Change
2003	$33,101	--	$35,298	--	$32,676	--
2004	34,584	4.5%	37,150	5.2%	34,300	5.0%
2005	36,513	5.6	38,969	4.9	35,888	4.6
2006	39,471	8.1	41,627	6.8	38,127	6.2
2007	41,016	3.9	43,157	3.7	39,804	4.4
2008	42,114	2.7	43,609	1.0	40,873	2.7
2009	40,351	(4.2)	41,569	(4.7)	39,357	(3.7)
2010	41,113	1.9	42,297	1.8	40,163	2.0
2011	42,953	4.5	44,666	5.6	42,298	5.3
2012	44,474	3.5	46,477	4.1	43,735	3.4

(1) Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

The following table summarizes the labor force, employment and unemployment figures for the Cites, the County and the State from 2008 through 2013.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT RATE
Cities of Cerritos, Downey, La Mirada and Norwalk, Los Angeles County and State of California
2008 through 2013[(1)]

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate (%)
2008	City of Cerritos	29,500	28,300	1,200	4.0%
	City of Downey	54,500	51,300	3,300	6.0
	City of La Mirada	24,800	23,700	1,100	4.5
	City of Norwalk	49,500	45,500	3,900	7.9
	Los Angeles County	4,934,800	4,565,500	369,300	7.5
	State of California	18,203,100	16,890,000	1,313,100	7.2
2009	City of Cerritos	28,700	26,900	1,800	6.3%
	City of Downey	53,700	48,700	5,000	9.3
	City of La Mirada	24,300	22,500	1,700	7.1
	City of Norwalk	49,300	43,300	6,000	12.2
	Los Angeles County	4,907,600	4,339,300	568,300	11.6
	State of California	18,220,100	16,155,000	2,065,100	11.3
2010	City of Cerritos	28,600	26,700	2,000	6.9%
	City of Downey	53,700	48,300	5,500	10.1
	City of La Mirada	24,200	22,300	1,900	7.7
	City of Norwalk	49,400	42,900	6,600	13.3
	Los Angeles County	4,916,300	4,298,500	617,900	12.6
	State of California	18,336,300	16,068,400	2,267,900	12.4
2011	City of Cerritos	28,800	26,900	1,900	6.7%
	City of Downey	54,000	48,600	5,300	9.9
	City of La Mirada	24,300	22,500	1,800	7.5
	City of Norwalk	49,600	43,200	6,400	12.9
	Los Angeles County	4,936,400	4,331,500	604,900	12.3
	State of California	18,417,900	16,249,600	2,168,300	11.8
2012	City of Cerritos	28,800	27,100	1,700	6.0%
	City of Downey	53,700	49,000	4,700	8.8
	City of La Mirada	24,300	22,700	1,600	6.7
	City of Norwalk	49,200	43,500	5,700	11.5
	Los Angeles County	4,901,300	4,365,800	535,500	10.9
	State of California	18,519,000	16,589,700	1,929,300	10.4
2013	City of Cerritos	29,300	27,700	1,600	5.0%
	City of Downey	54,500	50,200	4,300	7.9
	City of La Mirada	24,700	23,200	1,500	6.0
	City of Norwalk	49,800	44,600	5,200	10.4
	Los Angeles County	4,960,300	4,470,700	489,600	9.9
	State of California	18,596,800	16,933,300	1,663,500	8.9

(1) Data is based on annual averages, unless otherwise specified, and is not seasonally adjusted.

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2014 Benchmark.

Industry

The Cities are included in the Los Angeles-Long Beach-Glendale Metropolitan Statistical Area. The distribution of employment in the Los Angeles/Long Beach/Glendale area is presented in the following table for the calendar years 2009 through 2013. These figures are countywide statistics and may not necessarily accurately reflect employment trends in the Cities.

INDUSTRY EMPLOYMENT & LABOR FORCE ANNUAL AVERAGES
Los Angeles-Long Beach-Glendale Metropolitan Division
2009 through 2013

	2009	2010	2011	2012	2013
Farm	6,200	6,200	5,600	5,400	5,500
Mining and Logging	4,100	4,100	4,000	4,300	4,600
Construction	117,300	104,500	105,000	109,100	116,500
Manufacturing	389,200	373,200	366,800	367,200	366,500
Wholesale Trade	204,500	203,000	205,200	211,300	217,800
Retail Trade	387,000	386,400	392,900	400,900	405,900
Transportation, Warehousing and Utilities	151,200	150,500	151,800	154,400	156,900
Information	191,200	191,500	191,900	191,400	197,300
Financial Activities	216,000	209,500	208,400	210,700	211,800
Professional and Business Services	529,800	527,500	542,900	570,000	590,300
Education and Health Services	639,900	637,200	643,100	674,100	713,400
Leisure and Hospitality	385,500	384,800	394,600	415,300	436,700
Other Services	137,900	136,700	136,900	141,600	145,500
Government	595,900	579,600	565,500	556,800	549,200
Total All Industries	3,955,600	3,894,600	3,914,600	4,012,300	4,118,000

Source: California Employment Development Department, Labor Market Information Division. March 2013 Benchmark.

Largest Employers

The following tables show the largest employers located in the County and the Cities:

LARGEST PRIVATE-SECTOR EMPLOYERS
Los Angeles County
2013

Rank	Company	Employees
1.	Kaiser Permanente	36,495
2.	Northrop Grumman Corp.	16,100
3.	Target Corp.	15,000
4.	University of Southern California	14,525
5.	Bank of America Corp.	13,746
6.	Ralphs/Food 4 Less (Kroger Co. division)	13,500)
7..	Providence Health & Services So. Calif.	10,983
8.	Cedars-Sinai Medical Center	10,663
9.	Home Depot	10,630
10.	Walt Disney Co.	10,500
11.	Boeing Co.	10,463
12.	Wells Fargo	10,100
13.	AT&T Inc.	8,900
14.	United Parcel Service	8,845
15.	California Institute of Technology	8,649

Source: Los Angeles Business Journal, The Lists 2014.

LARGEST PUBLIC-SECTOR EMPLOYERS
Los Angeles County
2013

Rank	Company	Employees
1.	Los Angeles County	101,610
2.	Los Angeles United School District	59,811
3.	U.S. Government – Federal Reserve Board	48,000
4.	City of Los Angeles	31,817
5.	University of California, Los Angeles	31,457
6.	State of California	30,700
7.	Los Angeles County Metro	9,011
8.	Los Angeles Department of Water & Power	8,600
9.	Long Beach Unified School District	6,511
10.	Los Angeles Community Collect District	6,336
11.	City of Long Beach	5,155
12.	California State University, Long Beach	4,597
13.	Los Angeles World Airports	3,552
14.	California State University, Northridge	3,429
15.	City of Santa Monica	2,169

Source: Los Angeles Business Journal, The Lists 2014.

LARGEST EMPLOYERS
City of Cerritos
As of June 30, 2013

Rank	Company	Employees	% of Employment	Description
1.	United Parcel Service	6,000	20.48%	Transportation and freight
2.	ABC Unified School District	3,500	11.95	K-12 public education
3.	Cingular Wireless	1,200	4.10	Telecommunications
4.	Southern Wine & Spirits	1,100	3.75	Alcoholic beverage distribution
5.	City of Cerritos	650	2.22	Municipal government
6.	Crown Bolt, Inc.	400	1.37	Hardware tool manufacturer
7.	Isuzu	400	1.37	Automobile retailer
9.	College Hospital, Inc.	400	1.37	Psychiatric hospital
10.	PMI	350	1.19	Pet food manufacturer
11.	Norm Reeves Honda of Cerritos	350	1.19	Automobile retailer

Source: City of Cerritos 'Comprehensive Annual Financial Report' for Fiscal Year Ended June 30, 2013.

LARGEST EMPLOYERS
City of Downey
As of June 30, 2013

Rank	Company	Employees	% of Employment	Description
1.	Kaiser Permanente	4,500	8.5%	Hospital and healthcare
2.	Stonewood Shopping Center	2,100	4.0	Retail
3.	Downey Unified School District	1,851	3.5	Primary and secondary education
4.	Rancho Los Amigos Medical Center	1,410	2.7	Hospital and healthcare
5.	Downey Regional Medical Center	955	1.8	Hospital and healthcare
6.	Coca-Cola Bottling Company	920	1.7	Beverage bottling plant
7.	County of Los Angeles Office of Ed.	900	1.7	Education administration
8.	Lakewood Park Health Center	325	0.6	Hospital and healthcare
9.	Porto's Bakery	190	0.4	Baked goods
10.	All American Home Center	180	0.3	Home and garden supply retail

Source: City of Downey 'Comprehensive Annual Financial Report' for Fiscal Year Ended June 30, 2013.

LARGEST EMPLOYERS
City of La Mirada
As of June 30, 2013

Rank	Company	Employees	Description
1.	Biola University	1,308	Higher education and research.
2.	Norwalk-La Mirada Unified Sch. Dist.	843	Primary and secondary education.
3.	US Foodservice	800	Foodstuff distribution center
4.	Staples	500	Office supply retail
5.	Kindred Hospital	340	Hospital and healthcare
6.	City of La Mirada	300	City government
7.	Frito Lay, Inc.	240	Foodstuff distribution center
8.	Living Spaces	200	Home furnishing retail
9.	Kittrich Corporation	175	Home furnishing manufacturing
10.	Ultimate Event Security	164	Event security

Note: relative percentages of employment attributable to each listed company not available from the source listed below.
Source: City of La Mirada 'Comprehensive Annual Financial Report' for Fiscal Year Ended June 30, 2013.

LARGEST EMPLOYERS
City of Norwalk
As of June 30, 2013

Rank	Company	Employees	% of Employment	Description
1.	Norwalk-La Mirada Unified School	2,057	8.16%	K-12 public education
2.	Cerritos College(1)	1,570	6.22	Continuing education
3.	Los Angeles County	1,564	6.20	County government
4.	Metropolitan State Hospital	1,466	5.81	Hospital and healthcare
5.	Target	442	1.75	Retail
6.	City of Norwalk	409	1.62	Local government
7.	Costco Wholesale	317	1.26	Wholesale retail
8.	Doty Brother's Construction	300	1.19	Industrial Construction
9.	Coast Plaza Doctors Hospital	295	1.17	Hospital and healthcare
10.	Norwalk Community Hospital	250	0.99	Hospital and healthcare

(1) For updated District employee counts, see "CERRITOS COMMUNITY COLLEGE DISTRICT – Labor Relations" in the front part of this Official Statement.
Source: City of Norwalk 'Comprehensive Annual Financial Report' for Fiscal Year Ended June 30, 2013.

Commercial Activity

Summaries of annual taxable sale date for the Cities and the County for years 2004 through 2012 are shown in the following tables.

TAXABLE SALES
City of Cerritos
2004 through 2012
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2004	783	$2,064,868	1,794	$2,418,278
2005	797	2,124,961	1,747	2,461,071
2006	799	2,057,118	1,388	2,395,383
2007	776	1,962,539	1,723	2,307,146
2008	775	1,667,821	1,701	2,046,160
2009	928	1,380,546	1,605	1,679,146
2010	917	1,482,807	1,538	1,785,751
2011	916	1,671,342	1,515	2,010,811
2012	904	1,875,232	1,523	2,260,601

Note: In 2009, retail permits expanded to include permits for food services.
Source: "Taxable Sales in California (Sales & Use Tax)," California Board of Equalization.

TAXABLE SALES
City of Downey
2004 through 2012
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2004	1,175	$1,068,592	2,375	$1,250,050
2005	1,185	1,108,109	2,449	1,282,719
2006	1,212	1,244,943	2,505	1,428,642
2007	1,203	1,241,716	2,505	1,421,753
2008	1,264	1,112,620	2,513	1,306,291
2009	1,685	926,547	2,321	1,096,272
2010	1,701	977,927	2,357	1,138,182
2011	1,637	1,069,807	2,273	1,238,955
2012	1,714	1,149,772	2,337	1,359,727

Note: In 2009, retail permits expanded to include permits for food services.
Source: "Taxable Sales in California (Sales & Use Tax)," California Board of Equalization.

TAXABLE SALES
City of La Mirada
2004 through 2012
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2004	459	$483,645	1,019	$852,972
2005	470	550,049	1,022	920,048
2006	488	527,630	1,061	946,067
2007	450	529,791	1,036	930,253
2008	451	463,569	1,037	897,956
2009	582	427,071	953	700,794
2010	593	541,255	964	756,137
2011	547	585,657	905	837,345
2012	535	602,331	892	889,103

Note: In 2009, retail permits expanded to include permits for food services.
Source: "Taxable Sales in California (Sales & Use Tax)," California Board of Equalization.

TAXABLE SALES
City of Norwalk
2004 through 2012
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2004	808	$732,259	1,557	$828,693
2005	832	764,281	1,635	868,104
2006	870	769,828	1,691	878,679
2007	804	767,426	1,648	885,054
2008	820	710,895	1,618	819,087
2009	1,057	616,240	1,509	712,778
2010	1,060	644,923	1,501	733,920
2011	719	657,794	1,113	796,054
2012	1,014	738,367	1,460	827,283

Note: In 2009, retail permits expanded to include permits for food services.
Source: "Taxable Sales in California (Sales & Use Tax)," California Board of Equalization.

TAXABLE SALES
Los Angeles County
2004 through 2012
(Dollars in Thousands)

Year	Retail Permits	Retail Stores Taxable Transactions	Total Permits	Total Outlets Taxable Transactions
2004	134,717	$86,496,685	295,398	$122,533,104
2005	139,641	92,271,155	298,083	130,722,373
2006	142,512	95,554,193	295,701	136,162,552
2007	142,380	96,095,711	290,344	137,820,418
2008	146,999	89,810,309	289,802	131,881,744
2009	175,461	78,444,115	264,928	112,744,727
2010	182,491	82,175,416	271,293	116,942,334
2011	179,872	89,251,447	266,868	126,440,737
2012	180,359	95,318,603	266,414	135,295,582

Note: In 2009, retail permits expanded to include permits for food services.
Source: "Taxable Sales in California (Sales & Use Tax)," California Board of Equalization.

Building Activity

In addition to annual building permit valuations, the numbers of permits for new dwelling units issued each year from 2009 through 2013 in the County and the Cities are shown in the following tables.

BUILDING PERMITS AND VALUATIONS
Los Angeles County
(Dollars in Thousands)
2009 through 2013

	2009	2010	2011	2012	2013
Valuation ($000's)					
Residential	$2,393,257	$2,824,463	$3,415,434	$3,089,228	$4,743,955
Non-Residential	2,673,544	2,699,913	3,126,956	1,836,109	4,326,366
Total	$5,066,801	$5,494,375	$6,542,390	$4,925,337	$9,070,321
Units					
Single Family	2,131	2,417	2,370	2,508	3,607
Multiple Family	3,522	5,056	8,098	7,244	13,243
Total	5,653	7,473	10,468	9,752	16,850

Note: Totals may not add to sum because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
City of Cerritos
(Dollars in Thousands)
2009 through 2013

	2009	2010	2011	2012	2013
Valuation ($000's)					
Residential	$15,396	$18,327	$11,128	$14,004	$38,575
Non-Residential	61,536	35,396	22,641	6,929	82,703
Total	$72,723	$53,723	$33,770	$20,933	$121,278
Units					
Single Family	2	2	0	6	6
Multiple Family	0	0	0	0	198
Total	2	2	0	0	204

Note: Totals may not add to sum because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
City of Downey
(Dollars in Thousands)
2009 through 2013

	2009	2010	2011	2012	2013
Valuation ($000's)					
Residential	$29,924	$16,133	$8,531	$7,410	$393
Non-Residential	18,914	16,554	30,602	3,762	92
Total	$48,838	$32,687	$39,133	$11,172	$485
Units					
Single Family	19	6	2	0	1
Multiple Family	0	0	0	0	0
Total	19	6	2	0	1

Note: Totals may not add to sum because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
City of La Mirada
(Dollars in Thousands)
2009 through 2013

	2009	2010	2011	2012	2013
Valuation ($000's)					
Residential	$6,351	$4,920	$7,095	$4,553	$7,609
Non-Residential	21,870	5,937	17,639	9,661	22,562
Total	$28,221	$10,857	$24,733	$14,214	$30,171
Units					
Single Family	0	0	2	1	13
Multiple Family	0	0	0	0	0
Total	0	0	2	1	13

Note: Totals may not add to sum because of rounding.
Source: Construction Industry Research Board.

BUILDING PERMITS AND VALUATIONS
City of Norwalk
(Dollars in Thousands)
2009 through 2013

	2009	2010	2011	2012	2013
Valuation ($000's)					
Residential	$11,802	$11,291	$10,497	$13,458	$13,322
Non-Residential	13,240	9,124	6,700	6,929	14,377
Total	$25,042	20,415	17,197	$20,387	$27,699
Units					
Single Family	3	--	3	2	9
Multiple Family	4	--	--	0	0
Total	7	--	3	2	9

Note: Totals may not add to sum because of rounding.
Source: Construction Industry Research Board.

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

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

General

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 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 is rated "AA+" by Standard & Poor's. 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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect

Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend 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 the 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 the 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 the 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.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on

DTC's records and followed by a book-entry credit of tendered Bonds to the Paying Agent's DTC account.

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

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

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

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

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

The principal of the Bonds and any premium and interest upon the redemption thereof prior to the maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the office of the Paying Agent. Interest on the Bonds will be paid by the Paying Agent by check or draft mailed to the person whose name appears on the registration books of the Paying Agent as the registered owner, and to that person's address appearing on the registration books as of the close of business on the Record Date. At the written request of any registered owner of at least $1,000,000 in aggregate principal amount, payments shall be wired to a bank and account number on file with the Paying Agent as of the Record Date.

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

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

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APPENDIX F

LOS ANGELES COUNTY INVESTMENT POOL

The following information concerning the Los Angeles County Treasury Pool (the "Treasury Pool") has been provided by the Treasurer, and has not been confirmed or verified by the District or the Underwriters. The District and the Underwriters have not made an independent investigation of the investments in the Treasury Pool and have made no assessment of the current County investment policy. The value of the various investments in the Treasury Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer, with the consent of the County Board of Supervisors may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Treasury Pool will not vary significantly from the values described herein. Finally, neither the District nor the Underwriters make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date. Additional information regarding the Treasury Pool may be obtained from the Treasurer at www.ttc.lacounty.gov; however, the information presented on such website is not incorporated herein by any reference.

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THE LOS ANGELES COUNTY POOLED SURPLUS INVESTMENTS

The Treasurer and Tax Collector (the Treasurer) of Los Angeles County has the delegated authority to invest funds on deposit in the County Treasury (the Treasury Pool). As of August 31, 2014, investments in the Treasury Pool were held for local agencies including school districts, community college districts, special districts and discretionary depositors such as cities and independent districts in the following amounts:

Local Agency	Invested Funds (in billions)
County of Los Angeles and Special Districts	$ 7.601
Schools and Community Colleges	10.700
Discretionary Participants	2.157
Total	$20.458

The Treasury Pool participation composition is as follows:

Non-discretionary Participants	89.45%
Discretionary Participants:	
Independent Public Agencies	9.10%
County Bond Proceeds and Repayment Funds	1.45%
Total	100.00%

Decisions on the investment of funds in the Treasury Pool are made by the County Investment Officer in accordance with established policy, with certain transactions requiring the Treasurer's prior approval. In Los Angeles County, investment decisions are governed by Chapter 4 (commencing with Section 53600) of Part 1 of Division 2 of Title 5 of the California Government Code, which governs legal investments by local agencies in the State of California, and by a more restrictive Investment Policy developed by the Treasurer and adopted by the Los Angeles County Board of Supervisors on an annual basis. The Investment Policy adopted on June 17, 2014, reaffirmed the following criteria and order of priority for selecting investments:

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

The Treasurer prepares a monthly Report of Investments (the Investment Report) summarizing the status of the Treasury Pool, including the current market value of all investments. This report is submitted monthly to the Board of Supervisors. According to the Investment Report dated September 30, 2014, the August 31, 2014 book value of the Treasury Pool was approximately $20.458 billion and the corresponding market value was approximately $20.373 billion.

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

The following table identifies the types of securities held by the Treasury Pool as of August 31, 2014:

Type of Investment	**% of Pool**
U.S. Government and Agency Obligations	56.44
Certificates of Deposit	13.91
Commercial Paper	28.71
Bankers Acceptances	0.00
Municipal Obligations	0.03
Corporate Notes & Deposit Notes	0.91
Asset Backed Instruments	0.00
Repurchase Agreements	0.00
Other	0.00
	100.00

The Treasury Pool is highly liquid. As of August 31, 2014, approximately 38.67% of the investments mature within 60 days, with an average of 704 days to maturity for the entire portfolio.

TreasPool Update
08/31/2014