

MFS CALIFORNIA MUNICIPAL FUND  
Form N-Q  
April 18, 2018

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF**  
**REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-09537

**MFS CALIFORNIA MUNICIPAL FUND**

(Exact name of registrant as specified in charter)

**111 Huntington Avenue, Boston, Massachusetts 02199**

(Address of principal executive offices) (Zip code)

**Christopher R. Bohane**

**Massachusetts Financial Services Company**

**111 Huntington Avenue**

**Boston, Massachusetts 02199**

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: November 30

Date of reporting period: February 28, 2018

**ITEM 1. SCHEDULE OF INVESTMENTS.**

Quarterly Report  
February 28, 2018  
MFS® California Municipal Fund

---

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

Portfolio of Investments

2/28/18 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

| Issuer   | Shares/Par Value (\$) |              |
|--|-----------------------|--------------|
| <b>Municipal Bonds – 168.5%</b>  |                       |              |
| <b>Airport Revenue – 11.1%</b>   |                       |              |
| Los Angeles, CA, Department of Airports Rev. (Los Angeles International), “C”, BHAC, 5.25%, 5/15/2038 (Prerefunded 5/15/2018)                    | \$ 750,000            | \$ 756,180   |
| Orange County, CA, Airport Rev., “A”, 5%, 7/01/2031  | 190,000               | 198,158      |
| San Diego County, CA, Regional Airport Authority Rev., “A”, 5%, 7/01/2021  | 500,000               | 538,490      |
| San Diego County, CA, Regional Airport Authority Rev., “A”, 5%, 7/01/2043  | 500,000               | 557,510      |
| San Diego County, CA, Regional Airport Authority Rev., “B”, 5%, 7/01/2042  | 335,000               | 374,125      |
| San Diego County, CA, Regional Airport Authority Rev., “B”, 5%, 7/01/2047  | 335,000               | 372,718      |
| San Francisco, CA, City & County Airports Commission, International Airport Rev., “A”, 5%, 5/01/2030   | 285,000               | 315,378      |
| San Francisco, CA, City & County Airports Commission, International Airport Rev., “A”, 5%, 5/01/2031   | 150,000               | 165,675      |
| San Jose, CA, Airport Rev., “A-2”, 5.25%, 3/01/2034  | 440,000               | 478,988      |
|  |                       | \$ 3,757,222 |
| <b>General Obligations - General Purpose – 5.9%</b>  |                       |              |
| Commonwealth of Puerto Rico, “A”, NATL, 5.5%, 7/01/2020  | \$ 165,000            | \$ 167,006   |
| Commonwealth of Puerto Rico, Public Improvement Refunding, “A-4”, AGM, 5%, 7/01/2031   | 40,000                | 41,494       |
| Puerto Rico Public Buildings Authority Rev., “H”, AMBAC, 5.5%, 7/01/2018   | 125,000               | 125,741      |
| Puerto Rico Public Buildings Authority Rev., “M-2”, AMBAC, 10%, 7/01/2035  | 30,000                | 31,420       |
| State of California, 5.25%, 4/01/2035  | 455,000               | 511,329      |
| State of California, 5.5%, 3/01/2040   | 630,000               | 675,914      |
| State of California, 5.25%, 11/01/2040   | 415,000               | 450,371      |
|  |                       | \$ 2,003,275 |
| <b>General Obligations - Schools – 34.8%</b>   |                       |              |
| Alhambra, CA, Unified School District, “B”, ASSD GTY, 5.25%, 8/01/2028 (Prerefunded 8/01/2019)   | \$ 500,000            | \$ 526,925   |
| Banning, CA, Unified School District (Election of 2006), “B”, ASSD GTY, 5.25%, 8/01/2033 (Prerefunded 8/01/2018)                                 | 500,000               | 508,285      |
| Beaumont, CA, Unified School District (Election of 2008), Capital Appreciation, “C”, AGM, 0%, 8/01/2040  | 955,000               | 370,072      |
| Beaumont, CA, Unified School District (Election of 2008), Capital Appreciation, “C”, AGM, 0%, 8/01/2044  | 1,000,000             | 325,760      |
| Folsom Cordova, CA, Unified School District (Election of 2012), “A”, 5%, 10/01/2038  | 535,000               | 601,287      |
| Lake Tahoe, CA, Unified School District (Election of 2008), Capital Appreciation, AGM, 0%, 8/01/2045   | 515,000               | 350,849      |
| Los Angeles, CA, Community College District, 3%, 8/01/2039   | 455,000               | 409,919      |
| Mendocino Lake, CA, Community College District Rev. (Election of 2006), Capital Appreciation, “B”, AGM, 0%, 8/01/2032                            | 330,000               | 193,994      |
| Montebello, CA, Unified School District (Election of 2004), “A-1”, ASSD GTY, 5.25%, 8/01/2034 (Prerefunded 8/01/2019)                            | 355,000               | 373,858      |
| Montebello, CA, Unified School District (Election of 2016), “A”, 4%, 8/01/2046   | 255,000               | 260,296      |
| Mount San Antonio, CA, Community College District Rev. (Election of 2008), Convertible Capital Appreciation, 0% to 8/01/2028, 6.25% to 8/01/2043 | 855,000               | 694,422      |
| Napa Valley, CA, Unified School District, 5%, 8/01/2020  | 225,000               | 243,821      |

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

|   |           |            |
|---|-----------|------------|
| Oakland, CA, Unified School District Rev., AGM, 5%, 8/01/2028   | 170,000   | 199,726    |
| Oakland, CA, Unified School District Rev., AGM, 5%, 8/01/2030   | 170,000   | 197,970    |
| Oxnard, CA School District (Ventura County), "A", CALHF, 5%, 8/01/2045  | 410,000   | 465,998    |
| Pittsburg, CA, Unified School District, "B", AGM, 5.5%, 8/01/2034 (Prerefunded 8/01/2018)                           | 500,000   | 508,905    |
| Pomona, CA, Unified School District, "A", NATL, 6.55%, 8/01/2029  | 1,000,000 | 1,252,900  |
| San Diego, CA, Community College (Election of 2002), 5.25%, 8/01/2033 (Prerefunded 8/01/2019)                       | 125,000   | 131,731    |
| San Diego, CA, Unified School District (Election of 2008), Capital Appreciation, "G", 0%, 7/01/2034                 | 265,000   | 125,496    |
| San Diego, CA, Unified School District (Election of 2012), "I", 4%, 7/01/2047                                       | 355,000   | 367,010    |
| San Joaquin, CA, Delta Community College District (Election of 2004), Capital Appreciation, "B", AGM, 0%, 8/01/2018 | 400,000   | 397,776    |
| San Jose, CA, Evergreen Community College District (Election of 2010), "A", 5%, 8/01/2041                           | 265,000   | 294,039    |
| San Mateo County, CA, Union High School District, "E", 3%, 9/01/2041  | 560,000   | 492,195    |
| Santee, CA, School District (Election of 2006), Capital Appreciation, "D", ASSD GTY , 0%, 8/01/2043                 | 765,000   | 261,408    |
| Vallejo City, CA, Unified School District, "A", NATL, 5.9%, 8/01/2025   | 500,000   | 583,870    |
| Victor, CA, Elementary School District (Election of 2008), "A", ASSD GTY, 5.125%, 8/01/2034 (Prerefunded 8/01/2019) | 500,000   | 525,690    |
| West Contra Costa, CA, Unified School District, "A", NATL, 5.7%, 2/01/2023  | 500,000   | 588,470    |
| West Covina, CA, Unified School District, "A", NATL, 5.8%, 2/01/2021  | 500,000   | 555,165    |
|   |           | \$         |
|   |           | 11,807,837 |

## Portfolio of Investments (unaudited) – continued

| Issuer  | Shares/Par Value (\$) |            |
|---|-----------------------|------------|
| Municipal Bonds – continued   |                       |            |
| Healthcare Revenue - Hospitals – 27.9%  |                       |            |
| ABAG Finance Authority for Non-Profit Corps., CA, Rev. (Sharp Healthcare), 6.25%, 8/01/2039 (Prerefunded 8/01/2019)       | \$ 505,000            | \$ 538,870 |
| ABAG Finance Authority for Non-Profit Corps., CA, Rev. (Sharp Healthcare), “A”, 5%, 8/01/2026                             | 110,000               | 120,840    |
| California Health Facilities Financing Authority Rev. (Children's Hospital Los Angeles), “A”, 5%, 8/15/2042               | 450,000               | 502,002    |
| California Health Facilities Financing Authority Rev. (Memorial Health Services), “A”, 5%, 10/01/2033                     | 295,000               | 326,553    |
| California Health Facilities Financing Authority Rev. (Providence St. Joseph Health System), “A”, 3%, 10/01/2041          | 220,000               | 194,951    |
| California Health Facilities Financing Authority Rev. (Scripps Health), “A”, 5%, 11/15/2032                               | 525,000               | 578,161    |
| California Health Facilities Financing Authority Rev. (Scripps Health), “A”, 5%, 11/15/2040                               | 255,000               | 280,344    |
| California Health Facilities Financing Authority Rev. (Sutter Health), “B”, 5.875%, 8/15/2031                             | 500,000               | 548,540    |
| California Health Facilities Financing Authority Rev. (Sutter Health), “B”, 5%, 11/15/2035                                | 460,000               | 529,607    |
| California Health Facilities Financing Authority Rev. (Sutter Health), “B”, 5%, 11/15/2046                                | 535,000               | 599,847    |
| California Municipal Finance Authority Rev. (Community Medical Centers), “A”, 5%, 2/01/2036                               | 225,000               | 248,650    |
| California Municipal Finance Authority Rev. (Community Medical Centers), “A”, 5%, 2/01/2037                               | 150,000               | 165,165    |
| California Municipal Finance Authority Rev. (Community Medical Centers), “A”, 5%, 2/01/2042                               | 75,000                | 81,808     |
| California Municipal Finance Authority Rev. (Northbay Healthcare Group), 5%, 11/01/2028                                   | 45,000                | 49,853     |
| California Municipal Finance Authority Rev. (Northbay Healthcare Group), 5%, 11/01/2029                                   | 35,000                | 38,730     |
| California Municipal Finance Authority Rev. (Northbay Healthcare Group), 5%, 11/01/2030                                   | 15,000                | 16,561     |
| California Municipal Finance Authority Rev. (Northbay Healthcare Group), 5%, 11/01/2035                                   | 65,000                | 70,788     |
| California Municipal Finance Authority Rev. (Northbay Healthcare Group), 5%, 11/01/2044                                   | 85,000                | 91,418     |
| California Public Finance Authority Rev. (Henry Mayo Newhall Hospital), 5%, 10/15/2047                                    | 455,000               | 491,323    |
| California Statewide Communities Development Authority Rev. (Adventist), ASSD GTY, 5%, 3/01/2037 (Prerefunded 5/23/2018)  | 490,000               | 494,047    |
| California Statewide Communities Development Authority Rev. (Enloe Medical Center), “A”, BAM, 5.5%, 8/15/2023             | 500,000               | 509,305    |
| California Statewide Communities Development Authority Rev. (Kaiser Permanente), “A”, 5%, 4/01/2042                       | 455,000               | 497,561    |
| California Statewide Communities Development Authority Rev. (Loma Linda University Medical Center), “A”, 5.5%, 12/01/2054 | 350,000               | 378,175    |
| California Statewide Communities Development Authority Rev. (Redlands Community Hospital), 5%, 10/01/2046                 | 350,000               | 381,913    |
| California Statewide Communities Development Authority Rev. (Santa Ynez Valley Cottage Hospital), 5.25%, 11/01/2030       | 260,000               | 278,736    |
| California Statewide Communities Development Authority Rev. (Sutter Health), “A”, 5%, 8/15/2032                           | 610,000               | 674,349    |
| California Statewide Communities Development Authority Rev. (Trinity Health Corp.), 5%, 12/01/2041                        | 450,000               | 494,559    |
| Upland, CA, COP (San Antonio Community Hospital), 6.375%, 1/01/2032 (Prerefunded 1/01/2021)                               | 250,000               | 282,232    |

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

|   |            |            |
|---|------------|------------|
|   |            | \$         |
|   |            | 9,464,888  |
| Healthcare Revenue - Long Term Care – 5.5%  |            |            |
| ABAG Finance Authority for Non-Profit Corps., CA, Rev. (Episcopal Senior Communities), 6.125%, 7/01/2041                                      | \$ 150,000 | \$ 165,648 |
| ABAG Finance Authority for Non-Profit Corps., CA, Rev. (Eskaton Properties, Inc.), 5%, 11/15/2035   | 230,000    | 248,055    |
| California Statewide Communities Development Authority Rev. (899 Charleston Project), “A”, 5.25%, 11/01/2044                                  | 295,000    | 312,473    |
| California Statewide Communities Development Authority Rev. (Episcopal Communities & Services for Seniors Obligated Group), 5%, 5/15/2047     | 315,000    | 338,014    |
| California Statewide Communities Development Authority Rev. (Front Port Communities and Services), “A”, 4%, 4/01/2042                         | 115,000    | 115,520    |
| California Statewide Communities Development Authority Rev. (Front Port Communities and Services), “A”, 5%, 4/01/2047                         | 315,000    | 348,122    |
| Los Angeles County, CA, Regional Financing Authority Rev. (Montecedro Inc. Project), “A”, CALHF, 5%, 11/15/2044                               | 300,000    | 332,508    |
|   |            | \$         |
|   |            | 1,860,340  |
| Industrial Revenue - Other – 1.7%   |            |            |
| New York Liberty Development Corp. Rev. (Goldman Sachs Headquarters), 5.25%, 10/01/2035   | \$ 485,000 | \$ 595,721 |
| Miscellaneous Revenue - Other – 4.5%  |            |            |
| ABAG Finance Authority for Non-Profit Corps., CA, Rev. (Jackson Lab), 5%, 7/01/2037   | \$ 400,000 | \$ 438,204 |
| California Infrastructure & Economic Development Bank Rev. (Academy of Motion Picture Arts and Sciences Obligated Group), “A”, 5%, 11/01/2030 | 235,000    | 268,104    |
| California Infrastructure & Economic Development Bank Rev. (Academy of Motion Picture Arts and Sciences Obligated Group), “A”, 5%, 11/01/2034 | 170,000    | 192,022    |
| California Infrastructure & Economic Development Bank Rev. (Academy of Motion Picture Arts and Sciences Obligated Group), “A”, 5%, 11/01/2035 | 170,000    | 191,544    |
| California Statewide Communities Development Authority Rev. (Buck Institute for Research on Aging), AGM, 5%, 11/15/2044                       | 385,000    | 427,720    |
|   |            | \$         |
|   |            | 1,517,594  |

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

Portfolio of Investments (unaudited) – continued

| Issuer  | Shares/Par Value (\$) |            |
|---|-----------------------|------------|
| Municipal Bonds – continued   |                       |            |
| Port Revenue – 6.8%   |                       |            |
| Alameda, CA, Corridor Transportation Authority Second Subordinate Lien Rev., “B”, 5%, 10/01/2037  | \$470,000             | \$ 522,960 |
| Alameda, CA, Corridor Transportation Authority Second Subordinate Lien Rev., “B”, AGM, 5%, 10/01/2036   | 600,000               | 678,060    |
| Port of Oakland, CA, Rev., “P”, 5%, 5/01/2033   | 1,000,000             | 1,093,690  |
|   |                       | \$         |
|   |                       | 2,294,710  |
| Sales & Excise Tax Revenue – 1.2%   |                       |            |
| California Economic Recovery, “A”, 5%, 7/01/2020 (Prerefunded 7/01/2019)  | \$250,000             | \$ 261,885 |
| Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., “C”, 5%, 8/01/2040 (a)(d)  | 215,000               | 122,281    |
| Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., Capital Appreciation, “A”, NATL, 0%, 8/01/2042   | 120,000               | 26,458     |
|   |                       | \$ 410,624 |
| Secondary Schools – 2.8%  |                       |            |
| California School Finance Authority, Charter School Rev. (Aspire Public Schools - Obligated Group), 5%, 8/01/2040                               | \$85,000              | \$ 91,819  |
| California School Finance Authority, Charter School Rev. (Aspire Public Schools - Obligated Group), 5%, 8/01/2045                               | 85,000                | 91,534     |
| California School Finance Authority, School Facility Rev. (Alliance for College-Ready Public Schools Projects), “A”, 5%, 7/01/2030              | 255,000               | 282,601    |
| California School Finance Authority, School Facility Rev. (Kipp LA Projects), “A”, 5%, 7/01/2037  | 85,000                | 94,105     |
| California School Finance Authority, School Facility Rev. (Kipp LA Projects), “A”, 5%, 7/01/2047  | 130,000               | 142,526    |
| California Statewide Communities Development Authority School Facility Rev. (Alliance for College-Ready Public Schools), “A”, 6.375%, 7/01/2047 | 230,000               | 252,986    |
|   |                       | \$ 955,571 |
| State & Agency - Other – 1.5%   |                       |            |
| Sacramento County, CA, Public Facilities Project, COP, AMBAC, 4.75%, 10/01/2027   | \$500,000             | \$ 501,365 |
| State & Local Agencies – 14.1%  |                       |            |
| California Public Works Board Lease Rev. (Department of Corrections), “E”, AGM, 3%, 10/01/2036  | \$415,000             | \$ 387,361 |
| California Public Works Board Lease Rev. (Judicial Council Projects), “A”, 5%, 3/01/2028  | 380,000               | 427,983    |
| California Public Works Board Lease Rev. (New Stockton Courthouse), “B”, 5%, 10/01/2033   | 275,000               | 310,948    |
| Los Angeles County, CA, Schools Regionalized Business Service Corp., Pooled Financing, Capital Appreciation, “A”, AMBAC, 0%, 8/01/2018          | 2,020,000             | 2,006,547  |
| Los Angeles County, CA, Schools Regionalized Business Service Corp., Pooled Financing, Capital Appreciation, “A”, AMBAC, 0%, 8/01/2023          | 1,220,000             | 1,055,117  |
| Los Angeles, CA, Municipal Improvement Corp. Lease Rev., “B”, ASSD GTY, 5.5%, 4/01/2030 (Prerefunded 4/01/2019)                                 | 390,000               | 407,386    |
| Ontario Public Finance Authority Lease Rev. , AGM, 5%, 11/01/2042   | 160,000               | 182,344    |
|   |                       | \$         |
|   |                       | 4,777,686  |
| Tax - Other – 1.5%  |                       |            |
| Puerto Rico Convention Center District Authority, Hotel Occupancy Tax Rev., “A”, AMBAC, 5%, 7/01/2031   | \$90,000              | \$ 85,061  |



Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

|   |           |            |
|---|-----------|------------|
| Puerto Rico Infrastructure Financing Authority Special Tax Rev., "C", AMBAC, 5.5%,<br>7/01/2024   | 120,000   | 122,560    |
| Puerto Rico Infrastructure Financing Authority Special Tax Rev., "C", AMBAC, 5.5%,<br>7/01/2026   | 80,000    | 81,220     |
| Puerto Rico Infrastructure Financing Authority Special Tax Rev., "C", AMBAC, 5.5%,<br>7/01/2027   | 210,000   | 212,425    |
|   |           | \$ 501,266 |
| Tax Assessment – 7.1%   |           |            |
| Huntington Park, CA, Public Financing Authority Rev., "A", AGM, 5.25%, 9/01/2019  | \$500,000 | \$ 501,430 |
| North Natomas, CA, Community Facilities District Special Tax, "4-E", 5.25%, 9/01/2033   | 160,000   | 178,462    |
| Riverside County, CA, Jurupa Valley Redevelopment Project Rev., "B", AGM, 5%,<br>10/01/2030   | 190,000   | 219,209    |
| Riverside County, CA, Jurupa Valley Redevelopment Project Rev., "B", AGM, 5%,<br>10/01/2031   | 225,000   | 256,450    |
| Riverside County, CA, Redevelopment Agency, Tax Allocation, "A", AGM, 5%, 10/01/2034  | 295,000   | 332,804    |
| San Dieguito, CA, Public Facilities Authority, "A", AMBAC, 5%, 8/01/2032  | 500,000   | 506,640    |
| San Francisco, CA, City & County Redevelopment Successor Agency, Community Facilities<br>District No. 6 (Mission Bay South Public Improvements), "A", 5%, 8/01/2033 | 130,000   | 142,531    |
| San Francisco, CA, City & County Redevelopment Successor Agency, Tax Allocation<br>(Mission Bay South Redevelopment Project), "A", 5%, 8/01/2043                    | 250,000   | 278,045    |
|   |           | \$         |
|   |           | 2,415,571  |

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

Portfolio of Investments (unaudited) – continued

| Issuer  | Shares/Par Value (\$) |            |
|---|-----------------------|------------|
| Municipal Bonds – continued   |                       |            |
| Tobacco – 4.9%  |                       |            |
| Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., “A”, 5.75%, 6/01/2047  | \$ 675,000            | \$ 680,056 |
| Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., “A-1”, 5.125%, 6/01/2047   | 1,000,000             | 993,010    |
|   |                       | \$         |
|   |                       | 1,673,066  |
| Toll Roads – 3.1%   |                       |            |
| Bay Area Toll Authority, California Toll Bridge Rev., “S-7”, 4%, 4/01/2033  | \$ 515,000            | \$ 551,431 |
| Bay Area Toll Authority, California Toll Bridge Rev., “S-7”, 4%, 4/01/2034  | 145,000               | 154,664    |
| Riverside County, CA, Transportation Commission, Toll Rev., “A”, 5.75%, 6/01/2044   | 320,000               | 355,843    |
|   |                       | \$         |
|   |                       | 1,061,938  |
| Transportation - Special Tax – 2.5%   |                       |            |
| Commonwealth of Puerto Rico Highway & Transportation Authority Rev., “D”, AGM, 5%, 7/01/2032  | \$ 55,000             | \$ 55,056  |
| Commonwealth of Puerto Rico Highway & Transportation Authority Rev., “J”, NATL, 5%, 7/01/2029   | 10,000                | 9,438      |
| Commonwealth of Puerto Rico Highway & Transportation Authority Rev., “L”, AMBAC, 5.25%, 7/01/2038   | 345,000               | 322,485    |
| Commonwealth of Puerto Rico Highway & Transportation Authority Rev., “L”, NATL, 5.25%, 7/01/2035  | 30,000                | 27,539     |
| Commonwealth of Puerto Rico Highway & Transportation Authority Rev., “N”, NATL, 5.25%, 7/01/2032  | 35,000                | 32,854     |
| Commonwealth of Puerto Rico Highway & Transportation Authority Rev., “N”, NATL, 5.25%, 7/01/2033  | 25,000                | 23,282     |
| Commonwealth of Puerto Rico Highway & Transportation Authority Unrefunded Rev., “A”, NATL, 5%, 7/01/2038  | 10,000                | 8,730      |
| San Francisco, CA, Municipal Transportation Agency Rev., “B”, 5%, 3/01/2037   | 335,000               | 369,220    |
|   |                       | \$ 848,604 |
| Universities - Colleges – 7.6%  |                       |            |
| California Educational Facilities Authority Rev. (Loma Linda University), “A”, 5%, 4/01/2036  | \$ 75,000             | \$ 84,806  |
| California Educational Facilities Authority Rev. (Loma Linda University), “A”, 5%, 4/01/2037  | 235,000               | 265,137    |
| California Educational Facilities Authority Rev. (Stanford University), “U-7”, 5%, 6/01/2046  | 235,000               | 303,413    |
| California Educational Facilities Authority Rev. (University of San Francisco), 6.125%, 10/01/2030 (Prerefunded 10/01/2021)   | 140,000               | 161,165    |
| California Educational Facilities Authority Rev. (University of San Francisco), 6.125%, 10/01/2030  | 145,000               | 166,868    |
| California Municipal Finance Authority Rev. (Azusa Pacific University Project), “B”, 5%, 4/01/2035  | 345,000               | 376,588    |
| California Public Works Board Lease Rev. (The Regents of the University of California), 5%, 12/01/2028 (Prerefunded 12/01/2021)   | 375,000               | 420,169    |
| California State University Rev., “A”, 5%, 11/01/2024   | 370,000               | 412,069    |
| California State University Rev., “A”, 5%, 11/01/2030   | 270,000               | 314,250    |
| Puerto Rico Industrial, Tourist, Educational, Medical & Environmental Control Facilities Financing Authority, Educational Facilities Rev. (University Plaza Project), NATL, 5%, 7/01/2033 | 75,000                | 67,977     |

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

|   |           |            |
|---|-----------|------------|
|   |           | \$         |
|   |           | 2,572,442  |
| Universities - Dormitories – 0.8%   |           |            |
| California Municipal Finance Authority, Student Housing Rev. (Bowles Hall Foundation) “A”<br>5%, 6/01/2035  | \$25,000  | \$ 27,147  |
| California Statewide Communities Development Authority Rev. (Lancer Plaza Project),<br>5.875%, 11/01/2043   | 230,000   | 255,834    |
|   |           | \$ 282,981 |
| Utilities - Cogeneration – 0.7%   |           |            |
| California Pollution Control Financing Authority, Water Furnishing Rev. (Poseidon<br>Resources Desalination Project), 5%, 11/21/2045              | \$150,000 | \$ 159,519 |
| California Pollution Control Financing Authority, Water Furnishing Rev. (San Diego County<br>Water Desalination Project Pipeline), 5%, 11/21/2045 | 75,000    | 76,383     |
|   |           | \$ 235,902 |
| Utilities - Municipal Owned – 7.5%  |           |            |
| California Department of Water Resources, Power Supply Rev., “L”, 5%, 5/01/2019   | \$305,000 | \$ 317,953 |
| Guam Power Authority Rev., “A”, AGM, 5%, 10/01/2039   | 50,000    | 53,821     |
| Guam Power Authority Rev., “A”, AGM, 5%, 10/01/2044   | 55,000    | 58,970     |
| Northern California Power Agency, Capital Facilities Rev., “A”, 5.25%, 8/01/2024  | 390,000   | 416,337    |
| Puerto Rico Electric Power Authority Rev., “DDD”, AGM, 3.625%, 7/01/2023  | 10,000    | 9,920      |
| Puerto Rico Electric Power Authority Rev., “DDD”, AGM, 3.65%, 7/01/2024   | 55,000    | 54,231     |
| Puerto Rico Electric Power Authority Rev., “SS”, ASSD GTY , 4.375%, 7/01/2030   | 5,000     | 4,979      |
| Puerto Rico Electric Power Authority Rev., “UU”, ASSD GTY , 4.25%, 7/01/2027  | 40,000    | 40,002     |
| Puerto Rico Electric Power Authority Rev., “VV”, NATL, 5.25%, 7/01/2032   | 5,000     | 4,693      |
| Sacramento, CA, Municipal Utility District Electric Rev., “U”, AGM, 5%,<br>8/15/2019 (Prerefunded 8/15/2018)                                      | 290,000   | 294,933    |
| Sacramento, CA, Municipal Utility District Electric Rev., “X”, 5%, 8/15/2025 (Prerefunded<br>8/15/2021)   | 95,000    | 105,166    |
| Sacramento, CA, Municipal Utility District Electric Rev., Unrefunded Balance, “U”, AGM,<br>5%, 8/15/2019  | 460,000   | 467,549    |

## Portfolio of Investments (unaudited) – continued

| Issuer  | Shares/Par Value (\$)  |              |
|---|--|--------------|
| Municipal Bonds – continued   |  |              |
| Utilities - Municipal Owned – continued   |  |              |
| Sacramento, CA, Municipal Utility District Electric Rev., Unrefunded Balance, “X”, 5%, 8/15/2025  | \$275,000  | \$ 305,110   |
| Vernon, CA, Electric System Rev., “A”, 5.5%, 8/01/2041  | 370,000  | 406,841      |
|   |  | \$ 2,540,505 |
| Utilities - Other – 3.0%  |  |              |
| California M-S-R Energy Authority Gas Rev., “A”, 6.5%, 11/01/2039   | \$245,000  | \$ 340,248   |
| Southern California Public Power Authority (Natural Gas Project No. 1), “A”, 5%, 11/01/2033   | 585,000  | 686,995      |
|   |  | \$ 1,027,243 |
| Water & Sewer Utility Revenue – 12.0%   |  |              |
| Atwater, CA, Public Financing Authority Wastewater Rev., ASSD GTY, 5%, 5/01/2034  | \$500,000  | \$ 521,055   |
| California Department of Water Resources Rev. (Central Valley Project Water System), “AE”, 5%, 12/01/2028 (Prerefunded 6/01/2018)   | 480,000  | 484,541      |
| California Department of Water Resources Rev., Unrefunded Balance, 5%, 12/01/2028 (Prerefunded 6/01/2018)   | 20,000   | 20,189       |
| Escondido, CA, Joint Powers Financing Authority Rev. (Water System Financing), 5%, 9/01/2041  | 460,000  | 500,926      |
| Guam Waterworks Authority Rev. (Water and Wastewater System), 5%, 7/01/2036   | 20,000   | 21,619       |
| Guam Waterworks Authority Rev. (Water and Wastewater System), 5%, 1/01/2046   | 105,000  | 112,263      |
| Guam Waterworks Authority Rev. (Water and Wastewater System), “A”, 5%, 7/01/2029  | 105,000  | 114,105      |
| Guam Waterworks Authority Rev. (Water and Wastewater System), “A”, 5%, 7/01/2035  | 105,000  | 112,373      |
| Madera, CA, Financing Authority, Irrigation Rev., 6.5%, 1/01/2040 (Prerefunded 1/01/2020)   | 440,000  | 479,230      |
| Norco, CA, Financing Authority, Enterprise Rev., AGM, 5.625%, 10/01/2039  | 215,000  | 227,754      |
| Oxnard, CA, Financing Authority, Wastewater Rev., AGM, 5%, 6/01/2030  | 340,000  | 381,963      |
| Oxnard, CA, Financing Authority, Wastewater Rev., AGM, 5%, 6/01/2031  | 85,000   | 95,232       |
| Soquel Creek, CA, Water District, COP, 5%, 3/01/2043  | 370,000  | 409,350      |
| Tulare, CA, Sewer Rev., AGM, 5%, 11/15/2031   | 350,000  | 403,529      |
| Tulare, CA, Sewer Rev., AGM, 5%, 11/15/2035   | 170,000  | 193,096      |
|   |  | \$ 4,077,225 |
| Total Municipal Bonds   |  | \$57,183,576 |
| Investment Companies (h) – 2.3%   |  |              |
| Money Market Funds – 2.3%   |  |              |
| MFS Institutional Money Market Portfolio, 1.52% (v)   | 779,858  | \$ 779,780   |
| Other Assets, Less Liabilities – 1.1%   |  |              |
| Variable Rate Municipal Term Preferred Shares (VMTPS), at liquidation value of \$24,425,000 net of unamortized debt issuance costs of \$24,232 (issued by the fund) – (71.9)% |  | (24,400,768) |
| Net assets applicable to common shares – 100.0%   |  | \$33,934,181 |
| (a)   | Non-income producing security.   |              |
| (d)   | In default.  |              |
| (h)   | An affiliated issuer may be considered one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common control. At period end, the aggregate values of the fund's |              |

investments in affiliated issuers and in unaffiliated issuers were \$779,780 and \$57,183,576, respectively.

(v) Affiliated issuer that is available only to investment companies managed by MFS. The rate quoted for the MFS Institutional Money Market Portfolio is the annualized seven-day yield of the fund at period end.

The following abbreviations are used in this report and are defined:

AGM Assured Guaranty Municipal

AMBAC AMBAC Indemnity Corp.

ASSD GTY Assured Guaranty Insurance Co.

BAM Build America Mutual

BHAC Berkshire Hathaway Assurance Corp.

CALHF California Health Facility Construction Loan Insurance Program

COP Certificate of Participation

NATL National Public Finance Guarantee Corp.

Portfolio of Investments (unaudited) – continued

Derivative Contracts at 2/28/18

Futures Contracts

| Description              | Long/<br>Short | Currency | Contracts | Notional<br>Amount | Expiration<br>Date | Value/Unrealized<br>Appreciation<br>(Depreciation) |
|--------------------------|----------------|----------|-----------|--------------------|--------------------|--|
| Asset Derivatives        |                |          |           |                    |                    |  |
| Interest Rate Futures    |                |          |           |                    |                    |  |
| U.S. Treasury Note 10 yr | Short          | USD      | 19        | \$2,280,891        | June – 2018        | \$ 1,292   |
| Liability Derivatives    |                |          |           |                    |                    |  |
| Interest Rate Futures    |                |          |           |                    |                    |  |
| U.S. Treasury Bond 30 yr | Short          | USD      | 8         | \$1,147,500        | June – 2018        | \$(1,379)  |

At February 28, 2018, the fund had cash collateral of \$38,050 to cover any collateral or margin obligations for securities sold short and certain derivative contracts.

See attached supplemental information. For more information see notes to financial statements as disclosed in the most recent semiannual or annual report.

6

## Supplemental Information

2/28/18 (unaudited)

The fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 Financial Services - Investment Companies.

## (1) Investment Valuations

Debt instruments and floating rate loans, including restricted debt instruments, are generally valued at an evaluated or composite bid as provided by a third-party pricing service. Short-term instruments with a maturity at issuance of 60 days or less may be valued at amortized cost, which approximates market value. Futures contracts are generally valued at last posted settlement price on their primary exchange as provided by a third-party pricing service. Futures contracts for which there were no trades that day for a particular position are generally valued at the closing bid quotation on their primary exchange as provided by a third-party pricing service. Open-end investment companies are generally valued at net asset value per share. Securities and other assets generally valued on the basis of information from a third-party pricing service may also be valued at a broker/dealer bid quotation. Values obtained from third-party pricing services can utilize both transaction data and market information such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other market data.

The Board of Trustees has delegated primary responsibility for determining or causing to be determined the value of the fund's investments (including any fair valuation) to the adviser pursuant to valuation policies and procedures approved by the Board. If the adviser determines that reliable market quotations are not readily available, investments are valued at fair value as determined in good faith by the adviser in accordance with such procedures under the oversight of the Board of Trustees. Under the fund's valuation policies and procedures, market quotations are not considered to be readily available for most types of debt instruments and floating rate loans and many types of derivatives. These investments are generally valued at fair value based on information from third-party pricing services. In addition, investments may be valued at fair value if the adviser determines that an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded (such as foreign exchange or market) and prior to the determination of the fund's net asset value, or after the halting of trading of a specific security where trading does not resume prior to the close of the exchange or market on which the security is principally traded. The adviser generally relies on third-party pricing services or other information (such as the correlation with price movements of similar securities in the same or other markets; the type, cost and investment characteristics of the security; the business and financial condition of the issuer; and trading and other market data) to assist in determining whether to fair value and at what value to fair value an investment. The value of an investment for purposes of calculating the fund's net asset value can differ depending on the source and method used to determine value. When fair valuation is used, the value of an investment used to determine the fund's net asset value may differ from quoted or published prices for the same investment. There can be no assurance that the fund could obtain the fair value assigned to an investment if it were to sell the investment at the same time at which the fund determines its net asset value per share.

Various inputs are used in determining the value of the fund's assets or liabilities. These inputs are categorized into three broad levels. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fund's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 includes other significant observable market-based inputs (including quoted prices for similar securities, interest rates, prepayment speed, and credit risk). Level 3 includes unobservable inputs, which may include the adviser's own assumptions in determining the fair value of investments. Other financial instruments are derivative instruments, such as futures contracts. The following is a summary of the levels used as of February 28, 2018 in valuing the fund's assets or liabilities:

| Financial Instruments | Level 1   | Level 2      | Level 3 | Total        |
|-----------------------|-----------|--------------|---------|--------------|
| Municipal Bonds       | \$—       | \$57,183,576 | \$—     | \$57,183,576 |
| Mutual Funds          | 779,780   | —            | —       | 779,780      |
| Total                 | \$779,780 | \$57,183,576 | \$—     | \$57,963,356 |

Edgar Filing: MFS CALIFORNIA MUNICIPAL FUND - Form N-Q

Other Financial Instruments

|                                 |         |     |     |         |
|---------------------------------|---------|-----|-----|---------|
| Futures Contracts - Assets      | \$1,292 | \$— | \$— | \$1,292 |
| Futures Contracts - Liabilities | (1,379) | —   | —   | (1,379) |

For further information regarding security characteristics, see the Portfolio of Investments.

7

---



Supplemental Information (unaudited) – continued

(2) Investments in Affiliated Issuers

An affiliated issuer may be considered one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common control. For the purposes of this report, the fund assumes the following to be affiliated issuers:

| Affiliated Issuers                       | Beginning<br>Shares/Par<br>Amount | Acquisitions<br>Shares/Par<br>Amount         | Dispositions<br>Shares/Par<br>Amount | Ending<br>Shares/Par<br>Amount |                 |
|--|-----------------------------------|--|--------------------------------------|--------------------------------|-----------------|
| MFS Institutional Money Market Portfolio | 435,550                           | 2,277,971                                    | (1,933,663)                          | 779,858                        |                 |
|  |                                   | Change in                                    |                                      |                                |                 |
| Affiliated Issuers                       | Realized<br>Gain (Loss)           | Unrealized<br>Appreciation<br>(Depreciation) | Capital Gain<br>Distributions        | Dividend<br>Income             | Ending<br>Value |
| MFS Institutional Money Market Portfolio | \$(89)                            | \$20   | \$—                                  | \$3,816                        | \$779,780       |

(3) Jurisdiction Weightings

Issuer country weighting percentages of portfolio holdings based on net assets, as of February 28, 2018, are as follows:

|             |       |
|-------------|-------|
| California  | 94.3% |
| Puerto Rico | 2.9%  |
| New York    | 1.0%  |
| Guam        | 0.8%  |

The jurisdiction weighting percentages include both accrued interest amounts and equivalent exposure from any derivatives holdings, if applicable.

**ITEM 2. CONTROLS AND PROCEDURES.**

- (a) Based upon their evaluation of the effectiveness of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as conducted within 90 days of the filing date of this Form N-Q, the registrant's principal financial officer and principal executive officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
  
- (b) There were no changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

**ITEM 3. EXHIBITS.**

File as exhibits as part of this Form a separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2): Attached hereto.

**Notice**

A copy of the Agreement and Declaration of Trust, as amended, of the Registrant is on file with the Secretary of State of The Commonwealth of Massachusetts and notice is hereby given that this instrument is executed on behalf of the Registrant by an officer of the Registrant as an officer and not individually and the obligations of or arising out of this instrument are not binding upon any of the Trustees or shareholders individually, but are binding only upon the assets and property of the respective constituent series of the Registrant.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: MFS CALIFORNIA MUNICIPAL FUND

By (Signature and Title)\* DAVID L. DILORENZO  
David L. DiLorenzo, President

Date: April 13, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* DAVID L. DILORENZO  
David L. DiLorenzo, President  
(Principal Executive Officer)

Date: April 13, 2018

By (Signature and Title)\* JAMES O. YOST  
James O. Yost, Treasurer  
(Principal Financial Officer  
and Accounting Officer)

Date: April 13, 2018

\* Print name and title of each signing officer under his or her signature.