NEW ISSUE—BOOK-ENTRY ONLY **Rating: Moody's: "Aa2"**
(See "MISCELLANEOUS — Rating" herein.)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2019 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Series 2019 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2019 Bonds. See "TAX MATTERS" herein.

$90,000,000
PLEASANTON UNIFIED SCHOOL DISTRICT
(ALAMEDA COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES 2019

Dated: Date of Delivery **Due: August 1, as shown herein**

This cover page is not a summary of this issue; it is only a reference to the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Pleasanton Unified School District (Alameda County, California) General Obligation Bonds, Election of 2016, Series 2019 (the "Series 2019 Bonds") are issued by the Pleasanton Unified School District (the "District"), located in the County of Alameda, California (the "County"), to (i) finance specific construction, repair and improvement projects approved by the voters of the District and (ii) pay costs of delivery with respect to the Series 2019 Bonds. The Series 2019 Bonds were authorized at an election of the voters of the District held on November 8, 2016, at which at least 55% of the voters voting on the proposition authorized the issuance and sale of $270,000,000 principal amount of bonds of the District. The Series 2019 Bonds are being issued under the laws of the State of California (the "State") and pursuant to a resolution of the Board of Trustees of the District, adopted on August 13, 2019.

The Series 2019 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Series 2019 Bonds, all as more fully described herein. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2019 BONDS" herein.

The Series 2019 Bonds will be issued as current interest bonds, as set forth on the inside front cover hereof. Interest on the Series 2019 Bonds is payable on each February 1 and August 1 to maturity, commencing February 1, 2020. Principal of the Series 2019 Bonds is payable on August 1 in each of the years and in the amounts set forth on the inside front cover hereof.

The Series 2019 Bonds will be issued in denominations of $5,000 principal amount, or any integral multiple thereof as shown on the inside front cover hereof.

The Series 2019 Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2019 Bonds. Individual purchases of the Series 2019 Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Series 2019 Bonds purchased by them. See "THE SERIES 2019 BONDS – Form and Registration" herein. Payments of the principal of and interest on the Series 2019 Bonds will be made by U.S. Bank National Association, as paying agent, registrar and transfer agent with respect to the Series 2019 Bonds, to DTC for subsequent disbursement to DTC Participants, who will remit such payments to the beneficial owners of the Series 2019 Bonds. See "THE SERIES 2019 BONDS – Payment of Principal and Interest" herein.

The Series 2019 Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2019 BONDS — Redemption" herein.

The Series 2019 Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Irvine, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Irvine, California, as Disclosure Counsel to the District; and for the Underwriter by its counsel, Kutak Rock LLP, Denver, Colorado. It is anticipated that the Series 2019 Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about September 5, 2019.

STIFEL

Dated August 20, 2019.

MATURITY SCHEDULE
BASE CUSIP[†]: 728835

$90,000,000
PLEASANTON UNIFIED SCHOOL DISTRICT
(ALAMEDA COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES 2019

$69,950,000 Serial Series 2019 Bonds

Maturity (August 1,)	Principal Amount	Interest Rate	Yield	CUSIP Number[†]
2020	$8,200,000	3.000%	0.840%	D30
2021	7,025,000	3.000	0.820	D48
2022	5,580,000	4.000	0.800	D55
2026	1,395,000	1.250	0.890[C]	D63
2027	1,415,000	4.000	0.900[C]	D71
2028	2,080,000	4.000	0.960[C]	D89
2029	2,370,000	4.000	1.030[C]	D97
2030	2,715,000	4.000	1.190[C]	E21
2031	3,015,000	4.000	1.250[C]	E39
2032	3,330,000	3.000	1.950[C]	E47
2033	3,630,000	3.000	2.010[C]	E54
2034	3,955,000	3.000	2.090[C]	E62
2035	4,295,000	3.000	2.170[C]	E70
2036	4,650,000	3.000	2.270[C]	E88
2037	5,025,000	3.000	2.330[C]	E96
2038	5,425,000	3.000	2.400[C]	F20
2039	5,845,000	3.000	2.460[C]	F38

$20,050,000 3.000% Term Series 2019 Bonds due August 1, 2042 – Yield 2.580%[C] **- CUSIP Number[†] F46**

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.
[C] Yield to call at par on August 1, 2025.

PLEASANTON UNIFIED SCHOOL DISTRICT
(ALAMEDA COUNTY, CALIFORNIA)

BOARD OF TRUSTEES

DISTRICT ADMINISTRATORS

Dr. David Haglund, *Superintendent*
Julio Hernandez, *Assistant Superintendent, Human Resources*
Ed Diolazo, *Assistant Superintendent, Student Support Services*
Dr. Janelle Woodward, *Assistant Superintendent, Teaching and Learning*

PROFESSIONAL SERVICES

Municipal Advisor

Keygent LLC
El Segundo, California

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Irvine, California

Paying Agent, Registrar and Transfer Agent

U.S. Bank National Association
San Francisco, California

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(continued)

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2019 Bonds by 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 Series 2019 Bonds are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)2 thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Series 2019 Bonds 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.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, 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 Series 2019 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget," "intend" or other similar words. 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 those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

The District maintains a website. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2019 Bonds.

In connection with this offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market prices of the Series 2019 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Series 2019 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

$90,000,000
PLEASANTON UNIFIED SCHOOL DISTRICT
(ALAMEDA COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES 2019

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the 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 Series 2019 Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, which includes the cover page, inside cover page and appendices hereto, is provided to furnish information in connection with the sale of $90,000,000 aggregate principal amount of Pleasanton Unified School District (Alameda County, California) General Obligation Bonds, Election of 2016, Series 2019 (the "Series 2019 Bonds"), all as indicated on the inside front cover hereof, to be offered by the Pleasanton Unified School District (the "District").

This Official Statement speaks only as of its date, and the information contained herein is subject to change. The District has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificate to be executed by the District. See "OTHER LEGAL MATTERS – Continuing Disclosure" and APPENDIX E – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

The purpose of this Official Statement is to supply information to prospective buyers of the Series 2019 Bonds. Quotations from and summaries and explanations of the Series 2019 Bonds, the resolution of the Board of Trustees of the District providing for the issuance of the Series 2019 Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Series 2019 Bonds.

Copies of documents referred to herein and information concerning the Series 2019 Bonds are available from the District by contacting: Pleasanton Unified School District, 4665 Bernal Avenue, Pleasanton, California 94566-7498, Attention: Superintendent. The District may impose a charge for copying, handling and mailing such requested documents.

The District

The District was formed in 1988 and provides elementary and secondary education for students in grades transitional kindergarten through twelve ("K-12"). The District is located in the eastern portion of Alameda County (the "County") and covers an area of approximately 21 square miles. The District encompasses most of the city of Pleasanton, a small portion of the city of Hayward, and certain parts of the unincorporated area of the County. There are currently two preschools, nine elementary schools, three middle schools, two comprehensive high schools and an alternative education program that includes independent study, home and hospital education and a continuation high school within the District. In addition, the District operates five child care centers. Total assessed valuation of taxable property in the District in fiscal year 2018-19 is $23,939,421,918. The District budgets that total K-12 enrollment for fiscal year 2019-20 will be 15,069 students.

The District is governed by a five-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 two and three available positions. The management and policies of the District are administered by a 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. David Haglund has served as Superintendent of the District since July 1, 2017.

For additional information about the District, see APPENDIX A − "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET" and APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

THE SERIES 2019 BONDS

Authority for Issuance; Purpose

The Series 2019 Bonds are issued under the provisions of California Government Code Section 53506 *et seq.*, including Section 53508.7 thereof, and California Education Code Section 15140 and Article XIIIA of the California Constitution and pursuant to a resolution adopted by the Board of Trustees of the District on August 13, 2019 (the "Resolution").

At an election held on November 8, 2016, the District received authorization under Measure I1 to issue general obligation bonds of the District in an aggregate principal amount not to exceed $270,000,000 to repair and upgrade aging classrooms and facilities at local schools; provide 21st-century learning technology and facilities; improve school safety and security; update science labs; improve energy and water efficiency; renovate, construct, and acquire classrooms, equipment and facilities; and construct a new elementary school (collectively, the "2016 Authorization"). Measure I1 required approval by at least 55% of the votes cast by eligible voters within the District and received an approval vote of approximately 69.1%.

The Series 2019 Bonds represent the second series of authorized bonds to be issued under the 2016 Authorization and will be issued (i) to finance projects authorized under the 2016 Authorization and (ii) to pay costs of delivery with respect to the Series 2019 Bonds. See "−Application and Investment of Series 2019 Bond Proceeds" herein. Prior to the issuance of the Series 2019 Bonds, there is $199,355,000 remaining under the 2016 Authorization.

Form and Registration

The Series 2019 Bonds will be issued in fully registered form only, without coupons, in denominations of $5,000 principal amount or integral multiples thereof. The Series 2019 Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Series 2019 Bonds. Purchases of Series 2019 Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in Series 2019 Bonds will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Series 2019 Bonds, beneficial owners ("Beneficial Owners") will not receive physical certificates representing their ownership interests. See APPENDIX G – "BOOK-ENTRY ONLY SYSTEM."

Payment of Principal and Interest

Interest. The Series 2019 Bonds will be dated as of their date of delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing on February 1, 2020, computed on the basis of a 360-day year consisting of twelve 30-day months. Each Series 2019 Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15^{th} day of the calendar month immediately preceding an Interest Payment Date (the "Record Date") and on or prior to the succeeding Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it will bear interest from its dated date; provided, however, that if, at the time of authentication of any Series 2019 Bond, interest is in default on any outstanding Series 2019 Bonds, such Series 2019 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Series 2019 Bonds.

Payment of Series 2019 Bonds. The principal of the Series 2019 Bonds is payable in lawful money of the United States of America upon the surrender thereof at the principal corporate trust office of U.S. Bank National Association, as paying agent (the "Paying Agent") at the maturity thereof or upon redemption prior to maturity.

Interest on the Series 2019 Bonds is payable in lawful money of the United States of America by check mailed on each Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to the registered owner thereof (the "Owner") at such Owner's address as it appears on the bond registration books kept by the Paying Agent or at such address as the Owner may have filed with the Paying Agent for that purpose, except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Series 2019 Bonds who shall have requested in writing such method of payment of interest prior to the close of business on a Record Date. So long as the Series 2019 Bonds are held by Cede & Co., as nominee of DTC, payment shall be made by wire transfer. See APPENDIX G – "BOOK-ENTRY ONLY SYSTEM."

Redemption

Optional Redemption. The Series 2019 Bonds maturing on or before August 1, 2022, are not subject to optional redemption prior to their respective stated maturity dates. The Series 2019 Bonds maturing on or after August 1, 2026, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 2025, at a redemption price equal to the principal amount of the Series 2019 Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The $20,050,000 term Series 2019 Bonds maturing on August 1, 2042 are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
2040	$6,290,000
2041	6,755,000
2042†	7,005,000

† Maturity.

The principal amount of the $20,050,000 term Series 2019 Bonds maturing on August 1, 2042, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000, by any portion of such term Series 2019 Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

Selection of Series 2019 Bonds for Redemption. If less than all of the Series 2019 Bonds are called for redemption, the Series 2019 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. Whenever less than all of the outstanding Series 2019 Bonds of any one maturity are designated for redemption, the Paying Agent shall select the outstanding Series 2019 Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Series 2019 Bond shall be deemed to consist of individual Series 2019 Bonds of denominations of $5,000 principal amount, each, which may be separately redeemed.

Notice of Redemption. Notice of redemption of any Series 2019 Bond will be given by the Paying Agent not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the bond registration books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate with respect to the Series 2019 Bonds. See APPENDIX E – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Each notice of redemption will contain the following information: (i) the date of such notice; (ii) the name of the Series 2019 Bonds and the date of issue of the Series 2019 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Series 2019 Bonds to be redeemed; (vi) if less than all of the Series 2019 Bonds of any maturity are to be redeemed the distinctive numbers of the Series 2019 Bonds of each maturity to be redeemed; (vii) in the case of Series 2019 Bonds redeemed in part only, the respective portions of the principal amount of the Series 2019 Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2019 Bonds to be redeemed; (ix) a statement that such Series 2019 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2019 Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. The actual receipt by the Owner of any Series 2019 Bond or by any securities depository or information service of notice of redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, shall not affect the validity of the proceedings for the redemption of such Series 2019 Bonds or the cessation of interest on the date fixed for redemption.

Effect of Notice of Redemption. When notice of redemption has been given substantially as described above and when the redemption price of the Series 2019 Bonds called for redemption is set aside, the Series 2019 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2019 Bonds at the place specified in the notice of redemption, such Series 2019 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2019 Bonds so called for redemption after such redemption date shall look for the payment of such Series 2019 Bonds and the redemption premium thereon, if any, only to moneys on deposit for the purpose in the interest and sinking fund of the District within the County treasury (the "Interest and Sinking Fund") or the trust fund established for such purpose. All Series 2019 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

Right to Rescind Notice. The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series 2019 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund of the District or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2019 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series 2019 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

Defeasance of Series 2019 Bonds

The District may pay and discharge any or all of the Series 2019 Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund of the District, be fully sufficient to pay and discharge the indebtedness on such Series 2019 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

Unclaimed Moneys

Any money held in any fund or by the Paying Agent or an escrow agent in trust for the payment of the principal of, redemption premium, if any, or interest on the Series 2019 Bonds and remaining unclaimed for two years after the principal of such Series 2019 Bonds has become due and payable (whether by maturity or upon prior redemption) is required to be transferred to the Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from said fund; or, if no such bonds of the District are at such time outstanding, said moneys is required to be transferred to the general fund of the District as provided and permitted by law.

Application and Investment of Series 2019 Bond Proceeds

The proceeds of the Series 2019 Bonds are expected to be applied as follows:

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds, Election of 2016, Series 2019

Estimated Sources and Uses of Funds

Sources of Funds:	
Principal Amount of Series 2019 Bonds	$90,000,000.00
Plus Original Issue Premium	4,877,878.95
Total Sources of Funds	$94,877,878.95
Uses of Funds:	
Deposit to Building Fund	$89,820,000.00
Deposit to Interest and Sinking Fund[1]	4,699,678.95
Costs of Issuance[2]	180,000.00
Underwriter's Discount	178,200.00
Total Uses of Funds	$94,877,878.95

[1] Consists of premium received by the District.
[2] Includes legal fees, municipal advisor fees, rating agency fee, printing fees, and other miscellaneous expenses.

Under California law, all money received by or apportioned to a school district must generally be paid into and held in the County treasury. The proceeds from the sale of the Series 2019 Bonds less amounts necessary to pay costs of issuance will be deposited in the County treasury to the credit of the building fund of the District (the "Building Fund") and shall be accounted for together with the proceeds of other bonds of the District separately from all other District and County funds. Such proceeds shall be applied solely for the purposes for which the Series 2019 Bonds were authorized. Any premium or accrued interest on the Series 2019 Bonds received by the District will be deposited in the Interest and Sinking Fund of the District in the County treasury. Interest and earnings on each fund will accrue to that fund. All funds held by the County Treasurer-Tax Collector (the "County Treasurer") in the Building Fund and the Interest and Sinking Fund are expected to be invested at the sole discretion of the County Treasurer on behalf of the District in such investments as are authorized by Section 53601 and following of the California Government Code and the investment policy of the County, as either may be amended or supplemented from time to time. See APPENDIX F – "ALAMEDA COUNTY INVESTMENT POLICIES AND PRACTICES; DESCRIPTION OF INVESTMENT POOL" for a description of the permitted investments under the investment policy of the County. In addition, to the extent permitted by law and the investment policy of the County, the District may request in writing that all or any portion of the funds held in the Building Fund may be invested in investment agreements, including guaranteed investment contracts, float contracts or other investment products which comply with the requirements of each rating agency then rating the Series 2019 Bonds. The County Treasurer does not monitor such investments for arbitrage compliance and does not perform any arbitrage calculations with respect to such investments.

Debt Service

Debt service on the Series 2019 Bonds, assuming no early optional redemptions, is as set forth in the following table.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds, Election of 2016, Series 2019

Year Ending August 1,	Principal	Interest	Total Debt Service
2020	$ 8,200,000.00	$ 2,578,422.30	$ 10,778,422.30
2021	7,025,000.00	2,601,337.50	9,626,337.50
2022	5,580,000.00	2,390,587.50	7,970,587.50
2023	-	2,167,387.50	2,167,387.50
2024	-	2,167,387.50	2,167,387.50
2025	-	2,167,387.50	2,167,387.50
2026	1,395,000.00	2,167,387.50	3,562,387.50
2027	1,415,000.00	2,149,950.00	3,564,950.00
2028	2,080,000.00	2,093,350.00	4,173,350.00
2029	2,370,000.00	2,010,150.00	4,380,150.00
2030	2,715,000.00	1,915,350.00	4,630,350.00
2031	3,015,000.00	1,806,750.00	4,821,750.00
2032	3,330,000.00	1,686,150.00	5,016,150.00
2033	3,630,000.00	1,586,250.00	5,216,250.00
2034	3,955,000.00	1,477,350.00	5,432,350.00
2035	4,295,000.00	1,358,700.00	5,653,700.00
2036	4,650,000.00	1,229,850.00	5,879,850.00
2037	5,025,000.00	1,090,350.00	6,115,350.00
2038	5,425,000.00	939,600.00	6,364,600.00
2039	5,845,000.00	776,850.00	6,621,850.00
2040	6,290,000.00	601,500.00	6,891,500.00
2041	6,755,000.00	412,800.00	7,167,800.00
2042	7,005,000.00	210,150.00	7,215,150.00
Total:	$90,000,000.00	$37,584,997.30	$127,584,997.30

Outstanding Bonds

In addition to the Series 2019 Bonds, the District has three series of general obligation bonds outstanding, each of which is secured by *ad valorem* taxes upon all property subject to taxation by the District on a parity with the Series 2019 Bonds.

1988 Authorization. The District received authorization at an election held on June 7, 1988, to issue bonds of the District in an aggregate principal amount not to exceed $85 million to finance specific construction and modernization projects approved by the voters (the "1988 Authorization"). The District previously issued 10 separate series of general obligation bonds under the 1988 Authorization in an aggregate principal amount of $84,997,487. All 10 of these series of bonds issued under the 1988 Authorization were subsequently refunded in full by six separate issues of refunding bonds issued in August 1992, August 1995, May 1996, November 1998, November 2002 and April 2004. The District subsequently issued refunding bonds to refund certain of these refunding bonds. Of the District's refunding bonds relating to the 1988 Authorization, one series is currently outstanding: the District's 2014 General Obligation

Refunding Bonds, Series A (the "Series 2014A Refunding Bonds"), issued on June 26, 2014, in the aggregate principal amount of $11,100,000. A portion of the Series 2014A Refunding Bonds was issued to refund refunding bonds from the 1997 Authorization set forth below.

1997 Authorization. At an election held on March 4, 1997, the District received authorization to issue bonds of the District in an aggregate principal amount not to exceed $69.8 million to finance specific construction and improvement projects approved by the voters (the "1997 Authorization"). The District previously issued six separate series of bonds under the 1997 Authorization in an aggregate principal amount of $69,795,583. All six of these series of bonds were subsequently refunded by refunding bonds issued in October 2003, April 2004 and September 2004. Of the District's refunding bonds relating to the 1997 Authorization, two series are currently outstanding: (a) the District's 2013 General Obligation Refunding Bonds, Series A (the "Series 2013 Refunding Bonds"), issued on July 10, 2013, in the aggregate principal amount of $14,565,000, and (b) the Series 2014A Refunding Bonds described above, which were issued to refund refunding bonds from both the 1988 Authorization and the 1997 Authorization.

2016 Authorization. On October 25, 2017, the District issued its General Obligation Bonds, Election of 2016, Series 2017, in the aggregate principal amount of $70,645,000 (the "Series 2017 Bonds") as the first series of bonds issued under the 2016 Authorization. The Series 2017 Bonds were issued to provide funds to cause a portion of the District's 2010 Refunding Certificates of Participation to be prepaid, in addition to finance authorized projects.

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Aggregate Debt Service

The following table summarizes the annual aggregate debt service requirements of all outstanding general obligation bonds of the District, assuming no early optional redemptions.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds – Aggregate Debt Service

Period Ending August 1,	Series 2013 Refunding Bonds	Series 2014A Refunding Bonds	Series 2017 Bonds	Series 2019 Bonds	Aggregate Total Debt Service
2020	$3,988,275.00	$1,004,250.00	$ 3,638,500.00	$ 10,778,422.30	$ 19,409,447.30
2021	4,097,025.00	1,001,750.00	3,606,300.00	9,626,337.50	18,331,412.50
2022	-	1,010,050.00	3,642,700.00	7,970,587.50	12,623,337.50
2023	-	1,008,800.00	2,804,900.00	2,167,387.50	5,981,087.50
2024	-	-	2,807,150.00	2,167,387.50	4,974,537.50
2025	-	-	2,806,650.00	2,167,387.50	4,974,037.50
2026	-	-	2,808,400.00	3,562,387.50	6,370,787.50
2027	-	-	2,817,150.00	3,564,950.00	6,382,100.00
2028	-	-	2,822,400.00	4,173,350.00	6,995,750.00
2029	-	-	2,819,150.00	4,380,150.00	7,199,300.00
2030	-	-	2,732,650.00	4,630,350.00	7,363,000.00
2031	-	-	2,840,200.00	4,821,750.00	7,661,950.00
2032	-	-	2,953,250.00	5,016,150.00	7,969,400.00
2033	-	-	3,074,250.00	5,216,250.00	8,290,500.00
2034	-	-	3,197,650.00	5,432,350.00	8,630,000.00
2035	-	-	3,323,050.00	5,653,700.00	8,976,750.00
2036	-	-	3,455,050.00	5,879,850.00	9,334,900.00
2037	-	-	3,598,050.00	6,115,350.00	9,713,400.00
2038	-	-	3,739,200.00	6,364,600.00	10,103,800.00
2039	-	-	3,888,400.00	6,621,850.00	10,510,250.00
2040	-	-	4,046,800.00	6,891,500.00	10,938,300.00
2041	-	-	4,208,600.00	7,167,800.00	11,376,400.00
2042	-	-	4,373,200.00	7,215,150.00	11,588,350.00
Total:	$8,085,300.00	$4,024,850.00	$76,003,650.00	$127,584,997.30	$215,698,797.30

Source: Keygent LLC

SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2019 BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on the Series 2019 Bonds, the Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District. When collected, the tax revenues will be deposited by the County in the Interest and Sinking Fund of the District, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

The Series 2019 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law, and are not a debt or obligation of the County. No fund of the County is pledged or obligated to repayment of the Series 2019 Bonds.

Statutory Lien on Taxes (Senate Bill 222)

Pursuant to Section 53515 of the California Government Code (which became effective on January 1, 2016), all general obligation bonds issued by local agencies, including refunding bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. Section 53515 provides that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Section 53515 further provides that the revenues received pursuant to the levy and collection of the tax will be immediately subject to the lien, and the lien will immediately attach to the revenues and be effective, binding and enforceable against the local agency, its successor, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

Pledge of Tax Revenues

The District has pledged all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of all bonds, including the Series 2019 Bonds (collectively, the "Bonds"), of the District heretofore or hereafter issued pursuant to voter-approved measures of the District and amounts on deposit in the Interest and Sinking Fund of the District to the payment of the principal or redemption price of and interest on the Bonds. The Resolution provides that the property taxes and amounts held in the Interest and Sinking Fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The Resolution provides that this pledge constitutes an agreement between the District and the owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure.

Property Taxation System

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts receive property taxes for payment of voter-approved bonds as well as for general operating purposes.

Local property taxation is the responsibility of various county officers. School districts whose boundaries extend into more than one county are treated for property tax purposes as separate jurisdictions in each county in which they are located. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes. Both the county auditor-controller and the county treasurer-tax collector have accounting responsibilities related to the collecting of the property taxes. Once collected, the county auditor-controller apportions and distributes the taxes to the various taxing entities and related funds and accounts. The county treasurer-tax collector, the superintendent of schools of which has jurisdiction over the school district, holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on the bonds when due, as ex officio treasurer of the school district.

Assessed Valuation of Property Within the District

Taxable property located in the District has a fiscal year 2018-19 assessed value of $23,939,421,918. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See "−*Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

Under the State Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect: generally reducing the assessed value in the District, as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

Locally taxed property is classified either as "secured" or "unsecured," and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as "utility" property.

The following table sets forth the assessed valuation of the various classes of property in the District's boundaries from fiscal year 2003-04 through 2018-19.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Assessed Valuations
Fiscal Years 2003-04 through 2018-19

Fiscal Year	Local Secured	Utility	Unsecured	Total	Annual Percent Change
2003-04	$11,978,901,022	$3,017,608	$708,590,400	$12,690,509,030	--
2004-05	12,811,338,896	3,398,312	638,950,644	13,453,687,852	6.01%
2005-06	13,813,187,276	3,269,411	628,208,232	14,444,664,919	7.37
2006-07	15,067,457,445	2,990,398	603,414,974	15,673,862,817	8.51
2007-08	16,092,271,468	1,520,242	661,921,396	16,755,713,106	6.90
2008-09	16,943,714,095	1,520,242	695,870,688	17,641,105,025	5.28
2009-10	16,865,578,741	1,520,242	708,916,123	17,576,015,106	-0.37
2010-11	16,590,855,358	1,583,493	669,788,806	17,262,227,657	-1.79
2011-12	16,388,755,484	1,583,493	653,386,733	17,043,725,710	-1.27
2012-13	16,585,475,477	1,583,493	639,174,180	17,226,233,150	1.07
2013-14	17,289,473,683	1,583,362	626,314,994	17,917,372,039	4.01
2014-15	18,235,548,042	1,398,984	695,254,864	18,932,201,890	5.66
2015-16	19,196,102,363	865,618	825,199,297	20,022,167,278	5.76
2016-17	20,267,910,560	848,576	868,468,918	21,137,228,054	5.57
2017-18	21,530,916,092	184,502	880,899,422	22,412,000,016	6.03
2018-19	22,998,659,513	175,828	940,586,577	23,939,421,918	6.82

Source: California Municipal Statistics, Inc.; Annual Percentage Change provided by Stifel, Nicolaus & Company, Incorporated.

Risk of Decline in Property Values. Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also "*−Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

Risk of Changing Economic Conditions; Risk of Earthquake. Property values could be reduced by factors beyond the District's control, including an earthquake, or a depressed real estate market due to general economic conditions in the County, the region, and the State. The District is located in a seismically active region. Active earthquake faults underlie the nearby Bay Area.

Drought. In recent years California has experienced severe drought conditions. In January 2014, the Governor declared a state-wide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California State Water Resources Control Board (the "State Water Board") subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures. It is not possible for the District to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the boundaries of the District or the extent to which the drought has had or may have in the future on the value of taxable property within the District.

Wildfire. In recent years, portions of California, including adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of property in the District. It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact the value of taxable property within the District.

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (such pre-reduction level escalated by the annual inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIIIA of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIIIA of the State Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues" for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

Bonding Capacity. As a unified school district, the District may issue bonds in an amount up to 2.50% of the assessed valuation of taxable property within its boundaries. The District's fiscal year 2018-19 gross bonding capacity (also commonly referred to as the "bonding limit" or "debt limit") is approximately $598.49 million and its net bonding capacity is approximately $524.99 million (taking into account current outstanding debt before issuance of the Series 2019 Bonds). Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of the property within the District's boundaries that reside in the cities of Hayward and Pleasanton and unincorporated portions of the County for fiscal year 2018-19.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2018-19 Assessed Valuation by Jurisdiction

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Hayward	$ 8,971,288	0.04%	$22,252,263,892	0.04%
City of Pleasanton	23,382,241,130	97.67	23,796,761,611	98.26
Unincorporated Alameda County	548,209,500	2.29	19,450,713,931	2.82
Total District	$23,939,421,918	100.00%		
Alameda County	$23,939,421,918	100.00%	$289,798,647,442	8.26%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table sets forth a distribution of taxable property located in the District on the fiscal year 2018-19 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2018-19 Assessed Valuation and Parcels by Land Use

	2018-19 Assessed Valuation(1)	% of Total	No. of Parcels	% of Total
Non-Residential:				
Agricultural/Rural	$133,686,301	0.58%	130	0.53%
Commercial	1,850,046,977	8.04	505	2.04
Vacant Commercial	97,174,041	0.42	48	0.19
Office Building	2,518,671,052	10.95	385	1.56
Industrial	826,462,143	3.59	288	1.17
Vacant Industrial	19,964,927	0.09	17	0.07
Recreational	44,170,503	0.19	13	0.05
Government/Social/Institutional	41,430,268	0.18	763	3.09
Subtotal Non-Residential	$5,531,505,212	24.05%	2,149	8.70%
Residential:				
Single Family Residence	$14,311,827,184	62.23%	18,160	73.52%
Condominium/Townhouse	1,377,671,792	5.99	3,679	14.89
Mobile Home	12,292,681	0.05	190	0.77
Mobile Home Park	25,976,701	0.11	3	0.01
2-4 Residential Units	91,788,936	0.40	138	0.56
5+ Residential Units/Apartments	1,257,099,431	5.47	80	0.32
Vacant Residential	390,396,576	1.70	301	1.22
Subtotal Residential	$17,467,053,301	75.95%	22,551	91.30%
TOTAL	$22,998,659,513	100.00%	24,700	100.00%

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

Assessed Valuation of Single-Family Homes. The following table sets forth the assessed valuation of single-family homes and the median and average assessed valuation per single family parcel in the District's boundaries for fiscal year 2018-19.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2018-19 Per Parcel Assessed Valuation of Single Family Homes

	Number of Parcels	2018-19 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	18,160	$14,311,827,184	$788,096	$711,612

2018-19 Assessed Valuation	No. of Parcels[(1)]	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $99,999	1,023	5.633%	5.633%	$ 80,638,678	0.563%	0.563%
$100,000 - $199,999	1,047	5.765	11.399	147,179,454	1.028	1.592
$200,000 - $299,999	987	5.435	16.834	251,548,084	1.758	3.349
$300,000 - $399,999	1,431	7.880	24.714	502,915,469	3.514	6.863
$400,000 - $499,999	1,526	8.403	33.117	684,167,109	4.780	11.644
$500,000 - $599,999	1,424	7.841	40.958	781,939,257	5.464	17.107
$600,000 - $699,999	1,462	8.051	49.009	951,836,918	6.651	23.758
$700,000 - $799,999	1,714	9.438	58.447	1,286,352,276	8.988	32.746
$800,000 - $899,999	1,669	9.191	67.638	1,417,586,390	9.905	42.651
$900,000 - $999,999	1,360	7.489	75.127	1,289,777,057	9.012	51.663
$1,000,000 - $1,099,999	923	5.083	80.209	965,687,599	6.747	58.411
$1,100,000 - $1,199,999	675	3.717	83.926	774,019,179	5.408	63.819
$1,200,000 - $1,299,999	482	2.654	86.580	600,693,509	4.197	68.016
$1,300,000 - $1,399,999	344	1.894	88.475	462,495,061	3.232	71.248
$1,400,000 - $1,499,999	289	1.591	90.066	418,407,507	2.924	74.171
$1,500,000 - $1,599,999	266	1.465	91.531	411,727,874	2.877	77.048
$1,600,000 - $1,699,999	215	1.184	92.715	355,161,839	2.482	79.530
$1,700,000 - $1,799,999	224	1.233	93.948	391,673,537	2.737	82.266
$1,800,000 - $1,899,999	201	1.107	95.055	371,818,622	2.598	84.864
$1,900,000 - $1,999,999	194	1.068	96.123	377,931,350	2.641	87.505
$2,000,000 and greater	704	3.877	100.000	1,788,270,415	12.495	100.000
Total	18,160	100.000%		$14,311,827,184	100.000%	

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

Largest Taxpayers in District. The following table sets forth the 20 taxpayers with the greatest combined ownership of taxable property in the District on the fiscal year 2018-19 tax roll, and the assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Largest 2018-19 Local Secured Taxpayers

	Property Owner	Primary Land Use	2018-19 Assessed Valuation	Percent of Total(1)
1.	Kaiser Foundation Health Plan Inc.	Office Building	$ 272,259,721	1.18%
2.	Stoneridge Properties	Regional Mall	261,570,348	1.14
3.	Stoneridge Creek Pleasanton CCRC LLC	Apartments	240,116,421	1.04
4.	Essex Pleasanton Owner LP	Apartments	197,900,093	0.86
5.	6200 Stoneridge Mall Road Investors LLC	Office Building	196,575,000	0.85
6.	Stoneridge Residential LLC	Residential Development	159,823,987	0.69
7.	Tishman Speyer Archstone Smith Hacienda	Apartments	158,076,992	0.69
8.	CP IV Vintage LLC	Apartments	155,560,970	0.68
9.	SFI Pleasanton LLC	Office Building	153,165,681	0.67
10.	Voehringer Mannheim Corporation	Industrial	152,058,014	0.66
11.	Peoplesoft Properties Inc.	Office Building	136,265,147	0.59
12.	GS Springhouse LLC	Apartments	132,719,188	0.58
13.	Gateway Pleasantville LLC	Office Building	118,177,200	0.51
14.	HPC Holdings LLC	Office Building	112,035,574	0.49
15.	Safeway Inc.	Office Building	100,886,286	0.44
16.	Mason Flats Residences LP	Apartments	99,625,000	0.43
17.	Applera Corporation	Office Building	90,039,670	0.39
18.	Pleasanton Retail Owner Inc.	Shopping Center	85,841,261	0.37
19.	Centro NP Rose Pavillion LP	Shopping Center	80,750,456	0.35
20.	State Compensation Insurance Fund	Office Building	77,956,333	0.34
			$2,981,403,342	12.96%

(1) 2018-19 local secured assessed valuation: $22,998,659,513
Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control. See *"−Appeals of Assessed Valuation; Blanket Reductions of Assessed Values"* above.

Tax Rates

The State Constitution permits the levy of an *ad valorem* tax on taxable property not to exceed 1% of the full cash value of the property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness.

The rate of tax necessary to pay fixed debt service on the Series 2019 Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Series 2019 Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Series 2019 Bonds. Issuance of additional authorized bonds in the future might also cause the tax rate to increase.

Typical Tax Rate Area. The following table sets forth *ad valorem* property tax rates for the last five fiscal years in a typical Tax Rate Area of the District (TRA 19-006) located within the city of Pleasanton. This Tax Rate Area comprises approximately 29.80% of the total assessed value of the District.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Typical Total Tax Rates as Percentage of Assessed Valuation
Fiscal Years 2014-15 through 2018-19

	2014-15	2015-16	2016-17	2017-18	2018-19
General	1.000000%	1.000000%	1.000000%	1.000000%	1.000000%
Alameda County	-	-	-	-	0.011200
Pleasanton Unified School District	0.069500	0.023900	0.022400	0.067200	0.064000
Chabot-Los Positas Community College District	0.021700	0.019800	0.024600	0.044500	0.044300
Flood Zone 7 – State Water Project	0.025000	0.034300	0.033300	0.035900	0.033200
Bay Area Rapid Transit District	0.004500	0.002600	0.008000	0.008400	0.007000
East Bay Regional Park District	0.008500	0.006700	0.003200	0.002100	0.005700
Total	1.129200%	1.087300%	1.091500%	1.158100%	1.165400%

Source: California Municipal Statistics, Inc.

In accordance with the California Constitution and the Education Code, bonds approved pursuant to the 2016 Authorization may not be issued unless the District projects that repayment of all outstanding bonds approved under the 2016 Authorization will require a tax rate no greater than $60.00 per $100,000 of assessed value. Based on the assessed value of taxable property in the District at the time of issuance of the Series 2019 Bonds, the District projects that the maximum tax rate required to repay the Series 2019 Bonds and all other outstanding bonds approved at the 2016 Authorization will be within that legal limit. The tax rate limitation applies only when new bonds are issued and does not restrict the authority of the County Board of Supervisors to levy taxes at such rate as may be necessary to pay debt service on the Series 2019 Bonds and any other series of bonds issued under the 2016 Authorization in each year.

Tax Charges and Delinquencies

A school district's share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Series 2019 Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The county treasurer-tax collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a $10 cost is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a $15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the county treasurer-tax collector

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. 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 on November 1. To collect unpaid taxes, the county treasurer-tax collector may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the county, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The county treasurer-tax collector may also bring a civil suit against the taxpayer for payment.

The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

The following table sets forth real property tax charges and corresponding delinquencies for the District's general obligation bond debt service levy, with respect to the property located in the District, and for the 1% general fund apportionment, with respect to property located in the County, for fiscal years 2013-14 through 2017-18.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Secured Tax Charges and Delinquencies
Fiscal Years 2013-14 through 2017-18

Fiscal Year	Secured Tax Charge[(1)]	Amount Delinquent June 30	Percent Delinquent June 30
2013-14	$15,711,049.72	$106,957.33	0.68%
2014-15	12,543,267.76	77,147.17	0.62
2015-16	4,566,089.98	24,768.60	0.54
2016-17	4,515,826.56	25,104.60	0.56
2017-18	14,426,237.80	78,579.12	0.54

Fiscal Year	Secured Tax Charge[(2)]	Amount Delinquent June 30	Percent Delinquent June 30
2013-14	$39,995,530.73	$444,425.41	1.11%
2014-15	42,609,552.54	440,843.30	1.03
2015-16	45,057,529.67	550,959.54	1.22
2016-17	47,697,596.33	507,703.67	1.06
2017-18	50,898,383.94	436,083.62	0.86

[(1)] District's general obligation bond debt service levy only.
[(2)] Countywide 1% general fund apportionment.
Source: California Municipal Statistics, Inc.

Teeter Plan. The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 and following of the California Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County, including the District, receives the full amount of uncollected taxes credited to its fund (including delinquent taxes, if any), in the same manner as if the full amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the Teeter Plan to the 1% general purpose property tax levy. Whether the Teeter Plan is also applied to other tax levies for local agencies, such as taxes levied for repayment of school district general obligation bonds, varies by county.

The County does not apply the Teeter Plan to taxes levied for repayment of school district general obligation bonds, such as the Series 2019 Bonds.

The Teeter Plan is to remain in effect unless the County Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency.

Direct and Overlapping Debt

Set forth on the following page is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. effective May 20, 2019 for debt outstanding as of June 1, 2019. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth 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 set forth in the table) produces the amount set forth in column three, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

The schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. 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.

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PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Statement of Direct and Overlapping Bonded Debt

May 20, 2019

2018-19 Assessed Valuation: $23,939,421,918

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 6/1/19
Alameda County	8.261%	$ 19,826,400
Bay Area Rapid Transit District	3.185	25,787,671
Chabot-Las Positas Community College District	19.149	126,653,401
Pleasanton Unified School District	100.000	73,495,000[(1)]
East Bay Regional Park District	5.044	9,014,132
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$254,776,604
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Alameda County General Fund Obligations	8.261%	$71,757,318
Alameda-Contra Costa Transit District Certificates of Participation	0.004	459
Pleasanton Unified School District Certificates of Participation	100.000	755,000
City of Hayward General Fund Obligations	0.040	33,322
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		$72,546,099
COMBINED TOTAL DEBT		$327,322,703[(2)]

Ratios to 2018-19 Assessed Valuation:
Direct Debt ($73,495,000) 0.31%
Combined Direct Debt ($74,250,000)....................................... 0.31%
Total Direct and Overlapping Tax and Assessment Debt 1.06%
Combined Total Debt.. 1.37%

(1) Excludes the Series 2019 Bonds.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2019 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Series 2019 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix D hereto.

To the extent the issue price of any maturity of the Series 2019 Bonds is less than the amount to be paid at maturity of such Series 2019 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2019 Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Series 2019 Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Series 2019 Bonds is the first price at which a substantial amount of such maturity of the Series 2019 Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2019 Bonds accrues daily over the term to maturity of such Series 2019 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2019 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2019 Bonds. Beneficial Owners of the Series 2019 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2019 Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Series 2019 Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2019 Bonds is sold to the public.

Series 2019 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2019 Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2019 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2019 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2019 Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Series 2019 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2019 Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Series 2019 Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Series 2019 Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2019 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2019 Bonds. Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2019 Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Series 2019 Bonds ends with the issuance of the Series 2019 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Series 2019 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2019 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2019 Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

OTHER LEGAL MATTERS

Legal Opinion

The validity of the Series 2019 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Bond Counsel expects to deliver an opinion with respect to the Series 2019 Bonds at the time of issuance substantially in the form set forth in Appendix D hereto. Bond Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District.

Legality for Investment in California

Under the provisions of the California Financial Code, the Series 2019 Bonds are legal investments for commercial banks in California to the extent that the Series 2019 Bonds, in the informed opinion of the bank, are prudent for the investment of funds of depositors, and, under provisions of the California Government Code, the Series 2019 Bonds are eligible securities for deposit of public moneys in the State.

Continuing Disclosure

The District has covenanted for the benefit of the holders and Beneficial Owners of the Series 2019 Bonds to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the "EMMA System") certain annual financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of the District's fiscal year (currently ending June 30), commencing with the report for the 2018-19 fiscal year (which is due no later than April 1, 2020) and notice of the occurrence of certain enumerated events ("Notice Events") in a timely manner not in excess of ten business days after the occurrence of such a Notice Event.

The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX E − "FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) (the "Rule") of the Securities and Exchange Commission (the "SEC").

In the past five years, the District failed to link the Annual Report for fiscal year 2016-17 to one maturity of its 2003 General Obligation Refunding Bonds, Series B.

The District has engaged Keygent LLC to serve as dissemination agent with respect to its prior continuing disclosure undertakings and the undertaking with respect to the Series 2019 Bonds.

Litigation

No litigation is pending or threatened concerning or contesting the validity of the Series 2019 Bonds or the District's ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District's ability to issue and retire the Series 2019 Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Series 2019 Bonds or District officials who will sign certifications relating to the Series 2019 Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter at the time of the original delivery of the Series 2019 Bonds.

The District is occasionally subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.

MISCELLANEOUS

Rating

Moody's Investors Service, Inc. has assigned its rating of "Aa2" to the Series 2019 Bonds. A rating agency generally bases its rating on its own investigations, studies and assumptions as well as information and materials furnished to it (which may include information and materials from the District, which are not included in this Official Statement). The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of such rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Series 2019 Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2019 Bonds. Neither the Underwriter (defined herein) nor the District have undertaken any responsibility after the offering of the Series 2019 Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Series 2019 Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Series 2019 Bonds. Keygent LLC is acting as the District's municipal advisor with respect to the Series 2019 Bonds. Kutak Rock LLP, Denver, Colorado, is acting as counsel to the Underwriter with respect to the Series 2019 Bonds. Payment of the fees and expenses of the District's municipal advisor and counsel to the Underwriter are also contingent upon the sale and delivery of the Series 2019 Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Series 2019 Bonds.

Underwriting

The Series 2019 Bonds are being purchased for reoffering to the public by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), pursuant to the terms of a bond purchase agreement executed on August 20, 2019 (the "Purchase Agreement"), by and between the Underwriter and the District. The Underwriter has agreed to purchase the Series 2019 Bonds at a price of $94,699,678.95 (which represents the aggregate principal amount of the Series 2019 Bonds, plus original issue premium of $4,877,878.95, and less an Underwriter's discount in the amount of $178,200.00). The Purchase Agreement provides that the Underwriter will purchase all of the Series 2019 Bonds, subject to certain terms and conditions set forth in the Purchase Agreement, including the approval of certain legal matters by counsel.

The Underwriter may offer and sell the Series 2019 Bonds to certain dealers and others at prices lower than the public offering prices shown on the inside front cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Series 2019 Bonds. Quotations from and summaries and explanations of the Series 2019 Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Series 2019 Bonds.

The District has duly authorized the delivery of this Official Statement.

PLEASANTON UNIFIED SCHOOL DISTRICT

By: Dr. David Haglund
Superintendent

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APPENDIX A

INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

The information in this appendix concerning the operations of the Pleasanton Unified School District (the "District"), the District's finances, and State of California (the "State") funding of education, 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 Series 2019 Bonds are payable from the general fund of the District or from State revenues. The Series 2019 Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of Alameda on property within the District in an amount sufficient for the timely payment of principal of and interest on the Series 2019 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2019 BONDS" in the front portion of this Official Statement.

THE DISTRICT

Introduction

The District was formed in 1988 and provides elementary and secondary education for students in grades transitional kindergarten through twelve ("K-12"). The District is located in the eastern portion of Alameda County (the "County") and covers an area of approximately 21 square miles. The District encompasses most of the city of Pleasanton, a small portion of the city of Hayward, and certain parts of the unincorporated area of the County. There are currently two preschools, nine elementary schools, three middle schools, two comprehensive high schools and an alternative education program that includes independent study, home and hospital education and a continuation high school within the District. In addition, the District operates five child care centers. Total assessed valuation of taxable property in the District in fiscal year 2018-19 is $23,939,421,918. The District budgets that total K-12 enrollment for fiscal year 2019-20 will be 15,069 students.

The District is governed by a five-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 two and three available positions. The management and policies of the District are administered by a 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. David Haglund has served as Superintendent of the District since July 1, 2017.

Board of Trustees

Current members of the Board of Trustees, together with their office and the date their term expires, are listed below:

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Board of Trustees

Name	Office	Term Expires
Valerie Arkin	President	December 2020
Steve Maher	Vice President/Clerk	December 2020
Joan Laursen	Member	December 2022
Mark Miller	Member	December 2022
Jamie Yee	Member	December 2020

Superintendent and Key Personnel

The Superintendent of the District is appointed by the Board of Trustees and reports to the Board of Trustees. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. The District is currently conducting a search for a new Deputy Superintendent, Business Services and expects to fill the position this fall.

Dr. David Haglund, Superintendent. Dr. Haglund has served as Superintendent of the Pleasanton Unified School District since July 1, 2017. Before coming to the District, Dr. Haglund served as the Deputy Superintendent of Educational Services and Chief Academic Officer for the Santa Ana Unified School District, located in Orange County, beginning in 2013. Serving the 7th largest school district in California, Dr. Haglund led academic programs for the Santa Ana Unified School District's 60 school sites.

Prior to leading educational services at Santa Ana Unified School District, Dr. Haglund served as Director of Educational Options and then Assistant Superintendent of Instructional Support at the Riverside Unified School District. Across his 32-year career in education, Dr. Haglund has held positions as a classroom teacher, principal and district administrator. Dr. Haglund earned his Bachelor of Arts from Hope International University, Master of Science from California Baptist University, and Doctorate of Education from the University of Southern California.

DISTRICT FINANCIAL MATTERS

State Funding of Education; State Budget Process

General. As is true for all school districts in California, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (the "Local Control Funding Formula" or "LCFF") (see "− Allocation of State Funding to School Districts; Local Control Funding Formula" herein) and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the State Constitution (see "− Local Sources of Education Funding" herein). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District has budgeted to receive approximately 52.47% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), budgeted at approximately $87.00 million in fiscal year 2019-20. Such amount includes both the State funding provided under the LCFF as well as other State revenues (see "*−Allocation of State Funding to School Districts; Local Control Funding Formula*" and "*– Attendance and LCFF*" and "Other District Revenues – *Other State Revenues*" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State's voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented the LCFF. Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See "– Allocation of State Funding to School Districts; Local Control Funding Formula" herein for more information.

State Budget Process. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. The budget requires a simple majority vote of each house of the State Legislature for passage. The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. A two–thirds vote of the State Legislature is required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2019-20 State budget on June 27, 2019.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over $4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by temporarily deferring apportionments of Proposition 98 funds from one fiscal year to the next; by permanently deferring apportionments of Proposition 98 funds from one fiscal year to the next; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Series 2019 Bonds, and the District takes no responsibility for informing owners of the Series 2019 Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, **www.dof.ca.gov**, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at **www.lao.ca.gov**. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, **www.treasurer.ca.gov**. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

2019-20 State Budget. The Governor signed the fiscal year 2019-20 State Budget (the "2019-20 State Budget") on June 27, 2019. The 2019-20 State Budget sets forth a balanced budget for fiscal year 2019-20 that projects approximately $143.8 billion in revenues, and $91.9 billion in non-Proposition 98 expenditures and $55.9 billion in Proposition 98 expenditures. The 2019-20 State Budget includes a $1.4 billion reserve in the Special Fund for Economic Uncertainties. To provide immediate and long-term relief to school districts facing rising pension costs, the 2019-20 State Budget includes a $3.15 billion non-Proposition 98 General Fund payment to the California State Teachers' Retirement System ("CalSTRS") and the California Public Employees' Retirement System ("CalPERS") Schools Pool. Of this amount, an estimated $850 million will buy down the employer contribution rates in fiscal years 2019-20 and 2020-21. The 2019-20 State Budget includes total funding of $103.4 billion ($58.8 billion General Fund and $44.6 billion other funds) for all K-12 education programs. The 2019-20 State Budget provides $1.9 billion in new Proposition 98 funding for the LCFF, reflecting a 3.26% cost of living adjustment.

Certain budgeted adjustments for K-12 education set forth in the 2019-20 State Budget include the following:

- Special Education. The 2019-20 State Budget includes $645.3 million ongoing Proposition 98 General Fund resources for special education, including $152.6 million to provide for all Special

Education Local Plan Areas with at least the statewide target rate for base special education funding, and $492.7 million allocated based on the number of children ages 3 to 5 years with exceptional needs that the school district is serving.

- After School Education and Safety Program. The 2019-20 State Budget includes $50 million ongoing Proposition 98 General Fund resources to provide an increase of approximately 8.3% to the per-pupil daily rate for the After School Education and Safety Program.

- Longitudinal Data System. The 2019-20 State Budget includes $10 million one-time non-Proposition 98 General Fund resources to plan and develop a longitudinal data system to improve coordination across data systems and better track the impacts of State investments on achieving educational goals.

- Retaining and Supporting Well-Prepared Educators. The 2019-20 State Budget includes $89.8 million one-time non-Proposition 98 General Fund resources to provide up to 4,487 grants of $20,000 for students enrolled in a professional teacher preparation program who commit to working in a high-need field at a priority school for at least four years. The 2019-20 State Budget also includes $43.8 million one-time non-Proposition 98 General Fund resources to provide training and resources for classroom educators, including teachers and paraprofessionals, to build capacity around key state priorities. Finally, the 2019-20 State Budget includes $13.8 million ongoing federal funds to establish the 21st Century California Leadership Academy, to provide professional learning opportunities for public K-12 administrators and school leaders to acquire the knowledge, skills, and competencies necessary to successfully support the diverse student population served in California public schools.

- Broadband Infrastructure. The 2019-20 State Budget includes $7.5 million one-time non-Proposition 98 General Fund resources to assist school districts in need of infrastructure and updates to meet the growing bandwidth needs of digital learning.

- School Facilities Bond Funds. The 2019-20 State Budget assumes $1.5 billion Proposition 51 bond funds, an increase of $906 million over the prior year, to support school construction projects.

- Full-Day Kindergarten. The 2019-20 State Budget includes $300 million one-time non-Proposition 98 General Fund resources to construct new or retrofit existing facilities to support full-day kindergarten programs, which will increase participation in kindergarten by addressing barriers to access.

- Proposition 98 Settle-Up. The 2019-20 State Budget includes an increase of $686.6 million for K-12 schools and community colleges to pay the balance of past year Proposition 98 funding owed through fiscal year 2017-18.

- Classified School Employees Summer Assistance Program. The 2019-20 State Budget includes an increase of $36 million one-time Proposition 98 General Fund resources to provide an additional year of funding for the Classified School Employees Summer Assistance Program, which provides a State match for classified employee savings used to provide income during summer months.

- Wildfire-Related Cost Adjustments. The 2019-20 State Budget includes an increase of $2 million one-time Proposition 98 General Fund resources to reflect adjustments in the estimate for property tax backfill for basic aid school districts impacted by 2017 and 2018 wildfires. Additionally, the 2019-20 State Budget includes an increase of $727,000 one-time Proposition 98 General Fund resources to reflect adjustments to the State's student nutrition programs resulting from wildfire-related losses. Further, the 2019-20 State Budget holds both school districts and charter schools impacted by the wildfires harmless for State funding for two years.

The complete 2019-20 State Budget is available from the California Department of Finance website at **www.dof.ca.gov**. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken 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 beyond the District's ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash, and could impair the State's ability to fund schools during fiscal year 2019-20 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Series 2019 Bonds are payable from *ad valorem* property taxes, the State budget is not expected to have an impact on the payment of the Series 2019 Bonds.

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund ("ERAF") in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State's voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of an initiative constitutional amendment at the November 2010 election, known as "Proposition 22."

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. One effect of this amendment has been to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert $1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of $1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*" herein). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years—such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

Allocation of State Funding to School Districts; Local Control Funding Formula. Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under California Education Code Section 42238 and following, each school district was determined to have a target funding level: a "base revenue limit" per student multiplied by the district's student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district's prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district's base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State "equalization aid." To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State's contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some equalization aid were commonly referred to as "revenue limit districts," which are now referred to as "LCFF districts." The District is an LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant ("Base Grant") per unit of average daily attendance ("A.D.A.") with additional supplemental funding (the "Supplemental Grant") allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF was projected to have an eight-year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below, but achieved full implementation ahead of schedule in fiscal year 2018-19. The LCFF includes the following components:

- A Base Grant for each local education agency ("LEA"). The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2019-20, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to $8,503 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to $7,818 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to $8,050 per A.D.A. for grades 7 and 8; (d) a Target Base Grant for each LEA equivalent to $9,572 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. Further, this amount also includes the higher costs of living adjustment of 3.26% authorized by the 2019-20 State Budget, which is known as "super COLA."

- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional Concentration Grant of up to 50% of a LEA's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.

- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF in fiscal year 2018-19. Upon full implementation in fiscal year 2018-19, LEAs now receive the greater of the Base Grant or the ERT.

Under LCFF, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

Local Control Accountability Plans. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year LCAP. Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the "Collaborative"), a newly established body of educational specialists, was created to advise and assist local education agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency's LCAP.

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Attendance and LCFF. The following table sets forth the District's actual and budgeted A.D.A., enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, "EL/LI Students")), and targeted Base Grant per unit of A.D.A. for fiscal years 2013-14 through 2018-19, respectively. The A.D.A. and enrollment numbers reflected in the following table include special education.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Average Daily Attendance, Enrollment and Targeted Base Grant
Fiscal Years 2013-14 through 2018-19

		A.D.A./Base Grant					Enrollment[8]	
Fiscal Year		K-3	4-6	7-8	9-12	Total A.D.A.	Total Enrollment	Unduplicated Percentage of EL/LI Students
2013-14	A.D.A.[1]:	4,005.66	3,364.43	2,322.91	4,808.57	14,501.57	14,786	11.02%
	Targeted Base Grant[2]:	$7,675	$7,056	$7,266	$8,638	--	--	--
2014-15	A.D.A.[1]:	3,915.18	3,384.12	2,352.23	4,794.88	14,446.41	14,768	12.20%
	Targeted Base Grant[2][3]:	$7,740	$7,116	$7,328	$8,712	--	--	--
2015-16	A.D.A.[1]:	3,856.34	3,456.52	2,379.72	4,684.94	14,377.52	14,754	12.81%
	Targeted Base Grant[2][4]:	$7,083	$7,189	$7,403	$8,578	--	--	--
2016-17	A.D.A.[1]:	3,855.25	3,459.11	2,381.33	4,681.93	14,377.62	14,778	13.52%
	Targeted Base Grant[2][5]:	$7,820	$7,189	$7,403	$8,801	--	--	--
2017-18	A.D.A.[1]:	3,881.75	3.277.35	2,462.28	4,783.58	14,404.96	14,864	14.69%
	Targeted Base Grant[2][6]:	$7,941	$7,301	$7,518	$8,939			
2018-19	A.D.A.[1]:	3,955.86	3,233.68	2,427.24	4,852.54	14,469.32	14,978	16.01%
	Targeted Base Grant[2][7]:	$8,235	$7,571	$7,796	$9,269			

(1) A.D.A. for the second period of attendance, typically in mid-April of each school year.
(2) Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and include the grade span adjustment, but do not include any supplemental and concentration grants under the LCFF. Such amounts were not expected to be fully funded in fiscal years shown above. However, the LCFF was fully implemented as of fiscal year 2018-19 – two years ahead of its anticipated implementation.
(3) Targeted fiscal year 2014-15 Base Grant amount reflects a 0.85% cost-of-living adjustment from targeted fiscal year 2013-14 Base Grant amounts.
(4) Targeted fiscal year 2015-16 Base Grant amount reflects a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.
(5) Targeted fiscal year 2016-17 Base Grant amount reflects a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.
(6) Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.
(7) Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts. This "super COLA" amount was authorized by the 2018-19 State Budget and exceeds the statutory 2.71% cost-of-living adjustment.
(8) Reflects enrollment as of October report submitted to the California Department of Education through CBEDS for the 2013-14 and 2014-15 school years and California Longitudinal Pupil Achievement Data System ("CALPADS") for the 2015-16 through 2017-18 school year. For purposes of calculating Supplemental and Concentration Grants, a school district's fiscal year 2013-14 percentage of unduplicated EL/LI Students was expressed solely as a percentage of its fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI Students enrollment was based on the two-year average of EL/LI Students enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district's percentage of unduplicated EL/LI Students was based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.
Source: Pleasanton Unified School District.

The District received approximately $129.84 million (estimated) in aggregate revenues reported under LCFF sources in fiscal year 2018-19 and has budgeted to receive approximately $136.86 million in aggregate revenues under the LCFF in fiscal year 2019-20 (or approximately 82.54% of its general fund revenues in fiscal year 2019-20). Such amount includes supplemental grants projected to be approximately $4.3 million in fiscal year 2019-20. The District does not expect to receive any concentration grants in fiscal year 2019-20.

Local Sources of Education Funding

The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some State equalization aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as an LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "State Funding of Education; State Budget Process −*Allocation of State Funding to School Districts; Local Control Funding Formula"* herein for more information about the LCFF.

Local property tax revenues account for approximately 52.94% of the District's aggregate revenues reported under LCFF sources and are budgeted to be approximately $72.22 million, or 43.55% of total general fund revenues in fiscal year 2019-20.

For information about the property taxation system in California and the District's property tax base, see "– Property Taxation System," "−Assessed Valuation of Property Within the District," and "−Tax Charges and Delinquencies," under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2019 BONDS" in the front portion of the Official Statement.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below.

Effect of Changes in Enrollment. Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently.

In an LCFF district, such as the District, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it an LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately 2.21% (or approximately $3.67 million) of the District's general fund budgeted revenues for fiscal year 2019-20.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues, consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into LCFF. Categorical funding for certain programs was excluded from LCFF, and school districts will continue to receive restricted State revenues to fund these programs. Other State revenues comprise approximately 13.56% (or approximately $22.48 million) of the District's general fund budgeted revenues for fiscal year 2019-20.

A portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District's State lottery revenue is budgeted at approximately $3.11 million for fiscal year 2019-20.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues from sources such as interest income, leases and rentals, educational foundations, donations and sales of property. Other local revenues comprise approximately 1.69% (or approximately $2.81 million) of the District's general fund budgeted revenues for fiscal year 2019-20.

Significant Accounting Policies and Audited Financial Reports

The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are accounted for in accordance with the Department of Education's California School Accounting Manual. This manual, according to Section 41010 of the Education Code, is to be followed by all California school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the District's audited financial statements for the fiscal year ended June 30, 2018, which are included as Appendix B.

Independently audited financial reports are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. The following tables contain data abstracted from financial statements prepared by the District's former auditors, Christy White Accountancy Corporation, San Diego, California ("CWA"), for fiscal year 2013-14, Gilbert Associates, Inc., CPAs and Advisors, Sacramento, California ("GAI"), for fiscal years 2014-15 through 2016-17, and by the District's current auditor, Cossolias Wilson Dominguez Leavitt, Certified Public Accountants, San Diego, California ("CWDL") for fiscal year 2017-18. The District's contract with CWA terminated at the end of fiscal year 2013-14 and subsequently, pursuant to a selection process involving requests for proposals from multiple accounting firms, GAI was selected as the District's auditor. Similarly, the District's three-year contract with GAI terminated at the end of fiscal year 2016-17 and subsequently, pursuant to a selection process involving requests for proposals from multiple accounting firms, CWDL was selected as the District's auditor for fiscal years 2017-18 through 2019-20.

The change in auditors in fiscal year 2014-15 and again in fiscal year 2017-18, resulted in the District presenting certain financial information differently in its audited financial statements. Thus, the information presented in the tables below for fiscal year 2013-14, fiscal years 2014-15 through 2016-17 and fiscal year 2017-18, are categorized differently. Although historical total revenue and expenditure figures are comparatively consistent, the categorical breakdown of revenues and expenditures is different for the revised accounting formats and is not directly comparable.

CWA, GAI and CWDL have not been requested to consent to the use or to the inclusion of their respective reports in this Official Statement, and they have not audited or reviewed this Official Statement. The District is required by law to adopt its audited financial statements after a public meeting to be conducted no later than January 31 following the close of each fiscal year.

The table on the following page sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for the fiscal year 2013-14. The table on page A-14 sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2014-15 through 2016-17. The table on page A-15 sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal year 2017-18.

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PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Year 2013-14

	Fiscal Year 2013-14
REVENUES	
LCFF sources	$98,892,550
Federal sources	3,407,792
Other state sources	19,969,211
Other local sources	7,736,790
Total Revenues	130,006,343
EXPENDITURES	
Current	
Instruction	88,401,113
Instruction-Related Services	
Instructional supervision and administration	3,984,198
Instructional library, media and technology	1,981,057
School site administration	7,642,346
Pupil Services	
Home-to-school transportation	1,073,070
Food services	-
All other pupil services	4,890,800
General Administration	
Centralized data processing	749,556
All other general administration	6,544,680
Plant services	10,041,874
Facility acquisition and maintenance	24,203
Transfers between/to other agencies	1,488,810
Debt service	
Principal	143,908
Interest and other	39,161
Total Expenditures	127,004,776
Excess (Deficiency) Of Revenues Over Expenditures	3,001,567
Other Financing Sources (Uses)	
Transfers in[1]	206,164
Transfers out[1]	(681,023)
Net Financing Sources (Uses)	(474,859)
NET CHANGE IN FUND BALANCE	2,526,708
Fund Balances - Beginning	18,368,202
Fund Balances – Ending	$20,894,910

[1] The District makes routine transfers between various funds for a variety of accounting purposes. Amounts include annual transfers to fund its OPEB liability, Association of Pleasanton Teachers and Management CalPERS medical benefits, deferred maintenance, and to repay the advances from the Sycamore Fund, a sub-fund of the Special Reserve Fund for Capital Outlay Projects that was established to account for proceeds from the District's sale of real property. As of June 30, 2017, the general fund has repaid all of the advances from the Sycamore Fund, and the Sycamore Fund has been restored.

Source: Pleasanton Unified School District Audited Financial Report for fiscal year 2013-14.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Years 2014-15 through 2016-17

	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17
REVENUES			
LCFF sources	$104,357,634	$111,795,008	$117,050,885
Federal sources	3,220,027	3,467,247	3,361,973
Other state sources	18,680,856	28,915,665	22,471,255
Other local sources	7,292,150	6,586,219	8,330,533
Total Revenues	133,550,667	150,764,139	151,214,646
EXPENDITURES			
Current			
Instruction	92,151,454	98,571,791	101,848,589
Instruction-Related Services:			
Supervision of instruction and administration	4,471,246	5,894,604	5,721,204
Administrative unit (AU) of multidistrict SELPA	229,729	380,280	378,471
Instructional library, media and technology	2,218,896	2,477,179	2,299,822
School site administration	8,124,301	9,014,373	9,109,220
Pupil Services:			
Pupil Transportation	881,535	943,026	845,639
Food services	244	-	-
Other pupil services	5,452,637	6,396,390	6,896,802
General Administration Services:			
Data processing services	856,363	814,687	796,090
Other general administration	6,872,255	7,672,235	6,796,989
Plant services	10,222,503	10,596,459	11,194,437
Transfers between/to other agencies	1,462,955	1,065,066	1,101,114
Capital outlay	55,269	6,100	13,009
Other outgo:			
Debt service – principal	71,842	36,374	37,621
Debt service – interest	35,270	30,518	29,223
Total Expenditures	133,106,499	143,899,082	147,068,230
Excess (Deficiency) Of Revenues Over Expenditures	444,168	6,865,057	4,146,416
Other Financing Sources (Uses)			
Interfund transfers in[1]	78,833	1,281,916	111,900
Interfund transfers out[1]	(677,728)	(362,728)	(545,231)
Net Financing Sources and Uses	(598,895)	919,188	(433,331)
NET CHANGE IN FUND BALANCE	(154,727)	7,784,245	3,713,085
Fund Balance, July 1	20,894,910	20,740,183	28,524,428
Fund Balance, June 30	$20,740,183	$28,524,428	$32,237,513

[1] The District makes routine transfers between various funds for a variety of accounting purposes. Amounts include annual transfers to fund its OPEB liability, Association of Pleasanton Teachers and Management CalPERS medical benefits, deferred maintenance, and to repay the advances from the Sycamore Fund, a sub-fund of the Special Reserve Fund for Capital Outlay Projects that was established to account for proceeds from the District's sale of real property. As of June 30, 2017, the general fund has repaid all of the advances from the Sycamore Fund, and the Sycamore Fund has been restored.

Source: Pleasanton Unified School District Audited Financial Reports for fiscal years 2014-15 through 2016-17.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Year 2017-18

	Fiscal Year 2017-18
REVENUES	
LCFF sources	$120,552,980
Federal sources	3,795,141
Other state sources	22,925,221
Other local sources	7,816,435
Total Revenues	155,089,777
EXPENDITURES	
Current	
Instruction	108,075,483
Instruction-related services	
Instructional supervision and administration	5,804,385
Instructional library, media and technology	2,551,844
School site administration	9,645,024
Pupil services	
Home-to-school transportation	946,619
Food services	-
All other pupil services	7,741,342
General administration	
Centralized data processing	1,026,747
All other general administration	6,670,608
Plant services	11,590,154
Facilities acquisition and maintenance	1,265,958
Transfers to other agencies	1,177,176
Debt service	
Principal	37,868
Interest and other	25,034
Total Expenditures	156,558,242
Excess (Deficiency) of Revenues Over Expenditures	(1,468,465)
Other Financing Sources (Uses)	
Transfers in[1]	147,188
Transfers out[1]	(276,849)
Net Financing Sources (Uses)	(129,661)
NET CHANGE IN FUND BALANCE	(1,598,126)
Fund Balance, July 1	32,237,513
Fund Balance, June 30	$30,639,388

[1] The District makes routine transfers between various funds for a variety of accounting purposes. Amounts include annual transfers to fund its OPEB liability, Association of Pleasanton Teachers and Management CalPERS medical benefits, deferred maintenance, and to repay the advances from the Sycamore Fund, a sub-fund of the Special Reserve Fund for Capital Outlay Projects that was established to account for proceeds from the District's sale of real property. As of June 30, 2017, the general fund has repaid all of the advances from the Sycamore Fund, and the Sycamore Fund has been restored.
Source: Pleasanton Unified School District Audited Financial Report for fiscal year 2017-18.

The following table sets forth the audited general fund balance sheet of the District for fiscal year 2013-14.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Summary of General Fund Balance Sheet
Fiscal Year 2013-14

	Fiscal Year 2013-14
ASSETS	
Cash and cash equivalents	$14,322,509
Accounts receivable	11,683,197
Due from other funds	242,180
Stores inventory	114,486
Prepaid expenditures	146,646
Total Assets	$26,509,018
LIABILITIES	
Deficit cash	-
Accrued liabilities	$ 5,272,474
Due to other funds	316,831
Current loans	-
Unearned revenue	24,803
Total Liabilities	5,614,108
FUND BALANCES	
Nonspendable	326,548
Restricted	6,399,770
Committed	4,413,795
Assigned	1,091,653
Unassigned	8,663,144
Total Fund Balances	20,894,910
Total Liabilities and Fund Balances	$26,509,018

Source: Pleasanton Unified School District Audited Financial Reports for fiscal year 2013-14.

The following table sets forth the audited general fund balance sheet of the District for fiscal years 2014-15 through 2016-17.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Summary of General Fund Balance Sheet
Fiscal Years 2014-15 through 2016-17

	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17
ASSETS			
Cash and Equivalents	$16,349,615	$24,627,667	$29,451,643
Accounts receivable	9,707,477	8,032,499	7,861,311
Due from other funds	371,973	1,590,788	260,555
Inventories	79,053	91,728	106,739
Prepaid items/expenditures	143,123	160,968	133,979
Total Assets	$26,651,241	$34,503,650	$37,814,227
LIABILITIES			
Accrued liabilities	5,876,809	5,893,488	5,547,743
Due to other funds	15,000	45,310	2
Unearned revenue	19,249	40,424	28,969
Total Liabilities	5,911,058	5,979,222	5,576,714
FUND BALANCES			
Nonspendable:			
Revolving cash	64,350	76,787	70,378
Inventory	79,053	91,728	106,739
Prepaid items	143,123	160,968	133,979
Restricted:			
Instruction	4,992,324	7,169,682	5,517,872
Postemployment benefits	535,066	462,150	-
Committed:			
Instruction	1,021,965	1,056,094	-
Technology	381,301	537,242	-
Mandate claims	967,107	-	-
Regional occupational program	540,000	-	
Postemployment benefits	3,834,225	5,074,009	6,345,596
Assigned:			
Department/site carryover	649,042	645,534	200,580
Supplemental carryover	646,724	625,549	349,549
Technology	-	-	378,647
Textbook adoption carryover	-	-	3,003,172
Instruction	-	-	1,300,000
Routine maintenance	-	-	1,390,744
Contingency reserve	-	-	3,200,000
CTEIG	-	-	499,069
Pay off Sycamore loan	-	-	257,140
Other assignments	-	-	50,000
Unassigned	6,885,903	12,624,685	9,434,048
Total Fund Balances	20,740,183	28,524,428	32,237,513
Total Liabilities and Fund Balances	$26,651,241	$34,503,650	$37,814,227

Source: Pleasanton Unified School District Audited Financial Reports for fiscal years 2014-15 through 2016-17.

The following table sets forth the audited general fund balance sheet of the District for fiscal year 2017-18.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Summary of General Fund Balance Sheet
Fiscal Year 2017-18

	Fiscal Year 2017-18
ASSETS	
Cash and cash equivalents	$31,219,954
Accounts receivable	6,771,504
Due from other funds	591,538
Stores inventory	101,441
Prepaid expenditures	67,522
Total Assets	38,751,959
LIABILITIES	
Accrued liabilities	8,089,911
Due to other funds	20,604
Deferred revenue	2,056
Total Liabilities	8,112,571
FUND BALANCES	
Nonspendable	-
Spendable	243,442
Restricted	
Educational programs	5,055,265
Assigned	10,406,216
Unassigned	14,934,465
Total Fund Balances	30,639,388
Total Liabilities and Fund Balances	$38,751,959

Source: Pleasanton Unified School District Audited Financial Report for fiscal year 2017-18.

District Budget Process and County Review

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

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the County of Alameda Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction (the "State Superintendent") may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

A State law adopted in 1991 (known as "A.B. 1200") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 *et seq.),* each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. In the last five years, the District has not received a negative or qualified certification for an interim financial report.

For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

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The following table sets forth the District's adopted general fund budgets for fiscal years 2016-17 through 2019-20, unaudited actuals for fiscal years 2016-17 through 2017-18 and estimated actuals for fiscal year 2018-19.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Fund Budgets for Fiscal Years 2016-17 through 2019-20,
Unaudited Actuals for Fiscal Years 2016-17 through 2017-18
and Estimated Actuals for Fiscal Year 2018-19

	2016-17 Original Adopted Budget	2016-17 Unaudited Actuals[1]	2017-18 Original Adopted Budget	2017-18 Unaudited Actuals[1]	2018-19 Original Adopted Budget	2018-19 Estimated Actuals[2][3]	2019-20 Original Adopted Budget[3]
REVENUES							
LCFF Sources	$117,088,415.00	$117,050,885.58	$119,953,165.00	$120,552,979.69	$129,745,677.00	$129,842,398.00	$136,857,728.00
Federal Revenue	3,474,726.00	3,361,972.60	3,516,886.00	3,795,140.65	3,499,538.00	4,334,492.00	3,667,620.00
Other State Revenue	21,107,665.00	22,471,255.63	19,666,057.00	22,925,221.06	25,693,986.00	28,762,231.00	22,478,831.00
Other Local Revenue	1,320,924.00	8,290,930.90	2,290,301.00	7,742,425.86	2,658,472.00	8,914,624.00	2,806,716.00
TOTAL REVENUES	142,991,730.00	151,175,044.71	145,426,409.00	155,015,767.26	161,597,673.00	171,853,745.00	165,810,895.00
EXPENDITURES							
Certificated Salaries	78,010,384.00	80,262,766.27	80,436,670.00	82,423,330.49	84,005,657.00	86,223,265.00	88,339,181.00
Classified Salaries	18,226,031.00	18,864,844.33	18,829,117.00	19,269,994.84	18,548,529.00	19,777,718.00	20,404,929.00
Employee Benefits	24,756,976.00	25,846,217.95	28,608,622.00	29,297,292.42	32,222,254.00	32,954,677.00	35,988,282.00
Books and Supplies	9,251,464.00	8,319,655.80	4,260,081.00	6,862,114.17	7,922,914.00	9,766,858.00	6,512,192.00
Services, Other Operating Expenses	14,468,397.00	14,853,681.54	14,136,798.00	16,750,859.77	16,462,583.00	24,429,251.00	18,480,152.00
Capital Outlay	127,681.00	173,450.77	100,681.00	919,310.44	1,005,433.00	3,644,090.00	481,836.00
Other Outgo (excluding Direct Support/Indirect Costs)	1,164,833.00	1,167,958.74	1,169,658.00	1,240,077.35	1,404,102.00	1,814,215.00	1,814,215.00
Other Outgo - Transfers of Indirect Costs	(225,030.00)	(220,547.64)	(244,809.00)	(204,733.39)	(215,977.00)	(215,977.00)	(206,475.00)
TOTAL EXPENDITURES	145,780,736.00	147,068,229.76	147,296,818.00	156,558,246.09	161,355,495.00	178,394,097.00	171,814,312.00
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,789,006.00)	4,106,814.95	(1,870,409.00)	(1,542,478.83)	242,178.00	(6,540,352.00)	(6,003,417.00)
OTHER FINANCING SOURCES (USES)							
Inter-fund Transfers In[4]	692,764.00	545,065.46	717,439.00	613,095.60	668,200.00	1,068,073.00	600,050.00
Inter-fund Transfers Out[4]	(1,385,805.00)	(1,748,230.57)	(1,203,000.00)	(1,479,849.42)	(1,203,000.00)	(1,281,613.00)	(1,523,375.00)
Other Sources (Uses)	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
TOTAL, OTHER FINANCING SOURCES (USES)	(693,041.00)	(1,203,165.11)	(485,561.00)	(866,753.82)	(534,800.00)	(213,540.00)	(923,325.00)
NET INCREASE (DECREASE) IN FUND BALANCE	(3,482,047.00)	2,903,849.84	(2,355,970.00)	(2,409,232.65)	(292,622.00)	(6,753,892.00)	(6,926,742.00)
BEGINNING BALANCE, as of July 1	17,882,888.19	22,988,269.04	14,805,355.01	25,891,922.89	19,909,550.49	23,482,692.00	16,728,800.00
Audit Adjustments	-	-	-	-	-	-	-
As of July 1 – Audited	17,882,888.19	22,988,260.04	14,805,355.01	25,891,922.89	19,909,550.49	23,482,692.00	16,728,800.00
Other Restatements	-	0.01	-	-	-	-	-
Adjusted Beginning Balance	17,882,888.19	22,988,269.05	14,805,355.01	25,891,922.89	19,909,550.49	23,482,692.00	16,728,800.00
ENDING BALANCE	$14,400,841.19	$25,891,918.89	$12,449,385.01	$23,482,690.24	$19,616,928.49	$16,728,800.00	$9,802,058.00
Unrestricted Ending Balance	$11,150,755.48	$20,374,047.04	$9,192,360.73	$18,791,910.55	$17,345,233.04	$14,886,094.00	$8,254,053.00
Restricted Ending Balance	$3,250,085.71	$5,517,871.85	$3,257,024.28	$4,690,779.69	$2,271,695.45	$1,842,706.00	$1,548,005.00

(1) The revenues, expenditures and ending balance in the District's unaudited actuals for fiscal years 2016-17 and 2017-18 differ from the District's audited financial reports for such fiscal years because the District's audited financial reports include the activity of the Special Reserve for Other than Capital Outlay Fund with the General Fund.
(2) Figures are projections.
(3) The District anticipates that expenditures will exceed revenues in fiscal years 2018-19 and 2019-20 due in part to the District's contributions to fund its OPEB liability and to deferred maintenance.
(4) The District makes routine transfers between various funds for a variety of accounting purposes. Amounts include annual transfers to fund its OPEB liability, Association of Pleasanton Teachers and Management CalPERS medical benefits, deferred maintenance, and to repay the advances from the Sycamore Fund, a sub-fund of the Special Reserve Fund for Capital Outlay Projects that was established to account for proceeds from the District's sale of real property. As of June 30, 2017, the general fund has repaid all of the advances from the Sycamore Fund, and the Sycamore Fund has been restored.
Source: Pleasanton Unified School District adopted general fund budgets for fiscal years 2016-17 through 2019-20; unaudited actuals for fiscal years 2016-17 through 2017-18; and estimated actuals for fiscal year 2018-19.

District Debt Structure

Long-Term Debt Summary. A schedule of changes in the District's long-term obligations for the year ended June 30, 2018, consisted of the following:

Long-Term Debt	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due in One Year
General obligation bonds	$19,919,976	$70,645,000	$5,278,578	$85,286,398	$11,791,398
Unamortized premium	2,055,305	5,290,266	577,886	6,767,685	642,581
Accreted interest	2,594,175	3,200	1,006,423	1,590,952	1,590,952
Certificates of participation	15,730,000	-	14,255,000	1,475,000	720,000
Compensated absences	521,897	63,685	-	585,582	-
Total	$40,821,353	$76,002,151	$21,117,887	$95,705,617	$15,330,513

Source: Pleasanton Unified School District Audited Financial Report for fiscal year 2017-18.

General Obligation Bonds. In addition to the Series 2019 Bonds, the District has outstanding three series of general obligation bonds, each of which is secured by *ad valorem* taxes levied upon all property subject to taxation by the District on a parity with the Series 2019 Bonds.

See "THE SERIES 2019 BONDS – Outstanding Bonds" and "– Aggregate Debt Service" in the front portion of this Official Statement for more information about such outstanding bonds.

Certificates of Participation. On June 24, 2010, the District entered into a lease/purchase agreement with the Alameda-Contra Costa Schools Financing Authority for the execution and delivery of $17,510,000 aggregate principal amount of the Pleasanton Unified School District 2010 Refunding Certificates of Participation (the "Series 2010 Certificates"). The Series 2010 Certificates were sold on behalf of the District to refinance the Alameda-Contra Costa Schools Financing Authority Variable Rate Demand Certificates of Participation (Capital Financing Project) and the District's Certificates of Participation (2003 Financing Project), which provided funds for the acquisition and construction of certain projects. On October 15, 2017, the District issued its General Obligation Bonds, Election of 2016, Series 2017, to provide funds to cause a portion of the 2010 Certificates maturing on August 1 in the years 2018 through 2026, inclusive, and 2029, to be prepaid in addition to finance authorized projects. The 2010 Certificates matured on August 1, 2019.

Other Post-Employment Benefits (OPEBs). In addition to the retirement plan benefits with CalSTRS and the State Public Employees' Retirement System ("CalPERS") (see "– Retirement Benefits" below), the District provides certain post retirement healthcare benefits to District employees (the "Plan"). The District funds up to five retirement award packages each year for certificated non-management retirees wherein each eligible retiree shall receive a lump-sum amount towards an IRS 403(b) account. If an eligible retiree's application is not funded, the retiree will receive District-paid benefits. The District offers a "Golden Handshake" program for management employees wherein each eligible retiree shall receive either District-paid benefits or lump-sum amount towards an IRC 403(b) account.

Certificated, classified and management retirees must be at least age 55 with 10 years of service to the District. All groups receive the same dental coverage. The District provides an explicit subsidy for pre-65 medical and dental benefits for all retirees except those management retirees that chose the "Golden Handshake" program. For management retirees to be eligible for the "Golden Handshake" program a member with either a combined 10 years as an administrator/employee in the District, or seven years as an administrator in the District and who is at least 55 years of age. The amount of benefits described is subject to increase based on yearly cost-of-living adjustment calculations.

Contributions are required for both retiree and dependent coverage. Depending on the employee group and the terms of retirement, the District provides an explicit subsidy for all eligible retirees except those that are in the Management Early Retirement programs. The duration of the subsidy is either five or seven years depending on the retiree's choice of coverage and until the retiree reaches age 65, whichever comes first. The District's funding policy is based on the projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined annually by the Board of Trustees of the District.

For a description of the District's program, see Note 7 to the District's financial statements attached hereto as APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

In June 2015, the Governmental Accounting Standards Board ("GASB") issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("Statement Number 75"). Other post-employment benefits (meaning other than pension benefits) ("OPEB") generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long term care benefits. The objective of Statement Number 75 is to improve accounting and financial reporting by the State and local governments for OPEB by requiring the recognition of entire OPEB liability, a more comprehensive measure of OPEB expense, new note disclosures and certain required supplementary information. In addition, Statement Number 75 sets forth additional accounting methods to improve the usefulness of information about OPEB included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. Statement Number 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. Statement Number 75 replaces GASB Statements Number 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and Number 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented Statement No. 75 beginning with its audited financial statements for fiscal year 2017-18. As a result, the beginning net position decreased by $13,313,321, of which $11,004,755 was the result of adjustments made to reflect the District's net OPEB liability.

As of June 30, 2018, 236 inactive employees/dependents participate in the Plan, with a total of 1,275 active employees of the District. At June 30, 2018, the District had not established an irrevocable trust or designated a trustee for the payment of Plan benefits. The contributions at June 30, 2018 consisted of $1,037,275 postemployment benefits for current retirees on a pay-as-you-go basis. The District's fiscal year 2017-18 transfer of $1,203,000 from the general fund to the special reserve fund for other than capital outlay does not meet the GASB qualifications for a contribution. However, as of June 30, 2018, the District has committed approximately $6.6 million for postemployment benefits.

Nyhart Actuary & Employee Benefits, a consulting and actuarial firm located in San Diego, California, has prepared an actuarial valuation (the "Actuarial Valuation") covering the District's retiree health benefits and reports that for fiscal year ending June 30, 2019 (measured at June 30, 2018), the District had a total and net OPEB liability of $29,310,695. The Actuarial Valuation assumes, among other things, 2.75% inflation rate, 3.5% discount rate, and 3.00% payroll increase. For more information about the Plan, the District's OPEB liability and the Trust, see Note 7 to the District's financial statements attached hereto as APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018.

Tax and Revenue Anticipation Notes. The most recent fiscal year in which the District issued tax and revenue anticipation notes ("TRANS") was fiscal year 2012-13. The District does not expect to issue

TRANS or borrow funds to supplement the District's cash flow in fiscal year 2019-20. The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

Employment

As of June 30, 2019, the District employed 785 full-time certificated employees and 369 full-time classified employees. In addition, the District employed 72 part-time faculty and staff. For fiscal year 2018-19, the total certificated and classified payrolls for all funds were approximately $86.22 million (estimated) and $19.78 million (estimated), respectively, and are budgeted to be approximately $88.34 million and $20.40 million, respectively, in fiscal year 2019-20. These employees, except management and some part-time employees, are represented by the bargaining units as noted below.

Name of Bargaining Unit	Number of Employees Represented	Current Contract Expiration Date
California School Employees Association	484	June 30, 2020†
Association of Pleasanton Teachers	786	June 30, 2019*

† Although the District and the California School Employees Association have a contract in place until June 30, 2020, such contract provides for a salary reopener for fiscal year 2019-20. Negotiations will commence later this year.
* The District and the Association of Pleasanton Teachers began negotiations regarding a new contract in August 2019. They are operating under the terms of the expired contract until a new settlement is reached.
Source: Pleasanton Unified School District.

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, including teachers and administrators, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. Contributions to CalSTRS are fixed in statute. For fiscal year 2013-14, covered employees contributed 8.00% of salary to CalSTRS, while school districts contributed 8.25%. In addition to the teacher and school contributions, the State contributed 4.517% of teacher payroll to CalSTRS (calculated on payroll data from two fiscal years ago). Prior to fiscal year 2014-15 and unlike typical defined benefit programs such as those administered by CalPERS, neither the CalSTRS employer nor the State contribution rate varied annually to make up funding shortfalls or assess credits for actuarial surpluses. The State does pay a surcharge when the member and school district contributions are not sufficient to fully fund the basic defined benefit pension (generally consisting of 2% of salary for each year of service at age 60 referred to herein as "pre-enhancement benefits") within a 30-year period. However, this surcharge does not apply to system-wide unfunded liability resulting from recent benefit enhancements.

As part of the 2014-15 State Budget, the Governor signed Assembly Bill 1469 which implemented a new funding strategy for CalSTRS and increased the employer contribution rate in fiscal year 2014-15 from 8.25% to 8.88% of covered payroll. Such rate increased by 1.85% beginning in fiscal year 2015-16 until the employer contribution rate is 19.10% of covered payroll as further described below. AB 1469 increased member contributions, which were previously set at 8.00% of pay, to 10.25% of pay for members hired on or before December 31, 2012 and 9.205% of pay for members hired on or after January 1, 2013 effective July 1, 2016. However, on July 1, 2018, for members hired on or after January 1, 2013, the rate increased from 9.205% of pay to 10.250% of pay. The State's total contribution also increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, plus the continued payment of 2.5% of payroll annual for a supplemental inflation protection program for a total of 9.328%. In addition, AB 1469 provides the State Teachers Retirement Board with authority to modify the percentages paid by employers and employees for fiscal year 2021-22 and each fiscal year thereafter to eliminate the CalSTRS unfunded liability by June 30, 2046. The State Teachers Retirement Board would also have authority to reduce employer and State contributions if they are no longer necessary.

On February 1, 2017, the State Teachers' Retirement Board voted to adopt revised actuarial assumptions reflecting members' increasing life expectancies and current economic trends. The revised assumptions include a decrease from 7.50% to a 7.25% investment rate of return for the June 30, 2016 actuarial valuation, a decrease from 7.25% to a 7.00% investment rate of return for the June 30, 2017 actuarial valuation, a decrease from 3.75% to a 3.50% projected wage growth, and a decrease from 3.00% to a 2.75% price inflation factor.

As of June 30, 2018, an actuarial valuation (the "2018 CalSTRS Actuarial Valuation") for the entire CalSTRS defined benefit program showed an estimated unfunded actuarial liability of $107.2 billion, a decrease of approximately $0.1 billion from the June 30, 2017 valuation. The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2018, June 30, 2017, June 30, 2016 and June 30, 2015, based on the actuarial assumptions, were approximately 64.0%, 62.6%, 63.7% and 68.5%, respectively. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The following are certain of the actuarial assumptions set forth in the 2018 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. The 2018 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See "− *Governor's Pension Reform*" below for a discussion of the pension reform measure signed by the Governor in August 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions, changes in actuarial assumptions and other experiences that may differ from the actuarial assumptions.

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

Effective Date (July 1)	School District Contribution Rate
2014	8.88%
2015	10.73
2016	12.58
2017	14.43
2018	16.28
2019	17.10*
2020	18.40*

* Pursuant to the 2019-20 State Budget. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – 2019-20 State Budget."
Source: Assembly Bill 1469.

The following table sets forth the District's employer contributions to CalSTRS as well as the State's required non-employer contribution for fiscal years 2015-16 through 2018-19 and the budgeted contribution for fiscal year 2019-20.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Contributions to CalSTRS for Fiscal Years 2015-16 through 2019-20

Fiscal Year	District Contribution	State's On-Behalf Contribution
2015-16	$ 8,384,573	$5,011,963
2016-17	10,009,054	4,737,586
2017-18	11,337,592	5,924,487
2018-19(1)	13,736,430	5,429,830
2019-20(2)	14,637,714	5,429,830

(1) Estimated actuals for fiscal year 2018-19.
(2) Original adopted budget for fiscal year 2019-20.
Source: Pleasanton Unified School District

The District's total employer contributions to CalSTRS for fiscal years 2015-16 through 2018-19 were equal to 100% of the required contributions for each year. With the implementation of AB 1469, the District anticipates that its contributions to CalSTRS will increase in future fiscal years as compared to prior fiscal years.

The District, nonetheless, is unable to predict all factors or any changes in law that could affect its required contributions to CalSTRS in future fiscal years.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS, and all of such districts participate in the same plan. As such, all such school districts share the same contribution rate in each year. However, unlike school districts' participating in CalSTRS, the school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

School districts are currently required to contribute to CalPERS at an actuarially determined rate, which was 11.847%, 13.888% and 15.531% of eligible salary expenditures for fiscal years 2015-16, 2016-17, and 2017-18, respectively, and 18.062% of eligible salary expenditures for fiscal year 2018-19. Plan participants enrolled in CalPERS 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 was 6% of their respective salaries in fiscal years 2015-16 and 2016-17, 6.50% in fiscal year 2017-18 and 7.00% in fiscal year 2018-19.

Since the June 30, 2015 valuation, CalPERS has employed an amortization and smoothing policy that apportions all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a five-year period. In contrast, the previous policy spread investment returns over a

15-year period with experience gains and losses spread over a rolling 30-year period. On December 21, 2016, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the CalPERS Schools Pool Actuarial Valuation as of June 30, 2017 (the "2017 CalPERS Schools Pool Actuarial Valuation"). The amounts of the pension/award benefit obligation or UAAL will vary from time to time depending upon actuarial assumptions, and actual rates of return on investments, salary scales, and levels of contribution.

The actuarial funding method used in the 2017 CalPERS Schools Pool Actuarial Valuation is the "Entry Age Normal Cost Method". The 2017 CalPERS Schools Pool Actuarial Valuation assumes, among other things, 2.75% inflation and payroll growth of 3.00% compounded annually. The 2017 CalPERS Schools Pool Actuarial Valuation reflects a discount rate of 7.375% compounded annually (net of administrative expenses) as of June 30, 2017, 7.25% compounded annually (net of administrative expenses) as of June 30, 2018, and 7.0% compounded annually (net of administrative expenses) as of June 30, 2019. The first reduction in the investment rate of return will impact the District's employer contribution rates beginning in fiscal year 2018-19. The CalPERS Board also adopted new demographic assumptions on December 19, 2017, including a reduction in the inflation assumption from 2.75% as of June 30, 2017, to 2.625% as of June 30, 2018, and finally to 2.50% as of June 30, 2019. The reduction in the inflation assumption results in decreases in both the normal cost and the accrued liabilities in the future. The overall payroll growth will be reduced from 3.0% annually as of June 30, 2017, to 2.875% as of June 30, 2018, and finally to 2.75% as of June 30, 2019.

On April 16, 2019, the CalPERS Board established the employer contribution rates for fiscal year 2019-20 and released certain information from the CalPERS Schools Pool Actuarial Valuation as of June 30, 2018, ahead of its summer 2019 release date. Based on the changes in the discount rate, inflation rate, payroll growth rate and demographic assumptions, along with expected reductions in normal cost due to the continuing transition of active members from those employees hired prior to the Implementation Date, to those hired after such date, the projected contribution for fiscal year 2020-21 is projected to be 23.6%, with annual increases and decreases thereafter, resulting in a projected 26.5% employer contribution rate for fiscal year 2025-26.

The following table sets forth the District's total employer contributions to CalPERS for fiscal years 2015-16 through 2018-19 and the budgeted contribution for fiscal year 2019-20.

PLEASANTON UNIFIED SCHOOL DISTRICT
(Alameda County, California)
Contributions to CalPERS for Fiscal Years 2015-16 through 2019-20

Fiscal Year	Contribution
2015-16	$1,984,398
2016-17	2,543,175
2017-18	2,859,379
2018-19(1)	3,264,636
2019-20(2)	4,112,242

(1) Estimated actuals for fiscal year 2018-19.
(2) Original adopted budget for fiscal year 2019-20.
Source: Pleasanton Unified School District

The District's total employer contributions to CalPERS for fiscal years 2015-16 through 2018-19 were equal to 100% of the required contributions for each year. With the change in actuarial assumptions described above, the District anticipates that its contributions to CalPERS will increase in future fiscal years as the increased costs are phased in. The implementation of PEPRA (see "−Governor's Pension Reform" below), however, is expected to help reduce certain future pension obligations of public employers with respect to employees hired on or after January 1, 2013. The District cannot predict the impact these changes will have on its contributions to CalPERS in future years.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

Governor's Pension Reform. On August 28, 2012, Governor Brown and the State Legislature reached agreement on a new law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is $127,200 for 2017, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires state employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law. Although the District anticipates that PEPRA would not increase the District's future pension obligations, the District is unable to determine the extent of any impact PEPRA would have on the District's pension obligations at this time. Additionally, the District cannot predict if PEPRA will be challenged in court and, if so, whether any challenge would be successful.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make. CalSTRS and CalPERS are more fully described in Note 8 to the District's financial statements attached hereto as APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

GASB 67 and 68. In June 2012, the Governmental Accounting Standards Board approved a pair of related statements, Statement Number 67, Financial Reporting for Pension Plans ("Statement Number 67"), which addresses financial reporting for pension plans, and Statement Number 68, Accounting and Financial Reporting for Pensions ("Statement Number 68"), which establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these statements will change how governments calculate and report the costs and obligations associated with pensions. Statement Number 67 replaces the current requirements of Statement Number 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, for most public employee pension plans, and Statement Number 27 replaces the current requirements of Statement Number 27, Accounting for Pensions by State and Local Governmental Employers, for most government employers. The new statements also replace the requirements of Statement Number 50, Pension Disclosures, for those governments and pension plans. Certain of the major changes include: (i) the inclusion of unfunded pension liabilities on the government's balance sheet (such unfunded liabilities were typically included as notes to the government's financial statements); (ii) full pension costs are shown as expenses regardless of actual contribution levels; (iii) lower actuarial discount rates are required to be used for most plans for certain purposes of the financial statements, resulting in increased liabilities and pension expenses; and (iv) shorter amortization periods for unfunded liabilities are required to be used for certain purposes of the financial statements, which generally increases pension expenses. Statement Number 67 became effective beginning in fiscal year 2013-14, and Statement Number 68 became effective beginning in fiscal year 2014-15.

Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures

The District participates in the East Bay Schools Insurance Group ("EBSIG") and the Alameda County Schools Insurance Group ("ACSIG") (collectively, the "JPAs"). The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

EBSIG arranges for and provides property and liability insurance for its members. ACSIG arranges for and provides workers' compensation insurance for its members. EBSIG and ACSIG are governed by boards consisting of a representative from each member district. The boards control the operations of the JPAs, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the boards. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPAs. See Note 10 to the District's audited financial statements attached hereto as APPENDIX B— "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018" for more information.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

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

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

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new "base year value" for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIIIA. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

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 county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

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 market value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

Article XIIIB of the California Constitution

An initiative to amend the State Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979, thereby adding Article XIIIB to the State Constitution ("Article XIIIB"). Under Article XIIIB state and local governmental entities have an annual "appropriations limit" and are not permitted to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the "appropriations limit." Article XIIIB does not affect the appropriation of moneys which are excluded from the definition of "appropriations subject to limitation," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the "appropriations limit" is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIIIB, if these entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State's allowable limit.

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 ("Article XIIIC" and "Article XIIID," respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article 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 school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article 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 1% *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.

Statutory Limitations

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Guardino.* This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed 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 districts and community college districts (collectively, "K-14 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, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIIIB spending limit would restrain the State's ability to fund such other programs by raising taxes.

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 districts. Such transfer would be excluded from the Appropriations Limit for K-14 districts and the K-14 districts Appropriations Limits 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 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 schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, California voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the "first test") or (b) 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 (the "second test"). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a "credit" to be paid in future years when general fund revenue growth exceeds personal income growth.

Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*

On February 1, 2012, pursuant to the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, Assembly Bill No. 26 (First Extraordinary Session) ("AB1X 26") dissolved all redevelopment agencies in existence and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency were transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

It is possible that there will be additional legislation proposed and/or enacted to clarify various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a "tax claw back" provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This "tax claw back" provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Proposition 30 and Proposition 55

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2019 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see "–Proposition 98 and Proposition 111" above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative ("Proposition 55"), approved by the voters on November 8, 2016, extends by 12 years the temporary personal income tax increases on incomes over $250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales and use tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see "DISTRICT FINANCIAL MATTERS — State Funding of Education; State Budget Process."

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

Rainy Day Fund. The Proposition 2 constitutional amendments related to the Rainy Day Fund (i) require deposits into the Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year's deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create a Proposition 98 reserve (the "Public School System Stabilization Account") to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Public School System Stabilization Account unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. Senate Bill 858 ("SB 858") became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Public School System Stabilization Account, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

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

The Series 2019 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Series 2019 Bonds as and when due.

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID, as well as Propositions 2, 30, 55, 62, 98, 111 and 218, were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenues.

APPENDIX B

FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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PLEASANTON UNIFIED SCHOOL DISTRICT

PLEASANTON, CALIFORNIA

AUDIT REPORT

YEAR ENDED JUNE 30, 2018

COSSOLIAS | WILSON
DOMINGUEZ | LEAVITT
CERTIFIED PUBLIC ACCOUNTANTS

(858) 565-2700 | www.cwdlcpa.com

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INDEPENDENT AUDITORS' REPORT

Members of the Board of Trustees
Pleasanton Unified School District
Pleasanton, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Pleasanton Unified School District (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the 2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting, published by the Education Audit Appeals Panel. 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.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1 to the financial statements, the District implemented the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, "Accounting for Financial Reporting for Postemployment Benefits Other than Pensions". This Statement replaces the requirements of GASB Statements No. 45, "Accounting and Reporting for Employers Post-Employment Benefits Other than Pensions", as amended, and GASB Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans." Note disclosures and required supplementary information requirements about OPEB are also discussed. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information section, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Additional Information section, as listed in the Table of Contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The Supplementary Information section, as listed in the Table of Contents, is presented for purposes of additional analysis and as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the 2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting, published by the Education Audit Appeals Panel, and are not a required part of the basic financial statements.

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The Supplementary Information section is the responsibility of management and was derived from and relate 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.

The Additional Information section has not been subjected to auditing procedures applied to in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is 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 the District's internal control over financial reporting and compliance.

CWDL, Certified Public Accountants

San Diego, California
December 15, 2018

INTRODUCTION

Our discussion and analysis of Pleasanton Unified School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2018. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

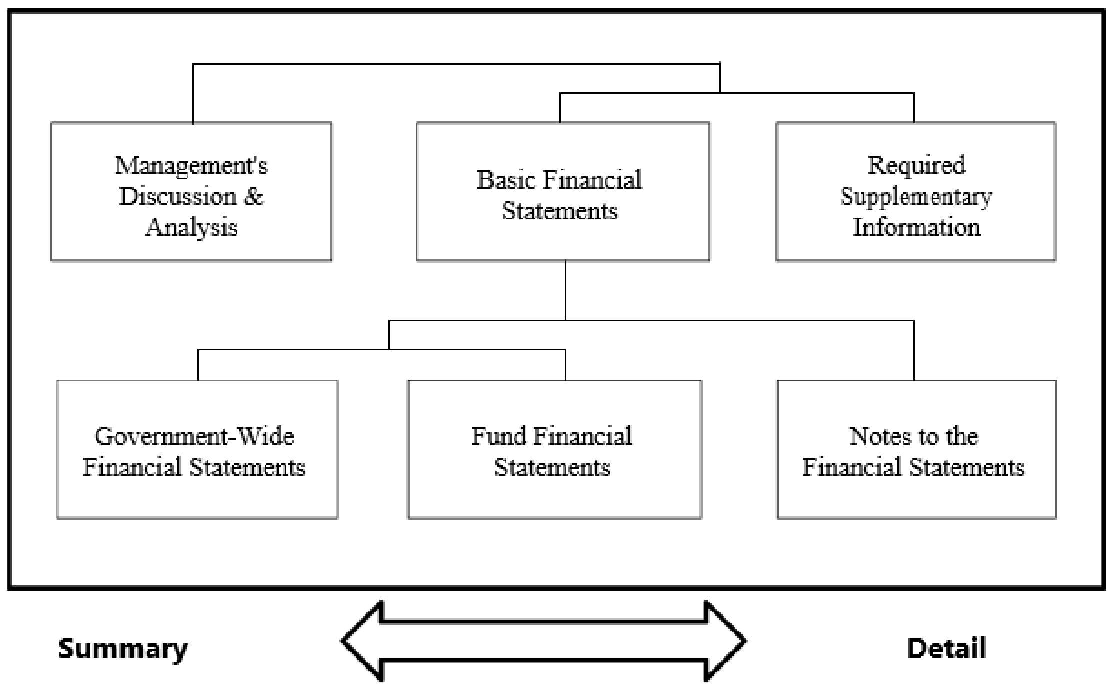
Government Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71 (GASB 71), *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* (collectively, the Statements) was implemented during the fiscal year ended June 30, 2015. The primary objective of the Statements is to improve accounting and financial reporting by state and local governments for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. It requires employers to report a net pension liability for the difference between the present value of projected pension benefits for past service and restricted resources held in trust for the payment of benefits. The Statements identify the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The net pension liability as of June 30, 2018 was $174.7 million.

Overall governmental activities revenues were $196.5 million which were exceeded by expenses of $202.0 million. Business-type activities revenues were $3.4 million which exceeded expenses of $3.3 million.

General Fund expenditures and other financing uses exceeded revenues and other financing sources by $1.6 million.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financial Statements



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

- **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.

- **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.

    - **Governmental Funds** provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

    - **Enterprise Funds** report services for which the District charges customers a fee. Like the government-wide statements, they provide both long- and short-term financial information.

    - **Fiduciary Funds** report balances for which the District is a custodian or trustee of the funds, such as Associated Student Bodies.

OVERVIEW OF FINANCIAL STATEMENTS, continued

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

Government-Wide Statements

The District as a whole is reported in the government-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources are included in the statement of net position. The statement of activities reports all of the current year's revenues and expenses regardless of when cash is received or paid. The District's net position can be measured by adding the District's assets and deferred outflow of resources and subtracting the liabilities and deferred inflow of resources.

- Increases or decreases in the net position of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.

- Additional non-financial factors such as condition of school buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

In the government-wide financial statements, the District activities are categorized as governmental activities and business-type activities. The governmental activities are the basic services provided by the District, such as regular and special education, administration, and transportation, and are included here. Property taxes and state formula aid finance most of these activities.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's governmental activities net position was $8.9 million at June 30, 2018, as reflected in the table below. Of this amount, there is a deficit of $185.4 million in unrestricted due primarily to the recognition of the net pension liability of $174.7 million and net OPEB liability of $27.7 million. Net investment in capital assets (e.g., land, building and equipment) was $113.5 million of the net position. The District uses these assets to provide educational services; therefore, they are not available for future spending. Although the District's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. And lastly, resources subject to external restrictions accounted for $80.8 million of net position.

	Governmental Activities			Business-Type Activities		
	2018	2017	Net Change	2018	2017	Net Change
ASSETS AND DEFERRED OUTFLOWS						
Current and other assets	$ 132,700,241	$ 74,477,123	$ 58,223,118	$ 2,163,627	$ 1,673,213	$ 490,414
Capital assets	152,322,266	159,496,034	(7,173,768)	-	-	-
Deferred outflows	49,195,418	28,811,907	20,383,511	-	-	-
Total Assets and Deferred Outflows	334,217,925	262,785,064	71,432,861	2,163,627	1,673,213	490,414
LIABILITIES AND DEFERRED INFLOWS						
Current liabilities	27,148,073	22,248,406	4,899,667	441,636	71,071	(370,565)
Long-term liabilities	282,782,026	207,056,307	75,725,719	-	-	-
Deferred inflows	15,402,633	5,759,599	9,643,034	-	-	-
Total Liabilities and Deferred Inflows	325,332,732	235,064,312	90,268,420	441,636	71,071	(370,565)
NET POSITION						
Net investment in capital assets	113,461,586	119,196,578	(5,734,992)	-	-	-
Restricted	80,815,476	17,956,404	62,859,072	-	-	-
Unrestricted	(185,391,869)	(109,432,230)	(75,959,639)	1,721,991	1,602,142	119,849
Total Net Position	$ 8,885,193	$ 27,720,752	$ (18,835,559)	$ 1,721,991	$ 1,602,142	$ 119,849

Changes in Net Position

As shown in the table below, the District's governmental activities and business-type revenues were $196.4 million and $3.4 million, respectively. The majority of the revenue comes from property taxes and unrestricted federal and state aid (73%). Operating grants and contributions for specific programs accounted for another 24% of total revenues.

The total cost of all governmental activities and business-type programs and services was $201.9 million and $3.3 million respectively. The District's expenses are predominately related to educating and caring for students (68%). Pupil Services (including transportation and food) account for 7% of expenses. General administrative activities accounted for just 5% of total costs. Plant services, which represent the facilities maintenance and operations costs, account for 6% of all costs. Other outgo accounted for 9% of all costs. The remaining expenses were for interest and other charges, depreciation, and enterprise services and account for the remaining 5% of all costs. The governmental activities net position decreased by $5.5 million.

	Governmental Activities			Business-Type Activities		
	2018	2017	Net Change	2018	2017	Net Change
REVENUES						
Program revenues						
Charges for services	$ 4,239,905	$ 4,048,229	$ 191,676	$ 3,384,802	$ 2,995,668	$ 389,134
Operating grants and contributions	46,203,860	40,120,608	6,083,252	-	-	-
Capital grants and contributions	(987,245)	(1,122,864)	135,619	-	-	-
General revenues						
Property taxes	82,996,657	69,948,860	13,047,797	-	-	-
Unrestricted federal and state aid	60,175,156	62,624,276	(2,449,120)	-	-	-
Other	3,743,101	5,921,774	(2,178,673)	1,108	7,028	(5,920)
Total Revenues	196,371,434	181,540,883	14,830,551	3,385,910	3,002,696	383,214
EXPENSES						
Instruction	116,261,634	108,892,148	7,369,486	-	-	-
Instruction-related services	20,046,766	18,510,956	1,535,810	-	-	-
Pupil services	13,590,139	12,016,862	1,573,277	-	-	-
General administration	9,690,086	8,046,033	1,644,053	-	-	-
Plant services	13,030,256	12,382,881	647,375	-	-	-
Interest and other charges	3,568,621	1,478,056	2,090,565	-	-	-
Other outgo	18,021,100	16,508,070	1,513,030	-	-	-
Depreciation	7,796,970	7,848,464	(51,494)	-	-	-
Enterprise services	-	92,384	(92,384)	3,154,161	2,449,412	704,749
Transfers to other agencies	(111,900)	(111,900)	-	111,900	111,900	-
Total Expenses	201,893,672	185,663,954	16,229,718	3,266,061	2,561,312	704,749
Change in net position	(5,522,238)	(4,123,071)	(1,399,167)	119,849	441,384	(321,535)
Net Position - Beginning	27,720,752	31,843,823	(4,123,071)	1,602,142	1,160,758	441,384
Prior Period Adjustment (See Note 12)	(13,313,321)	-	(13,313,321)	-	-	-
Net Position - Ending	$ 8,885,193	$ 27,720,752	$ (18,835,559)	$ 1,721,991	$ 1,602,142	$ 119,849

Changes in Net Position, continued

The net expense of all our governmental activities by function this year was $152.6 million. These costs were offset by general revenues, including property taxes of $83.0 million, unrestricted federal and state aid of $60.2 million, and other general revenues of $3.7 million. The table below displays the net expense of all governmental activities by function before the general revenue offsets.

	Governmental Activities		
	2018	**2017**	**Net Change**
NET EXPENSE OF SERVICES			
Instruction	$ 91,789,824	$ 89,780,476	$ 2,009,348
Instruction-related services	16,937,815	15,892,231	1,045,584
Pupil services	6,265,112	5,544,367	720,745
Enterprise services	-	92,384	(92,384)
General administration	8,401,853	6,923,273	1,478,580
Plant services	12,986,957	12,225,775	761,182
Interest and other charges	3,568,621	1,478,056	2,090,565
Other outgo	4,801,900	2,944,855	1,857,045
Depreciation	7,796,970	7,848,464	(51,494)
Totals	$ 152,549,052	$ 142,729,881	$ 9,819,171

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of $123.7 million, which increased from last year's ending fund balance of $58.6 million. The District's General Fund had $1.6 million more expenses than revenues for the year ended June 30, 2018, leading to an ending fund balance of $30.6 million. The District's Special Education Pass-Through Fund had $0 ending fund balance for the year ended June 30, 2018 due to the fact that all of revenues in this fund are transferred to other agencies. The District's Special Reserve Fund for Capital Outlay Projects had $391 thousand more revenues than expenditures for the year ended June 30, 2018, leading to an ending fund balance of $12.2 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, warrants are presented to the Board for their approval on a monthly basis to reflect expenditures made during the month. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial actuals and current budget based on state and local financial information.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2018, the District had invested $152.3 million in capital assets, net of accumulated depreciation. The net change as a result of fiscal year 2018 activity is primarily due to current year depreciation.

	Governmental Activities		
	2018	**2017**	**Net Change**
CAPITAL ASSETS			
Land	$ 40,624,273	$ 40,624,273	$ -
Construction in Progress	2,512,574	-	2,512,574
Land improvements	29,659,616	29,659,616	-
Buildings & improvements	261,360,479	261,360,479	-
Furniture & equipment	5,736,538	5,317,344	419,194
Accumulated depreciation	(187,571,214)	(177,465,678)	(10,105,536)
Total Capital Assets	$ 152,322,266	$ 159,496,034	$ (7,173,768)

Long-Term Debt

At June 30, 2018, the District had $282.8 million in long-term debt, an increase of $75.7 million from last year – as shown below. General Obligation Bonds increased $69.0 from the first issuance of Measure I1. Net Pension Liability increased by $17.9 million primarily due to low investment returns during the measurement period of the net pension liability (June 30, 2017) as compared to the prior measurement period (June 30, 2016). Net OPEB Liability increased by $12.7 million due to the implementation of GASB Statement No. 75, requiring Districts to report the total OPEB liability less amounts held in an irrevocable trust. More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.

	Governmental Activities		
	2018	**2017**	**Net Change**
LONG-TERM LIABILITIES			
General obligation bonds	$ 93,645,035	$ 24,569,456	$ 69,075,579
Certificates of participation	1,475,000	15,730,000	(14,255,000)
Compensated absences	585,582	521,897	63,685
Net OPEB liability	27,712,765	15,052,318	12,660,447
Net pension liability	174,694,157	156,768,148	17,926,009
Less: current portion of long-term debt	(15,330,513)	(5,585,512)	(9,745,001)
Total Long-term Liabilities	$ 282,782,026	$ 207,056,307	$ 75,725,719

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

Landmark legislation passed in Year 2013 reformed California school district finance by creating the new Local Control Funding Formula (LCFF). The District continues to analyze the impact of the LCFF on funding for our program offerings and services. The LCFF is designed to provide a flexible funding mechanism that links student achievement to state funding levels. The LCFF provides a per pupil base grant amount, by grade span, that is augmented by supplemental funding for targeted student groups in low income brackets, those that are English language learners and foster youth.

The factors related to LCFF that the District is monitoring include: (1) estimates of funding in the next budget year and beyond; (2) the Local Control and Accountability Plan (LCAP) that aims to link student accountability measurements to funding allocations; (3) ensuring the integrity of reporting student data through the California Longitudinal Pupil Achievement Data System (CALPADs); and, (4) meeting new compliance and audit requirements.

The District participates in state employee pensions plans, PERS and STRS, and both are underfunded. The District's proportionate share of the liability was reported in the Statement of Net Position as of June 30, 2018. The amount of the liability is approximately $174.7 million which is material to the financial position of the District. To address the underfunding issues, the pension plans intend to raise employer rates in future years and the increased costs could be significant.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, inter-district transfers in or out, economic conditions and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs.

All of these factors were considered in preparing the District's budget for the 2018-19 fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the District's Business Office at 4665 Bernal Avenue; Pleasanton, California, 94566.

PLEASANTON UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 125,080,820	$ 2,457,196	$ 127,538,016
Accounts receivable	7,086,275	50,623	7,136,898
Prepaid expenses	67,522	285	67,807
Inventory	121,147	-	121,147
Internal balances	344,477	(344,477)	-
Capital assets, not depreciated	40,624,273	-	40,624,273
Capital assets, net of accumulated depreciation	111,697,993	-	111,697,993
Total Assets	285,022,507	2,163,627	287,186,134
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	1,100,773	-	1,100,773
Deferred outflows related to pensions	48,094,645	-	48,094,645
Total Deferred Outflows of Resources	49,195,418	-	49,195,418
LIABILITIES			
Accrued liabilities	11,815,504	191,636	12,007,140
Unearned revenue	2,056	250,000	252,056
Net pension liability	174,694,157	-	174,694,157
Net OPEB liability	27,712,765	-	27,712,765
Long-term liabilities, current portion	15,330,513	-	15,330,513
Long-term liabilities, non-current portion	80,375,104	-	80,375,104
Total Liabilities	309,930,099	441,636	310,371,735
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	14,373,888	-	14,373,888
Deferred inflows related to OPEB	1,028,745	-	1,028,745
Total Deferred Inflows of Resources	15,402,633	-	15,402,633
NET POSITION			
Net investment in capital assets	113,461,586	-	113,461,586
Restricted:			
Capital projects	57,888,237	-	57,888,237
Debt service	16,940,778	-	16,940,778
Educational programs	5,055,265	-	5,055,265
All others	931,196	-	931,196
Unrestricted	(185,391,869)	1,721,991	(183,669,878)
Total Net Position	$ 8,885,193	$ 1,721,991	$ 10,607,184

PLEASANTON UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

		Program Revenues			Revenues and Changes in Net Position		
Function/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
Instruction	$ 116,261,634	$ 219,055	$ 25,240,000	$ (987,245)	$ (91,789,824)	$ -	$ (91,789,824)
Instruction-related services							
Instructional supervision and administration	6,217,862	19,284	1,865,507	-	(4,333,071)	-	(4,333,071)
Instructional library, media, and technology	2,856,084	2,252	116,243	-	(2,737,589)	-	(2,737,589)
School site administration	10,972,820	1,256	1,104,409	-	(9,867,155)	-	(9,867,155)
Pupil services							
Home-to-school transportation	1,023,027	7,507	514,836	-	(500,684)	-	(500,684)
Food services	4,146,070	3,598,911	666,958	-	119,799	-	119,799
All other pupil services	8,421,042	11,159	2,525,656	-	(5,884,227)	-	(5,884,227)
General administration							
Centralized data processing	1,255,417	-	-	-	(1,255,417)	-	(1,255,417)
All other general administration	8,434,669	199,614	1,088,619	-	(7,146,436)	-	(7,146,436)
Plant services	13,030,256	5,826	37,473	-	(12,986,957)	-	(12,986,957)
Interest on long-term debt	3,568,621	-	-	-	(3,568,621)		(3,568,621)
Other outgo	18,021,100	175,041	13,044,159	-	(4,801,900)	-	(4,801,900)
Depreciation (unallocated)	7,796,970	-	-	-	(7,796,970)	-	(7,796,970)
Total Governmental Activities	$ 202,005,572	$ 4,239,905	$ 46,203,860	$ (987,245)	(152,549,052)	-	(152,549,052)
BUSINESS-TYPE ACTIVITIES							
Child Development Center	3,154,161	3,384,802	-	-	-	230,641	230,641
Total Business-Type Activities	3,154,161	3,384,802	-	-	-	230,641	230,641
Total School District	$ 205,159,733	$ 7,624,707	$ 46,203,860	$ (987,245)	(152,549,052)	230,641	(152,318,411)
General revenues							
Taxes and subventions							
Property taxes, levied for general purposes					68,050,684	-	68,050,684
Property taxes, levied for debt service					14,945,973	-	14,945,973
Property taxes, levied for other specific purposes					-	-	-
Federal and state aid not restricted for specific purposes					60,175,156	-	60,175,156
Interest and investment earnings					547,309	1,108	548,417
Miscellaneous					3,195,792	-	3,195,792
Internal Transfers					111,900	(111,900)	-
Subtotal, General Revenue					147,026,814	(110,792)	146,916,022
Change in Net Position					(5,522,238)	119,849	(5,402,389)
Net Position - Beginning					27,720,752	1,602,142	29,322,894
Prior Period Adjustment (See Note 12)					(13,313,321)	-	(13,313,321)
Net Position - Ending					$ 8,885,193	$ 1,721,991	$ 10,607,184

PLEASANTON UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEETS
JUNE 30, 2018

	General Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 31,219,954	$ 54,784,355	$ 16,888,066	$ 22,188,445	$ 125,080,820
Accounts receivable	6,771,504	144,029	52,712	118,030	7,086,275
Due from other funds	591,538	-	-	20,339	611,877
Stores inventory	101,441	-	-	19,706	121,147
Prepaid expenditures	67,522	-	-	-	67,522
Total Assets	38,751,959	54,928,384	16,940,778	22,346,520	132,967,641
LIABILITIES					
Accrued liabilities	8,089,911	688,968	-	232,322	9,011,201
Due to other funds	20,604	4,654	-	242,142	267,400
Deferred revenue	2,056	-	-	-	2,056
Total Liabilities	8,112,571	693,622	-	474,464	9,280,657
FUND BALANCES					
Nonspendable	-	-	-	22,207	22,207
Spendable	243,442	-	-	-	243,442
Restricted					
Educational programs	5,055,265	-	-	-	5,055,265
Capital projects	-	54,234,762	-	3,653,475	57,888,237
Debt service	-	-	16,940,778	-	16,940,778
All others	-	-	-	931,196	931,196
Assigned	10,406,216	-	-	17,265,178	27,671,394
Unassigned	14,934,465	-	-	-	14,934,465
Total Fund Balances	30,639,388	54,234,762	16,940,778	21,872,056	123,686,984
Total Liabilities and Fund Balances	$ 38,751,959	$ 54,928,384	$ 16,940,778	$ 22,346,520	$ 132,967,641

PLEASANTON UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

Total Fund Balance - Governmental Funds		$ 123,686,984
Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:		
Capital assets:		
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:		
Capital assets	$ 339,893,480	
Accumulated depreciation	(187,571,214)	152,322,266
Unmatured interest on long-term debt:		
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmatured interest owing at the end of the period was:		(2,804,303)
Long-term liabilities:		
In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist		
Net pension liability	$ 174,694,157	
Net OPEB liability	27,712,765	
Long-term liabilities, due within one year	15,330,513	
Long-term liabilities, due in more than one year	80,375,104	(298,112,539)
Deferred outflows and inflows of resources relating to pensions:		
In governmental funds, defered outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported:		
Deferred outflows of resources relating to pensions:	$ 48,094,645	
Deferred inflows of resources relating to pensions:	(14,373,888)	33,720,757
Deferred outflows and inflows of resources related to other postemployment benefits (OPEB):		
In governmental funds, defered outflows and inflows of resources relating to OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported:		
Deferre outflows of resources relating to OPEB	1,100,773	
Deferred inflows of resources relating to OPEB	(1,028,745)	72,028
Total Net Position - Governmental Activities		$ 8,885,193

PLEASANTON UNIFIED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
LCFF sources	$ 120,552,980	$ -	$ -	$ 700,000	$ 121,252,980
Federal sources	3,795,141	-	-	4,252,711	8,047,852
Other state sources	22,925,221	-	72,055	11,204,071	34,201,347
Other local sources	7,816,435	442,877	14,994,226	5,290,649	28,544,187
Total Revenues	155,089,777	442,877	15,066,281	21,447,431	192,046,366
EXPENDITURES					
Current					
Instruction	108,075,483	-	-	231,388	108,306,871
Instruction-related services					
Instructional supervision and administration	5,804,385	-	-	-	5,804,385
Instructional library, media, and technology	2,551,844	-	-	10,434	2,562,278
School site administration	9,645,024	-	-	367,207	10,012,231
Pupil services					
Home-to-school transportation	946,619	-	-	-	946,619
Food services	-	-	-	3,908,569	3,908,569
All other pupil services	7,741,342	-	-	-	7,741,342
General administration					
Centralized data processing	1,026,747	-	-	-	1,026,747
All other general administration	6,670,608	-	-	204,733	6,875,341
Plant services	11,590,154	-	-	614,367	12,204,521
Facilities acquisition and maintenance	1,265,958	2,304,067	-	-	3,570,025
Transfers to other agencies	1,177,176	-	-	15,205,645	16,382,821
Debt service					
Principal	37,868	-	6,353,133	896,132	7,287,133
Interest and other	25,034	302,422	1,445,807	345,697	2,118,960
Total Expenditures	156,558,242	2,606,489	7,798,940	21,784,172	188,747,843
Excess (Deficiency) of Revenues					
Over Expenditures	(1,468,465)	(2,163,612)	7,267,341	(336,741)	3,298,523
Other Financing Sources (Uses)					
Transfers in	147,188	-	-	276,849	424,037
Other sources	-	70,645,000	5,290,266	-	75,935,266
Contributions	-	-	-	-	-
Transfers out	(276,849)	-	-	(35,288)	(312,137)
Other Uses	-	(14,252,890)	-	-	(14,252,890)
Net Financing Sources (Uses)	(129,661)	56,392,110	5,290,266	241,561	61,794,276
NET CHANGE IN FUND BALANCE	(1,598,126)	54,228,498	12,557,607	(95,180)	65,092,799
Fund Balance - Beginning	32,237,513	6,264	4,383,171	21,967,236	58,594,185
Fund Balance - Ending	$ 30,639,388	$ 54,234,762	$ 16,940,778	$ 21,872,056	$ 123,686,984

PLEASANTON UNIFIED SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2018

Net Change in Fund Balances - Governmental Funds		$ 65,092,799
Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:		
Capital outlay:		
In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:		
Expenditures for capital outlay:	$ 2,931,768	
Depreciation expense:	(7,796,970)	(4,865,202)
Debt service:		
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term		20,540,001
Debt proceeds:		
In governmental funds, proceeds of long-term debt are reported as Other Financing sources. In the government-wide statements, proceeds of long-term debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from long-term debt were:		(75,935,266)
Unmatured interest on long-term debt:		
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:		(2,024,347)
Accreted interest on long-term debt:		
In governmental funds, accreted interest on capital appreciation bonds is not recorded as an expenditure from current sources. In the government-wide statement of activities, however, this is recorded as interest expense for the period.		(3,200)
Compensated absences:		
In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:		(63,685)
Pensions:		
In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer		(7,257,560)
Postemployment benefits other than pensions (OPEB):		
In governmental funds, OPEB expenses are recognized when employer contributions are made. In the statement of activities, OPEB expenses are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:		(1,583,664)
Amortization of debt issuance premium or discount:		
In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized over the life of the debt. Amortization of premium or discount for the period is:		577,886
Change in Net Position of Governmental Activities		$ (5,522,238)

PLEASANTON UNIFIED SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS		
Cash and cash equivalents	$	2,457,196
Accounts receivable		50,623
Prepaid expenses		285
Due from other funds		265
Total Assets		2,508,369
LIABILITIES		
Accrued liabilities		191,636
Unearned revenues		250,000
Due to other funds		344,742
Total Liabilities		786,378
NET POSITION		
Unrestricted		1,721,991
Total Net Position	$	1,721,991

PLEASANTON UNIFIED SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

OPERATING REVENUES	
Charges for services	$ 3,372,451
Total Operating Revenues	3,372,451
OPERATING EXPENSES	
Employee salaries	1,984,931
Employee benefits	645,527
Books and supplies	187,976
Services and other operating expenses	335,727
Total Operating Expenses	3,154,161
Operating Income	218,290
NONOPERATING REVENUES (EXPENSES)	
Interest income	13,459
Interfund transfer out	(111,900)
Total Nonoperating Revenues (Expenses)	(98,441)
Change in Net Position	119,849
Net Position - Beginning	1,602,142
Net Position - Ending	$ 1,721,991

PLEASANTON UNIFIED SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

CASH FLOW FROM OPERATING ACTIVITIES:		
Cash received from user charges	$	3,577,440
Cash paid for operating expenses		(3,033,881)
Total Operating Revenues		543,559
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to other funds		206,945
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received		13,459
Net Increase (Decrease) in Cash and Cash Equivalents		763,963
Cash and Cash Equivalents - Beginning of Year		1,693,233
Cash and Cash Equivalents - End of Year	$	2,457,196
RECONCILIATION OF OPERATING INCOME TO CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$	218,290
Changes in operating assets and liabilities:		
Accounts receivable		(45,011)
Prepaid expenses		(285)
Accrued liabilities		120,565
Unearned revenues		250,000
Net cash and cash equivalents provided by operating activities	$	543,559

PLEASANTON UNIFIED SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2018

	Student Body Fund
ASSETS	
Cash and cash equivalents	$ 800,174
LIABILITIES	
Due to student groups and other agencies	$ 800,174

The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING POLICIES

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

B. REPORTING ENTITY

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight responsibility that would result in the District being considered a component unit of that entity.

C. BASIS OF PRESENTATION

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except the fiduciary fund.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Fund financial statements - Fund financial statements report more detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column as other governmental funds. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds include a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

The fiduciary fund is reported using the economic resources measurement focus. The fiduciary fund is not included in the government-wide financial statements. The fiduciary fund is reported only in the statement of fiduciary net position at the fund financial statement level.

D. BASIS OF ACCOUNTING

Basis of accounting refers to when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental fund financial statements use the modified accrual basis of accounting. Proprietary and fiduciary funds use the accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. Under the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means 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, "available" means collectible within the current period or within 45, 60, or 90 days after year-end, depending on the revenue source. However, to achieve comparability of reporting among California districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state aid apportionments, the California Department of Education has defined "available" as collectible within one year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Non-exchange transactions are those in which the District receives value without directly giving equal value in return, and include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted, matching requirements, under which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Receivables associated with non-exchange transactions that will not be collected within the period of availability have would be offset with unavailable revenue.

Unearned Revenue – Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are recorded as unearned revenue.

Expenses/Expenditures – Under the accrual basis of accounting, expenses are recognized at the time they are incurred. However, the measurement focus of governmental fund accounting is on decreases in the net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized on governmental fund financial statements.

When both restricted and unrestricted resources are available for use, it is the District’s policy to first apply the expenditure toward restricted fund balance and then to other, less restrictive classifications – committed, assigned, and then unassigned fund balances.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

E. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self- balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District's accounts are organized into major and non-major governmental funds, enterprise fund, and fiduciary fund as follows:

Major Governmental Funds

Major governmental funds, meeting the criteria of a major fund under GASB, comprise the following:

The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Additionally, the Special Reserve for Other than Capital Outlay has been combined with the General Fund because it does not meet the definition of a special revenue fund under GASB.

The Special Education Pass-Through Fund, a special revenue fund, is used by the Administrative Unit (AU) of a multi-LEA Special Education Local Plan Area (SELPA) to account for Special Education revenue passed through to other member LEAs.

The Special Reserve Fund for Capital Outlay Projects, a capital projects fund, exists primarily to provide for accumulation of General Fund moneys for capital outlay purposes. The Sale of Property Reserve Fund (Sycamore Fund) is a sub fund of the Special Reserve Fund for Capital Outlay Projects that was established to account for proceeds from the District's sale of real property.

Non-Major Governmental Funds

Funds not meeting the criteria of a major fund are reported as other governmental funds and include the following:

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

The Adult Education Fund is used to account for state, federal and local revenues for adult educational programs.

The Cafeteria Fund is used to account for state, federal and local revenues to operate the food services program.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Non-Major Governmental Funds

The Deferred Maintenance Fund is used to account for state revenues, and matching funds from the District, that are to be used on maintenance projects for upkeep of district facilities.

Capital Projects Funds are used to account for the acquisition and/or construction of all major governmental general fixed assets. The District maintains the following non-major capital projects funds:

The Building Fund is used to account for the acquisition and construction of major governmental capital facilities and buildings.

The Capital Facilities Fund is used to account for resources received from development impact fees assessed under provisions of the California Government Code.

The County School Facilities Fund is used to account for state apportionment provided for construction and reconstruction of school facilities.

The Debt Service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and other debt related costs. The District maintains the following non-major debt service fund:

The Bond Interest and Redemption Fund, a debt service fund, is used to account for the accumulation of resources for, and the repayment of general obligation bonds, interest, and other debt-related costs.

Enterprise Fund

An Enterprise Fund is used to account for those operations that are financed and operated in a manner similar to private business or where the governing board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. The District operates one enterprise fund, the Child Development Fund.

Fiduciary Fund

An Agency Fund is used to account for assets of others for which the District acts as an agent. The District maintains the Student Body Agency Fund, which is used to account for the raising and expending of money to promote the general welfare, morale, and educational experience of the student body. The amounts reported for student body funds represent the combined totals of all schools within the District.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

F. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, with the exception of Debt Service Funds. By state law, the District's Board of Trustees must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption.

These budgets are revised by the District's Board of Trustees during the year to give consideration to unanticipated income and expenditures. The original and final revised budgets for the General Fund and the Special Education Pass-Through Fund are presented as required supplementary information in these financial statements. The Special Reserve for Other than Capital Outlay Fund has been excluded from the General Fund's budgetary comparison schedule and a reconciliation has been added to show differences between GAAP presentation in the fund financial statements and the budgetary basis.

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

G. CASH AND EQUIVALENTS

The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

H. INVENTORIES AND PREPAID ITEMS

Inventories are recorded at the latest invoice cost. Inventories in the applicable funds consist primarily of expendable supplies held for consumption. Reported inventories are equally offset by a fund balance reserve, which indicates that these amounts are not "available for appropriation and expenditure" even though they are a component of net current assets.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

I. CAPITAL ASSETS

Capital assets are those purchased or acquired with an original cost of $5,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Asset Class	Years
Buildings and Improvement of Sites	20-50 years
Furniture and Equipment	15-20 years
Technology Equipment	4-5 years
Vehicles	8 years

J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Contributions made to the District's pension plan after the measurement date but before the fiscal year-end are recorded as a deferred outflow of resources and will reduce the net pension liability in the next fiscal year.

Additional factors involved in the calculation of the District's pension expense and net pension liability include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between the District's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods. See Note 8 for further details related to these pensions deferred outflows and inflows.

K. PENSIONS

Qualified employees are covered under cost-sharing multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement Plan (the CalSTRS Plan), and classified employees are members of the Schools Pool (the CalPERS Plan), collectively referred to as the Plans. For purposes of measuring the net pension liability, pension expense, and deferred outflows/inflows of resources related to pensions, information about the fiduciary net position of the District's portions of the Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

L. COMPENSATED ABSENCES

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District on the government-wide financial statements. Compensated absences are generally liquidated by the General Fund.

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

M. FUND BALANCE RESERVES

In the governmental fund financial statements fund balances are classified as follows:

Non-spendable – Funds that cannot be spent due to their form or funds that legally or contractually must be maintained intact.

Restricted – Funds that are mandated for specific purposes because the amounts are subject to externally imposed or legally enforceable constraints.

Committed – Funds set aside for specific purposes by the District's highest level of decision- making authority (Board of Trustees) pursuant to formal actions taken, such as a majority vote or resolution. These committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specific use through the same type of formal action taken to establish the commitment.

Assigned – Funds that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Administrative Regulation No. 2014-15.03 hereby delegates the authority to assign amounts to be used for specific purposes to the Assistant Superintendent of Business Services for the purpose of reporting these amounts in the financial statements.

Unassigned – The residual balance of the General Fund that has not been assigned to other funds and that is not restricted, committed or assigned to a specific purpose.

Consistent with the Criteria and Standards for fiscal solvency adopted by the State Board of Trustees, the District maintains a Reserve for Economic Uncertainties to safeguard the District's financial stability. The responsibility to operate the District to maintain financial stability resides with the elected Board of Trustees. The recommended reserve for a District of this size is a minimum of 3% of general fund expenditures and other financing uses. The District's standard policy is to maintain the minimum reserve. As of June 30, 2018, the District had a Reserve for Economic Uncertainty of $4,741,143 in the General Fund's unassigned fund balance which represents 3% of the budgeted General Fund expenditures and other financing uses on a budgetary basis.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

N. PROPERTY TAXES

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

O. LONG-TERM OBLIGATIONS

The District reports long-term obligations of governmental funds at face value in the government-wide financial statements.

P. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual amounts could differ from those estimates.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30, 2018, consist of the following:

	Governmental Activities	Business-Type Activities	Fiduciary Funds
Cash in county treasury	$ 119,251,667	$ 1,794,780	$ -
Cash on hand and in banks	182,877	646,328	800,174
Cash in revolving fund	76,980	4,500	-
Cash awaiting deposit	949,689	11,588	-
Deposit in LAIF	4,619,607	-	-
Total	$ 125,080,820	$ 2,457,196	$ 800,174

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Alameda County Treasury (the County Treasury). The County Treasury pools these funds with those of other districts in the county and invests the cash. The share of each fund in the pooled cash account is separately accounted for and interest earned is apportioned quarterly to funds that are legally required to receive interest based on the relationship of a fund's daily balance to the total of pooled cash and investments.

Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed income. This method differs from the fair value method used to value investments in these financial statements in that unrealized gains or losses are not distributed to pool participants.

The County Treasury is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et. Seq., and is restricted by Government Code Section 53635, pursuant to Section 53601. The funds maintained by the County Treasury are either secured by federal depository insurance or are collateralized.

The County Treasury is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits; U.S. government securities; state registered warrants, notes, or bonds; the State Treasurer's investment pool; bankers' acceptances; commercial paper; negotiable certificates of deposit; and repurchase or reverse repurchase agreements.

Local Agency Investment Funds

The District is a participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Separate complete financial statements are available at P.O. Box 942809, Sacramento, CA 94209-0001

NOTE 2 – CASH AND CASH EQUIVALENTS, continued

Investments Authorized by the District's Investment Policy

The table below identifies the investment types authorized for the entity by the District's investment policy. This table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk

Authorized Investment Type	Maximum 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%	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

Derivative Investments

The District did not directly enter into any derivative investments. Information regarding the amount invested in derivatives by the County Treasury and LAIF was not available.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair values to changes in market interest rates. As of June 30, 2018, the weighted average maturity of the investments contained in the County Treasury investment pool is approximately 357 days.

NOTE 2 – CASH AND CASH EQUIVALENTS, continued

Credit Risks

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County Treasury and LAIF investment pool do not have a rating provided by a nationally recognized statistical rating organization

Custodial Credit Risk

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

District deposits held with financial institutions and with fiscal agents in excess of federal depository $582,422.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2018:

	General Fund	Building Fund	Bond Interest & Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds	Total Business-Type Activities
Federal Government	$ 1,475,033	$ -	$ -	$ 62,051	$ 1,537,084	$ -
State Government	3,704,110	-	-	11,040	3,715,150	-
Local Government	1,592,361	144,029	52,712	44,939	1,834,041	50,623
Total	$ 6,771,504	$ 144,029	$ 52,712	$ 118,030	$ 7,086,275	$ 50,623

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	Balance July 01, 2017	Adjustment	Adjusted Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Capital assets not being depreciated						
Land	$ 40,624,273	$ -	$ 40,624,273	$ -	$ -	$ 40,624,273
Construction in progress	-	-	-	2,512,574	-	2,512,574
Total Capital Assets not Being Depreciated	40,624,273	-	40,624,273	2,512,574	-	43,136,847
Capital assets being depreciated						
Land improvements	29,659,616	-	29,659,616	-	-	29,659,616
Buildings and improvements	261,360,479	-	261,360,479	-	-	261,360,479
Furniture and equipment	5,317,344	-	5,317,344	419,194	-	5,736,538
Total Capital Assets Being Depreciated	296,337,439	-	296,337,439	419,194	-	296,756,633
Less Accumulated Depreciation						
Land improvements	28,339,237	103,753	28,442,990	371,097	-	28,814,087
Buildings and improvements	145,417,356	1,465,682	146,883,038	7,229,271	-	154,112,309
Furniture and equipment	3,709,085	739,131	4,448,216	196,602	-	4,644,818
Total Accumulated Depreciation	177,465,678	2,308,566	179,774,244	7,796,970	-	187,571,214
Capital Assets, net	$ 159,496,034	$ (2,308,566)	$ 157,187,468	$ (4,865,202)	$ -	$ 152,322,266

NOTE 5 – INTERFUND TRANSACTIONS

Interfund transactions include loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers.

<u>Due from/Due to Other Funds</u>

Individual interfund receivables and payables as of June 30, 2018 were as follows:

	Receivable Fund			
Payable Fund	General Fund	Other Governmental	Enterprise Fund	Total
General Fund	$ -	$ 20,339	$ 265	$ 20,604
Building Fund	4,654	-	-	4,654
Other Governmental Funds	242,142	-	-	242,142
Enterprise Fund	344,742	-	-	344,742
Total	$ 591,538	$ 20,339	$ 265	$ 612,142

Interfund receivables and payables included in the financial statements are paid and cleared in the subsequent period.

NOTE 5 – INTERFUND TRANSACTIONS, continued

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. There are no significant and/or non-routine transfers for the fiscal year ended June 30, 2018.

Interfund transfers for the year ended June 30, 2018, were as follows:

	Transfer In		
Transfer Out	General Fund	Other Governmental Funds	Total
General Fund	$ -	$ 276,849	$ 276,849
Other Governmental Funds	35,288	-	35,288
Enterprise Fund	111,900	-	111,900
Total	$ 147,188	$ 276,849	$ 424,037

NOTE 6 – LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the year ended June 30, 2018 consisted of the following:

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018	Due in One Year
Governmental Activities					
General obligation bonds	$ 19,919,976	$ 70,645,000	$ 5,278,578	$ 85,286,398	$ 11,791,398
Unamortized premium	2,055,305	5,290,266	577,886	6,767,685	642,581
Accreted interest	2,594,175	3,200	1,006,423	1,590,952	1,590,952
Certificates of participation	15,730,000	-	14,255,000	1,475,000	720,000
Compensated absences	521,897	63,685	-	585,582	-
Total	$ 40,821,353	$ 76,002,151	$ 21,117,887	$ 95,705,617	$ 15,330,513

Payments on the general obligation bonds are made from the Bond Interest and Redemption Fund. Payments on the certificates of participation are made from the Capital Facilities Fund and a small portion from the General Fund. Payments on the capitalized lease obligations are made from the General Fund. Payments on the postemployment benefits are made from the General Fund, regardless of the fund for which the related employee worked. Payments on the compensation absences are made from the fund for which the related employee worked.

NOTE 6 – LONG-TERM LIABILITIES, continued

General Obligation Bonds

The outstanding general obligation bonded debt of the District at June 30, 2018 is:

Series	Issue Date	Maturity Date	Yield Rate	Original Issue	Bonds Outstanding June 30, 2017	Additions	Deductions	Bonds Outstanding June 30, 2018
2003 Refunding Series B	10/9/2003	8/1/2021	1.00 - 4.80%	$ 19,474,976	$ 964,976	-	$ 388,578	$ 576,398
2013 Refunding	7/10/2013	8/1/2021	0.29 - 2.70%	$ 14,565,000	10,885,000	-	715,000	10,170,000
2014 Refunding	6/26/2014	8/1/2023	0.14 - 2.37%	$ 11,100,000	8,070,000	-	1,725,000	6,345,000
2017	10/25/2017	8/1/2042	0.90 - 3.28%	$ 70,645,000	-	70,645,000	2,450,000	68,195,000
				Total	$ 19,919,976	$ 70,645,000	$ 5,278,578	$ 85,286,398

The annual requirements to amortize the general obligation bonds payable, outstanding as of June 30, 2018, are as follows:

Year Ended June 30,	Principal	Interest	Total
2019	$ 11,791,398	$ 4,904,777	$ 16,696,175
2020	14,075,000	2,777,625	16,852,625
2021	6,155,000	2,330,550	8,485,550
2022	6,520,000	2,046,413	8,566,413
2023	2,745,000	1,848,225	4,593,225
2024-2028	6,820,000	8,067,400	14,887,400
2029-2033	7,500,000	6,518,575	14,018,575
2034-2038	11,700,000	4,728,024	16,428,024
2039-2043	17,980,000	1,916,600	19,896,600
Total	$ 85,286,398	$ 35,138,189	$ 120,424,587

Certificates of Participation

On June 10, 2010, the District entered into a lease/purchase agreement with Alameda Contra Costa School Financing Authority for the issuance of Certificates of Participation (2010 COPs) in the amount of $17,510,000. The 2010 COPS were sold on behalf of the District to refinance the 2002 and 2003 Certificates of Participation which provided funds for the acquisition and construction of certain projects. The COP refunding was split into $13,010,000 of serial certificates and $4,500,000 of term certificates which bear a fixed rate per annum. The 2010 COPs are scheduled to mature annually through August 1, 2029.

The 2010 COPs require annual payments as follows:

Year Ended June 30,	Principal	Interest	Total
2019	$ 720,000	$ 41,450	$ 761,450
2020	755,000	15,100	770,100
Total	$ 1,475,000	$ 56,550	$ 1,531,550

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

In addition to the pension benefits described in Note 8, the District provides postretirement healthcare benefits to employees. The District funds up to five retirement award packages each year for certificated non-management retirees wherein each eligible retiree shall receive a lump-sum amount towards an IRC 403(b) account. If an eligible retiree's application is not funded, the retiree will receive District-paid benefits. The District offers a Golden Handshake Program for management retirees wherein each eligible retiree shall receive either District paid benefits or lump-sum amount towards an IRC 403(b) account.

Certificated retirees must be at least age 55 with 10 years of service. Classified retirees must be at least age 55 with 10 years of service. Management retirees must be at least age 55 with at least 10 years of service to the District. All groups receive the same dental coverage. The District provides an explicit subsidy for pre 65 medical and dental benefits for all retirees except those Management retirees that chose the Golden Handshake program. For Management retirees to be eligible for the Golden Handshake program, a member with either a combined 10 years as an administrator/employee in the District, or 7 years as an administrator in the District and who is at least 55 years of age. The amount of benefits described is subject to increase based on yearly Cost of Living Adjustment (COLA) calculations.

Contributions are required for both retiree and dependent coverage. Depending on the employee group and the terms of retirement, the District provides an explicit subsidy for all eligible retirees except those that are in the Management Early Retirement programs. The duration of the subsidy is either 5 or 7 years depending on the retiree's choice of coverage and until the retiree reaches 65, whichever comes first. The District's funding policy is based on the projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined annually by the governing board.

Employees Covered by Benefit Term

The following is a table of plan participants at June 30, 2018:

	Number of Participants
Inactive Employees/Dependents Receiving Benefits	236
Active Employees	1,275
	1,511

As of June 30, 2018, the District had not established an irrevocable trust or designated a trustee for the payment of plan benefits. As such, there is no separately issued report of the plan. The June 30, 2018 contributions consist of $1,037,275 postemployment benefits for current retirees on a pay-as-you-go basis. The change in other postemployment benefits does not include the transfer from the general fund to the special reserve fund for other than capital outlay fund of $1,203,000 as this does not meet GASB qualification for a contribution. As of June 30, 2018, the District has committed approximately $7.2 million for postemployment benefits.

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), continued

Actuarial Assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2017
Measurement date	June 30, 2017
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.75%
Discount rate	3.4%
Health care cost trend rate	6.00% HMO/6.50% PPO decreasing to 5.00% HMO/5.00% PPO
Payroll increase	3.00%
Mortality	RPH 2014 mortaility table with generational improvements using scale MP2017

This discount rate is the average, rounded to 5 basis points, of the range of 3-20 year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO index, Fidelity GO AA 20 Year Bond Index.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized OPEB expense of $2,684,437. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	$ -	$ 1,028,745
District contributions subsequent to the measurement date	1,100,773	-
	$ 1,100,773	$ 1,028,745

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), continued

The deferred outflow of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred inflows of resources resulting from a change in assumption will be amortized to OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	$ (171,457)
2020	(171,457)
2021	(171,457)
2022	(171,457)
2023	(171,457)
Thereafter	(171,460)
	$ (1,028,745)

Changes in the Net OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Balance July 1, 2017	$ 27,094,348	$ -	$ 27,094,348
Changes for the year:			
Service cost	2,040,337	-	2,040,337
Interest	815,557	-	815,557
Employer contributions	-	1,037,275	(1,037,275)
Changes of assumptions	(1,200,202)	-	(1,200,202)
Benefit payments	(1,037,275)	(1,037,275)	-
Net change	618,417	-	618,417
Balance June 30, 2018	$ 27,712,765	$ -	$ 27,712,765

NOTE 7 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), continued

Sensitivity of the Net Pension Liability to Assumptions

The following presents the net OPEB liability calculated using the discount rate of 3.40 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower and 1 percent higher:

	Discount Rate 1% Lower (2.40%)	Current Discount Rate (3.40%)	Discount Rate 1% Higher (4.40%)
Net OPEB liability	$ 29,932,766	$ 27,712,765	$ 25,657,152

The following table presents the net OPEB liability calculated using the heath care cost trend rate of 6.0 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percent lower and 1 percent higher:

	Trand Rate 1% Lower (5.00% HMO/5.5% PPO decreasing to 4.00% HMO/4.00% PPO)	Current Trend Rate (6.00% HMO/6.5% PPO decreasing to 5.00% HMO/5.00% PPO)	Trand Rate 1% Higher (7.00% HMO/7.5% PPO decreasing to 6.00% HMO/6.00% PPO)
Net OPEB liability	$ 24,735,946	$ 27,712,765	$ 31,194,627

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are member of the California State Teachers' Retirement System (CalSTRS), and Classified employees are members of the California Public Employees' Retirement System (CalPERS).

For the fiscal year ending June 30, 2018, the District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	$ 138,907,437	$ 37,626,784	$ 12,189,618	$ 15,031,686
CalPERS	35,786,720	10,467,861	2,184,270	6,422,845
Total	$ 174,694,157	$ 48,094,645	$ 14,373,888	$ 21,454,531

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS) Plan Description

The District contributes to the State Teachers' Retirement Plan (STRP) administered by CalSTRS. STRP is a costsharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2016, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publically available reports that can be found on the CalSTRS website under Publications at:
http://www.calstrs.com/member-publications.

Benefits Provided

The STRP provides retirement, disability, and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2018, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	9.205%*
Required employer contribution rate	14.43%	14.43%
Required state contribution rate	9.328%	9.328%

*The rate imposed on CalSTRS 2% at 62 members assuming no change in the normal cost of benefits.

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

Contribution

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2018, are presented above, and the District's total contributions were $11,337,592.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share:

District's proportionate share of the net pension liability	$ 138,907,437
State's proportionate share of the net pension liability associated with the District	82,177,136
Total	$ 221,084,573

The net pension liability was measured as of June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State actuarially determined. The District's proportionate share for the measurement periods of June 30, 2018 and June 30, 2017, was 0.1502 percent and 0.1554 percent, respectively, resulting in a net decrease in the proportionate share of 0.0052 percent.

For the year ended June 30, 2018, the District recognized pension expense of $15,031,686. In addition, the District recognized pension expense and revenue of $3,569,196 for support provided by the State. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ -	$ 5,666,921
Differences between expected and actual experience	513,693	2,548,458
Changes in assumptions	25,733,581	-
Net changes in proportionate share of net pension liability	41,918	3,974,239
District contributions subsequent to the measurement date	11,337,592	-
Total	$ 37,626,784	$ 12,189,618

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows of resources related to the difference between projected and actual earning on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	$ 2,004,007
2020	2,004,007
2021	2,004,004
2022	(151,848)
2023	3,864,856
Thereafter	4,374,544
	$ 14,099,570

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2016 and rolling forward the total pension liability to June 30, 2017. The financial reporting actuarial valuation as of June 30, 2016, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2016
Measurement date	June 30, 2017
Experience study	July 1, 2010, through June 30, 2015
Actuarial cost method	Entry Age Normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant. Based on the model for CalSTRS consulting actuary's investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation is based on the Teachers' Retirement Board of the California State Teachers' Retirement System (board) policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Global Equity	47%	6.30%
Fixed Income	12%	0.30%
Real Estate	13%	5.20%
Private Equity	13%	9.30%
Cash/Liquidity	2%	-1.00%
Absolute Return/Risk Mitigation Strategies	9%	2.90%
Inflation Sensitive	4%	3.80%
	100%	

*20-year geometric average

Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	$ 203,960,217	$ 138,907,437	$ 86,112,698

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS) Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2017, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at:
https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or age 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2018, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	6.000%
Required employer contribution rate	13.89%	13.89%

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

Contribution

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2018, are presented above, and the total District contributions were $2.859,379.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2018, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $35,786,720. The net pension liability was measured as of June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2018 and June 30, 2017, was 0.1499 percent and 0.1590 percent, respectively, resulting in a net increase in the proportionate share of 0.0091 percent.

For the year ended June 30, 2018, the District recognized pension expense of $6,422,845. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ 937,700	$ -
Differences between expected and actual experience	1,477,746	-
Changes in assumptions	5,182,536	618,130
Net changes in proportionate share of net pension liability	10,500	1,566,140
District contributions subsequent to the measurement date	2,859,379	-
Total	$ 10,467,861	$ 2,184,270

The deferred outflow of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

The deferred outflows of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	$ 2,260,409
2020	2,246,367
2021	1,920,862
2022	(1,003,425)
	$ 5,424,213

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2016, and rolling forward the total pension liability to June 30, 2017. The financial reporting actuarial valuation as of June 30, 2016, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2016
Measurement date	June 30, 2017
Experience study	July 1, 1997, through June 30, 2011
Actuarial cost method	Entry Age Normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.75%
Wage growth	Varies by entry age and service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries.

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

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

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10*	Real Return Years 11+**
Global Equity	47%	4.90%	5.38%
Fixed Income	19%	0.80%	2.27%
Inflation Assets	6%	0.60%	1.39%
Private Equity	12%	6.60%	6.63%
Real Estate	11%	2.80%	5.21%
Infrastructure and Forestland	3%	3.90%	5.36%
Liquidity	2%	-0.40%	-0.90%
	100%		

*An expected inflation of 2.5% used for this period
**An expected inflation of 3.0% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's net pension liability	$ 52,653,732	$ 35,786,720	$ 21,794,120

NOTE 8 – EMPLOYEE RETIREMENT SYSTEMS, continued

On Behalf Payments

The State of California makes contributions to CalSTRS and CalPERS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal year ended June 30, 2018, which amounted to $5,924,487. Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the year ended June 30, 2018. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. These amounts have been reflected in the basic financial statements as a component of nonoperating revenue and employee benefit expense.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

State and Federal Allowances, Awards, and Grants

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

Litigation

Various claims and litigation involving the District are currently outstanding. However, based on consultation with legal counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the District's financial position or results of operations.

NOTE 10 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District participates in two joint powers authorities (JPAs), the East Bay Schools Insurance Group (EBSIG) and the Alameda County Schools Insurance Group (ACSIG). The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

EBSIG arranges for and provides property and liability insurance for its members. ACSIG arranges for and provides workers' compensation insurance for its members. The JPAs are governed by boards consisting of a representative from each member district. The boards control the operations of the JPAs, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the boards. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPAs.

NOTE 10 – PARTICIPATION IN JOINT POWERS AUTHORITIES, continued

Complete separate financial statements for either JPA may be obtained from the District or JPA.

NOTE 11 – CALPERS, SPECIAL RESERVE FOR OTHER THAN CAPITAL OUTLAY

As a result of the agreement between the District and the Management/Confidential employees, the District will transfer on an annual basis from the General Fund to the Special Reserve Fund for Other than Capital Outlay Fund for the shift to CalPERS for medical insurance. The $29,000 transfer is a portion of the approved 1% salary increase for Management/Confidential employees during the fiscal year ending June 30, 2014. On November 12, 2013, the board approved the salary schedule increase of 0.74%. The balance of 0.26% or $29,000 is transferred annually per agreement.

As a result of the agreement between the District and the Association of Pleasanton Teachers (APT), which was approved by the Board of Trustees on June 18, 2013, the District will transfer $0.5 million on an annual basis from the General Fund to the Special Reserve Fund for Other than Capital Outlay Fund for the shift to CalPERS for medical insurance. The $500,000 transfer is in lieu of a salary schedule increase.

NOTE 12 – PRIOR PERIOD ADJUSTMENT

The beginning net position decreased by $13,313,321. This was primarily due to adjustments made to bring on the net OPEB liabilities following the District's implementation of GASB Statements No. 75 during the year ended June 30, 2018. See Note 2, Summary of Significant Accounting Policies, Change in Accounting Principles for further details on the implementation of GASB Statements No. 75. Total OPEB restatement was $11,004,755. Additionally, there was a restatement of $2,308,566 related to accumulated depreciation of capital assets not recorded in previous year

NOTE 13- SUBSEQUENT EVENTS

The District evaluated subsequent events from June 30, 2018 through December 15, 2018, the date the financial statements were issued. The District concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PLEASANTON UNIFIED SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
JUNE 30, 2018

	Budgeted Amounts		Actual	Variances -
	Original	Final	(Budgetary Basis)	Final to Actual
REVENUES				
LCFF sources	$ 119,953,165	$ 120,393,724	$ 120,552,980	$ 159,256
Federal sources	3,516,886	3,961,240	3,795,141	(166,099)
Other state sources	19,666,057	22,203,324	22,925,221	721,897
Other local sources	2,290,301	5,115,790	7,742,426	2,626,636
Total Revenues	145,426,409	151,674,078	155,015,768	3,341,690
EXPENDITURES				
Certificated salaries	80,436,670	82,554,207	82,423,327	(130,880)
Classified salaries	18,829,117	19,112,081	19,269,995	157,914
Employee benefits	28,627,558	28,661,402	29,297,292	635,890
Books and supplies	4,260,081	11,614,965	6,862,114	(4,752,851)
Services and other operating expenditures	14,136,798	16,226,093	16,750,860	524,767
Capital outlay	100,681	471,719	919,310	447,591
Other outgo				
Excluding transfers of indirect costs	1,169,658	1,198,354	1,240,077	41,723
Transfers of indirect costs	(244,809)	(240,664)	(204,733)	35,931
Total Expenditures	147,315,754	159,598,157	156,558,242	(3,039,915)
Excess (Deficiency) of Revenues				
Over Expenditures	(1,889,345)	(7,924,079)	(1,542,474)	301,775
Other Financing Sources (Uses):				
Transfers in	717,439	717,439	147,188	(570,251)
Transfers out	(1,203,000)	(1,460,140)	(276,849)	1,183,291
Net Financing Sources (Uses)	(485,561)	(742,701)	(129,661)	613,040
NET CHANGE IN FUND BALANCE	(2,374,906)	(8,666,780)	(1,672,135)	6,994,645
Fund Balance - Beginning	19,506,221	15,447,282	25,891,917	10,444,635
Fund Balance - Ending	$ 17,131,315	$ 6,780,502	$ 24,219,782	$ 17,439,280

See accompanying notes to required supplementary information.

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2018

		2018
Total OPEB liability		
Service cost	$	2,040,337
Interest on Total OPEB Liability		815,557
Changes of assumptions		(1,200,202)
Benefit payments		(1,037,275)
Net change in total OPEB liability		618,417
Total OPEB liability, beginning of year		27,094,348
Total OPEB liability, end of year (a)	$	27,712,765
Plan fiduciary net position		
Employer contributions	$	1,037,275
Benefit payments		(1,037,275)
Change in plan fiduciary net position		-
Fiduciary trust net position, beginning of year		-
Fiduciary trust net position, end of year (b)	$	-
Net OPEB liability(asset), ending (a) - (b)	$	27,712,765
Covered payroll	$	94,010,000
Plan fiduciary net position as a percentage of the total OPEB liability(asset)		0.00%
Net OPEB liability(asset) as a percentage of covered payroll		29.48%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS - OPEB
JUNE 30, 2018

		2018
Actuarially determined contribution	$	1,037,275
Contributions in relations to the actuarially determined contribution		1,037,275
Contribution deficiency (excess)	$	-
Covered-employee payroll	$	94,010,000
Contribution as a percentage of covered-employee payroll		1.10%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively.

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2018

CalSTRS	**2018**	**2017**	**2016**	**2015**
District's proportion of the net pension liability	0.150%	0.155%	0.159%	0.157%
District's proportionate share of the net pension liability	$ 138,907,437	$ 125,365,550	$ 107,045,160	$ 91,746,090
State's proportionate share of the net penesion liability associated with the District	82,177,136	71,546,605	56,774,903	55,260,292
Total	$ 221,084,573	$ 196,912,155	$ 163,820,063	$ 147,006,382
District's covered - employee payroll	$ 78,569,591	$ 78,191,439	$ 72,833,668	$ 70,404,045
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	176.80%	160.33%	146.97%	130.31%
Plan fiduciary net position as a percentage of the total pension liability	69.00%	70.04%	74.00%	77.00%

CalPERS	**2018**	**2017**	**2016**	**2015**
District's proportion of the net pension liability	0.150%	0.159%	0.160%	0.162%
District's proportionate share of the net pension liability	$ 35,786,720	$ 31,402,598	$ 23,643,118	$ 18,368,240
District's covered - employee payroll	$ 20,585,882	$ 19,136,167	$ 17,751,101	$ 16,939,425
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	173.84%	164.10%	133.19%	108.43%
Plan fiduciary net position as a percentage of the total pension liability	71.90%	73.90%	79.40%	83.44%

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
JUNE 30, 2018

	Reporting Fiscal Year			
CalSTRS	2018	2017	2016	2015
Statutorily required contribution	$ 11,337,592	$ 10,009,054	$ 8,384,573	$ 6,479,899
District's contributions in relation to the statutorily required contribution	(11,337,592)	(10,009,054)	(8,384,573)	(6,479,899)
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 78,569,591	$ 79,498,369	$ 78,191,439	$ 72,833,668
District's contributions as a percentage of covered-employee payroll	14.43%	12.59%	10.72%	8.90%

	Reporting Fiscal Year			
CalPERS	2018	2017	2016	2015
Statutorily required contribution	$ 2,859,379	$ 2,543,175	$ 2,266,942	$ 2,089,289
District's contributions in relation to the statutorily required contribution	(2,859,379)	(2,543,175)	(2,266,942)	(2,089,289)
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 20,585,882	$ 19,076,180	19,136,167	17,752,101
District's contributions as a percentage of covered-employee payroll	13.89%	13.33%	11.85%	11.77%

See accompanying notes to required supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

General Fund - Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of Changes in the Net OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the net OPEB liability, including beginning and ending balances, the plan's fiduciary net position, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented. There were no changes in benefit terms or assumptions in the current year.

Schedule of Contributions – OPEB

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, ten years of information will be presented.

Schedule of the Proportionate Share of the Net Pension Liability

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Schedule of Contributions - Pensions

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2018, the District incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code as follows:

	Expenditures and Other Uses		
	Budget	**Actual**	**Excess**
General Fund			
Classified salaries	$ 19,112,081	$ 19,269,995	$ 157,914
Employee benefits	$ 28,661,402	$ 29,297,292	$ 635,890
Services and other operating expenditures	$ 16,226,093	$ 16,750,860	$ 524,767
Capital outlay	$ 471,719	$ 919,310	$ 447,591
Other outgo			
Excluding transfers of indirect costs	$ 1,198,354	$ 1,240,077	$ 41,723

SUPPLEMENTARY INFORMATION

PLEASANTON UNIFIED SCHOOL DISTRICT
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
FOR THE YEAR ENDED JUNE 30, 2018

Pleasanton Unified School District was established in 1988. The District is a political subdivision of the State of California. The District is located in the city of Pleasanton in Alameda County within 22 square miles. There were no changes in the District boundaries in the current year. The District currently operates nine elementary schools, three middle schools, two comprehensive high schools and one continuation high school.

The Board of Trustees of Pleasanton Unified School District is comprised of five elected officials who develop and set policies for the District which are then implemented by the Superintendent and the administrative team.

GOVERNING BOARD

Name	Office	Term Expires
Mark Miller	President	December 2018
Valerie Arkin	Vice - President	December 2020
Jamie Yee Hintzke	Board Member	December 2020
Steve Maher	Board Member	December 2020
Joan Laursen	Board Member	December 2018

District Administrators

David Haglund, Ed. D.
Superintendent

Micaela Ochoa, Ed. D.
Deputy Superintendent, Business Services

Odie Douglas, Ed. D.
Assistant Superintendent, Educational Services

Julio Hernandez
Assistant Superintendent, Human Resources

Ed Diolazo
Assistant Superintendent, Student Support Services

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture:			
Passed through California Department of Education:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	13391	$ 646,443
Subtotal Child Nutrition Cluster			646,443
Total U. S. Department of Agriculture			646,443
U.S. Department of Education:			
School Climate Transformation Program	84.184G	*	491,561
Passed through California Department of Education:			
Special Education Cluster (IDEA):			
IDEA Basic Grant Entitlement	84.027	13379	4,918,046
IDEA Special Education Preschool Grant	84.173	13430	81,724
IDEA Preschool Local Entitlement	84.027A	13682	465,185
IDEA Preschool Capacity Building	84.173A	13839	161,979
IDEA Preschool Staff Development	84.173A	13431	311
IDEA Alternative Dispute Resolution	84.173A	13007	15,302
IDEA Mental Health	84.027A	14468	199,140
Subtotal Special Education Cluster (IDEA)			5,841,687
Adult Education Cluster			
Adult Secondary Education	84.002A	13978	2,927
Adult Basic Education & ESL	84.002A	14508	24,937
English Literacy & Civics Education	84.002A	14109	18,480
Subtotal Adult Education Cluster			46,344
Title III:			
Title III, LEP Program	84.365	14346	225,864
Title III, Immigrant Education Program	84.365	15146	108,440
Subtotal Title III			334,304
IDEA Early Intervention Grants, Part C	84.181	23761	131,048
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	318,543
Title II: Teacher Quality	84.367A	14341	192,203
Advanced Placement Program	84.330	*	-
VOC Programs: Perkins Act	84.048	50437	45,719
Total U. S. Department of Education			7,401,409
Total Federal Expenditures			$ 8,047,852

***** - PCS Number not available or not applicable

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2018

	Second Period Report	Annual Report
Elementary:		
Transitional Kindergarten trhought Third	3,880.95	3,897.22
Fourth throught Sixth	3,277.15	3,284.82
Seventh and Eighth	2,461.59	2,461.68
Elementary Total	9,619.69	9,643.72
High School		
Ninth through Twelfth	4,782.53	4,771.47
ADA Totals	14,402.22	14,415.19

See accompanying note to supplementary information.

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2018

		2017-18	Number of Days		
	Minutes	Actual	Traditional	Multitrack	
Grade Level	**Requirement**	**Minutes**	**Calendar**	**Calendar**	**Status**
Kindergarten	36,000	36,000	180	N/A	Complied
Grade 1	50,400	50,440	180	N/A	Complied
Grade 2	50,400	50,440	180	N/A	Complied
Grade 3	50,400	56,560	180	N/A	Complied
Grade 4	54,000	55,960	180	N/A	Complied
Grade 5	54,000	55,960	180	N/A	Complied
Grade 6	54,000	54,677	180	N/A	Complied
Grade 7	54,000	54,677	180	N/A	Complied
Grade 8	54,000	54,677	180	N/A	Complied
Grade 9	64,800	65,539	180	N/A	Complied
Grade 10	64,800	65,539	180	N/A	Complied
Grade 11	64,800	65,539	180	N/A	Complied
Grade 12	64,800	65,539	180	N/A	Complied

The District participated in Longer Day incentives and is funded at a level for a District that has not met or exceeded its LCFF target funding.

PLEASANTON UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018

	2019 (Budget)	2018	2017	2016
General Fund - Budgetary Basis**				
Revenues and Other Financing Sources	$ 162,265,873	155,162,956	151,720,110	152,462,162
Expenditures and Other Financing Uses	162,558,495	156,835,091	148,816,461	145,844,785
Net Change in Fund Balance	(292,622)	(1,672,135)	2,903,649	6,617,377
Ending Fund Balance	$ 23,927,160	$ 24,219,782	$ 25,891,917	$ 22,988,268
Available Reserves*	$ 14,808,328	$ 14,934,465	$ 9,434,048	$ 12,624,685
Available Reserves as a Percentage of Outgo	9.1%	9.5%	6.3%	8.7%
Long-term Debt	$ 298,112,539	$ 298,112,539	$ 212,641,819	$ 189,504,740
Average Daily Attendance at P-2	14,588	14,402	14,362	14,377

* Available reserves consist of all unassigned fund balances and all funds reserved for economic uncertainty contained within the General Fund and the Special Reserve for Post-Employment.
**This schedule reflects General Fund budgetary fund basis, which excludes the Special Reserve for Post-Employment Benefits.

The budgetary basis General Fund balance has increased by a net of $484,422 over the past two years. The fiscal year 2018-19 budget projects a decrease of $292,622. For a district this size, the state recommends available reserves of at least 3% of total general fund expenditures, transfers out, and other uses (total outgo).

The District has incurred an operating surplus in towo 0f the past three years, and anticipates incurring an operating surplus during the 2018-19 fiscal year. Total long-term debt has increased by $108,607,799 over the past two years.

Average daily attendance has increased by 25 over the past two years. ADA is anticipated to decrease by 186 during fiscal year 2018-19.

PLEASANTON UNIFIED SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Special Reserve Fund for Other Than Capital Outlay Projects	Building Fund
June 30, 2018, annual financial and budget report fund balance	$ 23,482,690	$ 7,156,698	$ 68,487,652
Adjustments and reclassifications:			
Increase (decrease) in total fund balance:			
Adjustment related defeasement of refunded debt	-	-	(14,252,890)
Fund balance transfer (GASB 54)	7,156,698	(7,156,698)	-
Net adjustments and reclassifications	7,156,698	(7,156,698)	(14,252,890)
June 30, 2018, audited financial statement fund balance	$ 30,639,388	$ -	$ 54,234,762

See accompanying note to supplementary information.

Charter School	Included in Audit Report
The District did not operate or sponsor any chrater schools.	N/A

PLEASANTON UNIFIED SCHOOL DISTRICT
COMBINING BALANCE SHEET
JUNE 30, 2018

	Special Education Pass-Through Fund	Adult Education Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve for Capital Outlay Fund	Total Non-Major Governmental Funds
ASSETS								
Cash and cash equivalents	$ 3,128	$ 149,783	$ 1,010,498	1,691,349	$ 3,542,184	$ 3,642,435	$ 12,149,068	$ 22,188,445
Accounts receivable	50,018	19,428	11,084	4,604	8,873	11,040	12,983	118,030
Due from other funds	-	630	19,709	-	-	-	-	20,339
Stores inventory	-	-	19,706	-	-	-	-	19,706
Total Assets	53,146	169,841	1,060,997	1,695,953	3,551,057	3,653,475	12,162,051	22,346,520
LIABILITIES								
Accrued liabilities	53,147	6,420	47,514	89,642	35,599	-	-	232,322
Due to other funds	-	2,121	204,733	-	35,288	-	-	242,142
Total Liabilities	53,147	8,541	252,247	89,642	70,887	-	-	474,464
FUND BALANCES								
Nonspendable	-	-	22,207	-	-	-	-	22,207
Restricted								
Capital projects	-	-	-	-	-	3,653,475	-	3,653,475
All others	(1)	144,654	786,543	-	-	-	-	931,196
Assigned	-	16,646	-	1,606,311	3,480,170	-	12,162,051	17,265,178
Total Fund Balances	(1)	161,300	808,750	1,606,311	3,480,170	3,653,475	12,162,051	21,872,056
Total Liabilities and Fund Balances	$ 53,146	$ 169,841	$ 1,060,997	$ 1,695,953	$ 3,551,057	$ 3,653,475	$ 12,162,051	$ 22,346,520

See accompanying note to supplementary information.

PLEASANTON UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

	Special Education Pass-Through Fund	Adult Education Fund	Cafeteria Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Special Reserve for Capital Outlay Fund	Total Non-Major Governmental Funds
REVENUES								
LCFF sources	$ -	$ -	$ -	$ 700,000	$ -	$ -	$ -	$ 700,000
Federal sources	3,559,925	46,343	646,443	-	-	-	-	4,252,711
Other state sources	11,645,719	556,913	40,683	-	-	(1,039,244)	-	11,204,071
Other local sources	-	70,996	3,807,095	17,167	1,209,681	51,999	133,711	5,290,649
Total Revenues	15,205,644	674,252	4,494,221	717,167	1,209,681	(987,245)	133,711	21,447,431
EXPENDITURES								
Current								
Instruction	-	231,388	-	-	-	-	-	231,388
Instruction-related services								
Instructional library, media, and technology	-	10,434	-	-	-	-	-	10,434
School site administration	-	367,207	-	-	-	-	-	367,207
Pupil services	-	-	-	-	-	-	-	-
Food services	-	-	3,908,569	-	-	-	-	3,908,569
General administration								
All other general administration	-	-	204,733	-	-	-	-	204,733
Plant services	-	-	5,179	357,260	251,928	-	-	614,367
Transfers to other agencies	15,205,645	-	-	-	-	-	-	15,205,645
Debt service								
Principal	-	-	-	-	896,132	-	-	896,132
Interest and other	-	-	-	-	345,697	-	-	345,697
Total Expenditures	15,205,645	609,029	4,118,481	357,260	1,493,757	-	-	21,784,172
Excess (Deficiency) of Revenues Over Expenditures	(1)	65,223	375,740	359,907	(284,076)	(987,245)	133,711	(336,741)
Other Financing Sources (Uses)								
Transfers in	-	-	19,709	-	-	-	257,140	276,849
Transfers out	-	-	-	-	(35,288)	-	-	(35,288)
Net Financing Sources (Uses)	-	-	19,709	-	(35,288)	-	257,140	241,561
NET CHANGE IN FUND BALANCE	(1)	65,223	395,449	359,907	(319,364)	(987,245)	390,851	(95,180)
Fund Balance - Beginning	-	96,077	413,301	1,246,404	3,799,534	4,640,720	11,771,200	21,967,236
Fund Balance - Ending	$ (1)	$ 161,300	$ 808,750	$ 1,606,311	$ 3,480,170	$ 3,653,475	$ 12,162,051	$ 21,872,056

See accompanying note to supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

Local Education Agency Organization Structure

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

Schedule of Expenditures of Federal Awards

The audit of the District for the year ended June 30, 2018, was conducted in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, which requires disclosure of the financial activities of all federally funded programs. To comply with Uniform Guidance, the Schedule of Expenditures of Federal Awards was prepared by the District.

General – The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the District. The District reporting entity is defined in Note 1 to the District's basic financial statements.

Basis of Accounting – The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the District's basic financial statements.

Indirect Cost Rate – The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Schedule of Average Daily Attendance

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46208. During the year ended June 30, 2018, the District participated in the Longer Day incentive funding program. As of June 30, 2018, the District had not yet met its target funding.

NOTE 1 – PURPOSE OF SCHEDULES, continued

Schedule of Financial Trends and Analysis

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

Schedule of Charter Schools

As of June 30, 2018, the District is not a sponsoring local educational agency for any charter schools.

Combining Statements – Non-Major Funds

These statements provide information on the District's non-major funds.

OTHER INDEPENDENT AUDITORS' REPORTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of the Board of Trustees
Pleasanton Unified School District
Pleasanton, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Pleasanton Unified School District (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 15, 2018.

Emphasis of Matter – Change in Accounting Principles

As discussed in Note 1 to the financial statements, in 2018, the District adopted new accounting guidance, GASB Statement No. 75, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans. Our opinion is not modified with respect to this matter.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

CWDL, Certified Public Accountants

San Diego, California
December 15, 2018

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Members of The Board of Trustees
Pleasanton Unified School District
Pleasanton, California

Report on Compliance for Each Major Federal Program

We have audited the Pleasanton Unified School District's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Audit Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

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Opinion on Each Major Federal Program

In our opinion, Pleasanton Unified School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 15, 2018

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE WITH APPLICABLE REQUIREMENTS IN ACCORDANCE WITH 2017-18 GUIDE FOR ANNUAL AUDITS OF K-12 LOCAL EDUCATION AGENCIES AND STATE COMPLIANCE REPORTING

Members of The Board of Trustees
Pleasanton Unified School District
Pleasanton, California

Report on State Compliance

We have audited the Pleasanton Unified School District's (the District) compliance with the types of compliance requirements described in the *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810, that could have a direct and material effect on each of Pleasanton Unified School District's state programs for the fiscal year ended June 30, 2018, as identified below.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed in Title 5, *California Code of Regulations*, section 19810. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the programs identified in the below schedule occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary under the circumstances.

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Opinion on State Compliance

In our opinion, Pleasanton Unified School District complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting,* and which are described in the accompanying schedule of findings and questioned costs as item Finding #2018-02. Our opinion is not modified with respect to these matters.

Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine Pleasanton Unified School District's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	PROCEDURES PERFORMED
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Not applicable
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	Yes
Educator Effectiveness	Yes
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	Not applicable
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes

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PROGRAM NAME	PROCEDURES PERFORMED
Local Control and Accountability Plan	Yes
Independent Study-Coursed Based	Not applicable
Charter Schools:	
Attendance	Not applicable
Mode of Instruction	Not applicable
Nonclassroom-Based Instruction/Independent Study for Charter	Not applicable
Determination of Funding for Non-classroom-Based Instruction	Not applicable
Annual Instructional Minutes - Classroom-Based	Not applicable
Charter School Facility Grant Program	Not applicable

We did not perform any procedures related to Independent Study because the ADA reported was below the level required for testing.

The District did not offer an Early Retirement Incentive Program during the current year; therefore, we did not perform any procedures related to Early Retirement Incentive Program.

The District does not have any Juvenile Court Schools; therefore, we did not perform any procedures related to Juvenile Court Schools.

The District does not have any Middle or Early College High Schools; therefore, we did not perform any procedures related to Middle or Early College High Schools.

The District did not have an After-School Education and Safety Program; therefore, we did not perform any procedures related to the After-School Education and Safety Program.

The District did not offer a Course Based Independent Study Program; therefore, we did not perform any procedures related to the Independent Study - Course Based Program.

The District did not operate any charter schools; therefore, we did not perform any procedures specific to any charter school compliance areas.

CWDL, Certified Public Accountants

San Diego, California
December 15, 2018

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

PLEASANTON UNIFIED SCHOOL DISTRICT
SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2018

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Non-compliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Noted
Type of auditors' report issued:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	No
Identification of major programs:	

CFDA Number(s)	Name of Federal Program of Cluster
84.027, 74.173, 84.027A, 84.173A	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	No

STATE AWARDS

Type of auditors' report issued on compliance for state programs:	Unmodified

FIVE DIGIT CODE	AB3627 FINDING TYPES
20000	Inventory of Equipment
30000	Internal Control
60000	Miscellaneous

Finding #2018-01: ASSOCIATED STUDENT BODY (ASB) (30000)

Criteria: In accordance with sound internal control practices, Associated Student Body (ASB) organizations should have appropriate safeguards in place to control receipt and disbursement transactions so as to minimize the potential for loss and misuse of student funds.

Condition: We found the following internal control deficiencies in our test of ASB controls:

Foothill High School

- Fifteen (15) out of 15 expenditures tested were accompanied by a check request that was signed and completed after expenses were made.
- One (1) out of 15 expenditures tested related to a stipend for the Athletics Director.
- One (1) out of 10 cash receipts tested did not have detailed support to reconcile with cash collected.

Amador Valley High School

- Seven (7) out of 15 expenditures tested were accompanied by a check request that was signed and completed after expenses were made.
- One (1) out of 15 expenditures tested was made out of petty cash, rather than an ASB warrant.
- One (1) out of 15 expenditures tested was not documented with sufficient detail to support refund to student.
- Two (2) out of 15 expenditures tested were not documented with receipting documentation to evidence arrival of purchased goods on campus.
- Five (5) out of 10 cash receipts tested did not have detailed support to reconcile with cash collected.
- Three (3) out of 10 club constitutions tested were not on file.

Amador Valley High School

- Three (3) club's are missing club constitutions.
    - Chemistry Club, 2134-000, Colette Woodruff
    - Class of 2020, 2184-000, John Benbenek
    - Sodoku Club, 2403-900, C Snyder

Harvest Park Middle School

- Six (6) of 6 cash disbursements were paid using an ASB Account Authorization form that was dated after expenditures were made.
- Four (4) of 5 cash receipts tested did not have detailed support to reconcile with cash collected.

Finding #2018-01: ASSOCIATED STUDENT BODY (ASB) (30000), continued

Pleasanton Middle School

- Six (6) out of 10 expenditures tested were accompanied by a check request that was signed and completed after expenses were made.
- Two (2) out of 10 expenditures tested were not documented with all required approval signatures.
- One (1) out of 10 expenditures tested related to pay for the ASB Leadership Advisor.
- Three (3) of 5 cash receipts tested did not have detailed support to reconcile with cash collected.

Cause: Lack of consistent application of District policies in ASB organizations.

Perspective: Internal control walkthroughs and detail tests of transactions occurred at Foothill high School, Amador Valley High School, Harvest Park Middle School, and Pleasanton Middle School. Foothill High School and Amador Valley High School consisting of samples of 15 disbursements and 15 receipts at Harvest Park Middle School and six (6) disbursements and five (5) receipts. At Pleasanton Middle School samples consisted of 10 expenditures and five (5) receipts.

Effect: Potential for waste or abuse in the ASB organizations.

Recommendation: The District should continue to provide support and regular in-service trainings to District employees involved with ASB organizations to best ensure the consistent application of District policies.

Management's Response: The District conducted an ASB training seminar led by the auditors from Cossolias, Wilson, Dominguez, and Leavitt in November 2018. Fiscal Services will provide a guide and resources that Activities Directors can use and annual trainings will be provided.

FIVE DIGIT CODE	AB3627 FINDING TYPES
50000	Federal Compliance

There were no federal award findings or questioned costs for the year ended June 30, 2018.

FIVE DIGIT CODE	AB3627 FINDING TYPES
10000	Attendance
40000	State Compliance
42000	Charter School Facilities Program
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Missassignments
72000	School Accountability Report Card

Finding #2018-02: ATTENDANCE ACCOUNTING (10000, 40000)

Criteria: Certificated rosters, absence notes, and other source documents of attendance should be correctly posted to the District's attendance system per Education Code Section 46000 et seq. Auditors are required to verify compliance in Section 19817.1 of the Standards and Procedures for Audits of California K-12 Local Educational Agencies.

Condition: From our testing at Village Continuation High School, we discovered that the total weekly student hours included an 8^{th} period which was not a valid period attended by students. We also did not note any teacher rosters for this 8^{th} period.

Cause: Clerical oversight.

Effect: There is no ADA impact as the students with variances each had over 15 hours of properly documented attendance for the tested week, and the District eliminated this 8^{th} period from its attendance system and submitted accurate and complete attendance date for P2.

ADA Impact: The District's P2 report was not impacted as a result of this exception, as the students with variances each had over 15 hours of properly documented attendance for the tested week, and the District removed all 8^{th} period hours prior to P2 submission.

Recommendation: We recommend that the District review each school site for proper posting and recording of all hours and attendance days.

Management's Response: The District's Fiscal Services Department provided guidance during May 2018 on the proper attendance procedures to site attendance personnel. Fiscal services will continue to provide attendance reporting support as needed, to ensure that proper procedures are followed.

2017-001: INTERNAL CONTROLS OVER CAPITAL ASSETS – CDDC #30000

Criteria/Condition:

One element of the District's internal control over financial reporting is the ability to provide financial statements in accordance with Generally Accepted Accounting Principles (GAAP.) This includes internal controls that can detect material misstatements in the financial statements independent of the financial statement audit. Material adjustments arising from the audit of the District are generally an indication that internal controls over financial reporting are not operating effectively. We discovered differences when comparing the June 30, 2016 audited financial statements to the District's detail listing of capital assets in the accounting system. In addition, the District's accounting system did not properly calculate depreciation expense for the fiscal year ended June 30, 2017.

Cause/Effect:

The differences between the June 30, 2016 audited financial statements to the District's detail listing of capital assets in the accounting system appears to be caused by an inaccurate and/or incomplete update to the accounting system for the physical inventory that was conducted during the fiscal year ended June 30, 2016. The cause of the improper calculation of depreciation expense for the fiscal year ended June 30, 2017 is unknown. Although District management has drafted procedures to reconcile the capital asset listing to the financial statements at least annually to detect such errors, these procedures were not properly adhered to capture the differences detected during the June 30, 2017 financial statement audit.

Questioned Costs:

No questioned costs. Although the errors identified remain uncorrected in the accounting system, the errors were corrected in the audited financial statements before issuance.

Recommendation:

We recommend the District further develop and implement the procedures to reconcile their capital asset listing to the financial statements at least annually and at all times before the audited financial statements are issued.

Management's Response:

The Fiscal Services, Purchasing, and Technology departments will develop and implement procedures to reconcile the capital asset listing to the financial statement annually, and assure Capital Assets software is reviewed to detect/correct variances prior to completing the unaudited actuals.

Current Status:

Implemented in current year.

2017-002 SPECIAL EDUCATION CLUSTER: SUBRECIPIENT MONITORING – CDDC #50000 and #30000

Federal Agency: U.S. Department of Education Catalog Number: 84.027, 84.173, 84.027A, 84.173A

Grant Number: Various

Name of Pass-Through Entity: California Department of Education Criteria:
As noted in OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), a pass-through entity is responsible for the following:

Ensuring required audits are completed within nine months of the end of the subrecipient's audit period, a management decision is issued on each audit finding within six months after receipt of the subrecipient's audit report, and ensuring that each subrecipient takes timely and appropriate corrective action on all audit findings.

At the time of the subaward, identify to the subrecipient the federal award information (e.g., CFDA title and number; award name and number; and name of federal awarding agency) and applicable compliance requirements.

Monitor the subrecipient's use of federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and those performance goals are achieved.

Condition:

The Tri-Valley Special Education Local Plan Area (SELPA) is a consortium of participating school districts including Dublin, Livermore, Pleasanton, Sunol, Mt. House, and the Alameda County Office of Education formed for the purpose of ensuring that quality special education programs and services are available throughout the Tri-Valley to meet the individual needs of special education students. As the SELPA's Administrative Unit, the District is the pass-through entity responsible for subrecipient monitoring of the SELPA participants as described in the criteria above. The District did not adequately monitor its subrecipients' audit reports and audit findings as described in the criteria above. In addition, the District was not able to demonstrate that they adequately communicated the federal award information and monitored the subrecipients' use of federal awards as described in the criteria above.

Cause:

The District does not have sufficient procedures to ensure monitoring requirements of subrecipient are taking place and adequately documented.

Effect:

Noncompliance at the subrecipient level may occur and not be detected by the District.

2017-002 SPECIAL EDUCATION CLUSTER: SUBRECIPIENT MONITORING – CDDC #50000 and #30000, continued

Questioned Cost:

Questioned costs consist of Special Education Cluster pass-through funds to subrecipients for the year ended June 30, 2017, which total $4,349,021.

Recommendation:

We recommend that the District implement procedures to ensure subrecipient audits reports are completed timely, audit findings related to subrecipients are identified and if applicable, management decisions are issued for subrecipient findings and appropriate corrective action is taken within the designated timeframe. In addition, we recommend that the District implement procedures to ensure documentation is maintained to demonstrate that they adequately communicated the federal award information and monitored the subrecipients' use of federal awards.

Management Response:

The District will ensure the Special Education Local Plan Area (SELPA) implement procedures to ensure that member Districts' audit reports are completed timely and related audit findings are discussed with the SELPA Senior Director to ensure appropriate corrective action is taken within the designated timeframe. The District will implement procedures to communicate federal award information and monitor the subrecipients' use of federal awards.

Current Status:

Implemented in current year.

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APPENDIX C

ECONOMY OF THE DISTRICT

The Pleasanton Unified School District (the "District") encompasses nearly all of the city of Pleasanton ("Pleasanton"), a small portion of the city of Hayward, and adjacent unincorporated areas of Alameda County (the "County"). The following economic data for Pleasanton and the County are presented for information purposes only. The Series 2019 Bonds are not a debt or obligation of Pleasanton or the County, and taxes to pay the Series 2019 Bonds are levied only on taxable property located within the District.

General

Pleasanton comprises most of the territory of the District. The District is located in close proximity to employment centers in the San Francisco Bay Area, and is about 30 miles east of San Francisco. Several large employers located in Pleasanton include the corporate offices of Kaiser Permanente, Safeway, Oracle, and Workday.

U.S. Interstate Highway 680 traverses the District, and U.S. Interstate Highway 580 is the District's northern border. Commuter rail transportation is provided by the Bay Area Rapid Transit District ("BART"), with two stations located along U.S. Interstate Highway 580 adjacent to the District.

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Population

The population of Pleasanton as of January 1, 2019 was 80,492 persons, representing 4.8% of the population of the County. The population of Pleasanton and the County from 2000 to 2019 is shown in the following table.

POPULATION
CITY OF PLEASANTON AND COUNTY OF ALAMEDA
2000 to 2019

	City of Pleasanton		County of Alameda	
Year	Population	Annual % Change	Population	Annual % Change
2000	63,654	--	1,443,939	--
2001	65,011	2.13%	1,457,185	0.92%
2002	65,712	1.08	1,467,063	0.68
2003	66,464	1.14	1,467,892	0.06
2004	66,732	0.40	1,466,407	-0.10
2005	66,890	0.24	1,462,736	-0.25
2006	67,215	0.49	1,462,371	-0.02
2007	68,012	1.19	1,470,622	0.56
2008	68,796	1.15	1,484,085	0.92
2009	69,579	1.14	1,497,799	0.92
2010	70,285	1.01	1,510,271	0.83
2011	70,910	0.89	1,527,845	1.16
2012	71,635	1.02	1,546,992	1.25
2013	71,926	0.41	1,570,384	1.51
2014	73,148	1.70	1,590,603	1.29
2015	75,246	2.87	1,613,168	1.42
2016	76,073	1.10	1,631,088	1.11
2017	77,097	1.35	1,646,156	0.92
2018	79,483	3.09	1,656,884	0.65
2019	80,492	1.27	1,669,301	0.75

Source: For 2001-2009 and 2011-2019: California State Department of Finance, Demographic Unit, as of January 1. For 2000 and 2010: U.S. Department of Commerce, Bureau of the Census, as of April 1.

Employment

The following table summarizes civilian labor force, employment, and unemployment in the County from 2010 to 2017. The annual average unemployment rate in the County in 2017 was 3.6% compared with 4.8% for the State.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
County of Alameda
Annual Averages (2010 to 2017)

Year	Civilian Labor Force	Employed Labor Force [1]	Unemployed Labor Force[2]	Unemployment Rate [3]
2010	782,500	697,100	85,400	10.9%
2011	786,800	707,400	79,400	10.1
2012	798,400	729,000	69,400	8.7
2013	802,800	744,800	58,000	7.2
2014	810,000	762,900	47,100	5.8
2015	823,100	784,200	38,900	4.7
2016	837,600	801,800	35,800	4.3
2017	848,500	817,600	30,900	3.6

(1) Includes persons involved in labor management trade disputes.
(2) Includes all persons without jobs who are actively seeking work.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
Source: California Employment Development Department.

Major Employers

The following table shows the largest employers located in Pleasanton in 2018.

LARGEST EMPLOYERS
City of Pleasanton

Employer	2018 Employment
Workday Inc.	3,865
Kaiser Foundation Hospitals	3,743
Oracle America Inc.	1,500
Safeway Inc.	1,386
Pleasanton Unified School District	1,300
Ellie Mae Inc.	752
Roche Molecular Systems Inc.	750
Clorox Services Company	710
Veeva Systems Inc.	650
Blackhawk Network Inc.	639

Source: City of Pleasanton, Comprehensive Annual Financial Report for year ending June 30, 2018.

The following table shows the largest employers in the County as of January 1, 2018.

LARGEST EMPLOYERS
County of Alameda

Employer	Type of Business	2018 Employment
Kaiser Permanente Medical Group Inc.	Health Care	34,398
Sutter Health	Health Care	10,184
Tesla	Electric Vehicle Manufacturer	10,000
County of Alameda	Local Government	9,545
Safeway Inc.	Grocery Retailer	9,373
John Muir Health	Health Care	6,484
Chevron Corporation	Energy	5,252
PG&E Corporation	Energy	5,100
Wells Fargo Bank	Financial Services	5,089
UPS	Trucking/Shipping/Freight	4,500

Source: Alameda County Comprehensive Annual Financial Report for the year ending June 30, 2018.

Taxable Sales

Taxable sales in Pleasanton and the County for the period from 2010 to 2016 are shown in the following tables.

TAXABLE SALES
2010 to 2016
City of Pleasanton

Year	Number of Outlets (July 1)	Total Taxable Sales ($000)
2010	2,722	$1,652,586
2011	2,646	1,715,384
2012	2,752	1,779,335
2013	2,982	1,894,143
2014	3,068	1,985,221
2015	3,333	2,078,459
2016	3,308	2,054,229

Source: California Board of Equalization.

TAXABLE SALES
2010 to 2016
County of Alameda
(in thousands)

	2010	2011	2012	2013	2014	2015	2016
Apparel Stores	$926,611	$995,486	$1,084,439	$1,331,394	$1,434,990	$1,573,419	$1,702,836
General Merchandise	1,710,291	1,810,195	1,887,477	1,943,081	1,976,243	1,787,594	1,747,607
Food Stores	884,033	928,190	990,964	1,031,311	1,079,266	1,146,357	1,198,454
Eating & Drinking Places	1,994,522	2,121,065	2,318,686	2,505,728	2,717,833	3,027,990	3,212,759
Home Furnishings & Appliances	988,353	1,021,603	1,100,538	1,142,663	1,183,600	1,347,605	1,341,821
Building Material & Farm Implements	1,091,857	1,153,236	1,230,013	1,379,338	1,428,426	1,566,918	1,662,615
Automotive Group	2,183,709	2,405,412	2,823,697	3,138,082	3,536,623	3,932,865	4,212,924
Service Stations	1,716,376	2,135,182	2,291,985	2,218,302	2,153,400	1,807,464	1,626,667
Other Retail Stores	1,878,533	1,949,388	2,053,550	2,203,202	2,310,477	2,512,594	2,681,005
Total Retail Stores	$13,374,283	$14,519,756	$15,781,349	$16,893,102	$17,820,857	$18,702,806	$19,386,688
All Other Outlets	8,167,458	8,911,043	9,400,222	9,731,469	10,556,857	11,067,352	11,571,792
Total All Outlets	$21,541,741	$23,430,799	$25,181,571	$26,624,571	$28,377,714	$29,770,157	$30,958,480

Source: California Board of Equalization.

Income

Total personal income in the County increased by approximately 62.8% from 2010 to 2017, representing an average annual compound growth rate of 7.2%. The following table summarizes personal income for the County for 2010 to 2017.

PERSONAL INCOME
2010 to 2017
(in thousands)

Year	Alameda County	Annual % Percent Change
2010	$72,821,639	-
2011	78,521,460	7.83%
2012	83,005,645	5.71
2013	87,659,801	5.61
2014	95,056,828	8.44
2015	104,464,523	9.90
2016	111,354,955	6.60
2017	118,554,685	6.47

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita income from 2010 to 2017. Per capita incomes in the County grew by approximately 48.1% between 2010 and 2017, representing an average annual compound growth rate of 5.8%. Per capita income in the County in 2017 was 19.2% higher than for California and 37.8% higher than for the United States.

PER CAPITA PERSONAL INCOME
2000 to 2017

Year	Alameda County	California	United States
2010	$48,118	$43,609	$40,546
2011	51,247	46,145	42,735
2012	53,323	48,751	44,599
2013	55,378	49,173	44,851
2014	58,984	52,237	47,060
2015	63,809	55,679	48,985
2016	67,356	57,497	49,883
2017	71,282	59,796	51,731

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon issuance and delivery of the Series 2019 Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, proposes to render its final approving opinion with respect to the Series 2019 Bonds in substantially the following form:

[Date of Delivery]

Pleasanton Unified School District
Pleasanton, California

Pleasanton Unified School District
(Alameda County, California)
General Obligation Bonds, Election of 2016, Series 2019
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Pleasanton Unified School District (the "District"), which is located in the County of Alameda (the "County"), in connection with the issuance by the District of $90,000,000 aggregate principal amount of bonds designated as "Pleasanton Unified School District (Alameda County, California) General Obligation Bonds, Election of 2016, Series 2019" (the "Series 2019 Bonds"), representing part of an issue in the aggregate principal amount of $270,000,000 authorized at an election held in the District on November 8, 2016. The Series 2019 Bonds are issued under and pursuant to a resolution of the Board of Trustees of the District adopted on August 13, 2019 (the "Resolution").

In such connection, we have reviewed the Resolution, the Tax Certificate of the District, dated the date hereof (the "Tax Certificate"), certificates of the District, the County and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Series 2019 Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the District. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution and the Tax Certificate, including, without limitation, covenants and agreements compliance with which is necessary to ensure that future actions, omissions or events will not cause interest on the Series 2019 Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Series

2019 Bonds, the Resolution and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against school districts or counties in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Resolution, or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated August 20, 2019, or other offering material relating to the Series 2019 Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Series 2019 Bonds constitute valid and binding obligations of the District.

2. The Resolution has been duly and legally adopted and constitutes a valid and binding obligation of the District.

3. The Board of Supervisors of the County has power and is obligated to levy *ad valorem* taxes without limitation as to rate or amount upon all property within the District's boundaries subject to taxation by the District (except certain personal property which is taxable at limited rates) for the payment of the Series 2019 Bonds and the interest thereon.

4. Interest on the Series 2019 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Series 2019 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2019 Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (this "Disclosure Certificate") is executed and delivered by the Pleasanton Unified School District (the "District") in connection with the issuance of $90,000,000 aggregate principal amount of Pleasanton Unified School District (Alameda County, California) General Obligation Bonds, Election of 2016, Series 2019 (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on August 13, 2019 (the "Resolution"). The District covenants and agrees as follows:

Section 1. <u>Purpose of the Disclosure Certificate</u>. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. <u>Definitions</u>. 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 hereof.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" shall mean Keygent LLC, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"Financial Obligation" shall mean, for the purposes of the Listed Events set out in Section 5(a)(x) and 5(b)(viii), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Holder" shall mean the person in whose name any Bond shall be registered.

"Listed Events" shall mean any of the events listed in Section 5(a) or (b) hereof.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <u>http://emma.msrb.org</u>.

"Official Statement" shall mean the Official Statement, dated August 20, 2019 (including all exhibits or appendices thereto), relating to the offer and sale of Bonds.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"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.

Section 3. <u>Provision of Annual Reports</u>. (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 (which due date shall be April 1 of each year, so long as the District's fiscal year ends on June 30), commencing with the report for the 2018-19 Fiscal Year (which is due not later than April 1, 2020), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 hereof. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 hereof; provided, however, 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 a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than 15 business days prior to the date specified in subsection (a), the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall, in a timely manner, send or cause to be sent to the MSRB a notice in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) (if the Dissemination Agent is other than the District), provide any Annual Report received by it to the MSRB as provided herein; and

(ii) (if the Dissemination Agent is other than the District), file a report with the District certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

Section 4. <u>Content of Annual Reports</u>. The District's Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District's audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a) hereof, 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 provided to the MSRB in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) The adopted budget of the District for the then current fiscal year.

(ii) The District's average daily attendance for the last completed fiscal year.

(iii) The District's outstanding debt as of the end of the last completed fiscal year.

(iv) Information regarding total assessed valuation of taxable properties within the District, if and to the extent provided to the District by the County of Alameda (the "County") for the then current fiscal year.

(v) Information regarding twenty taxpayers with the greatest combined ownership of taxable property in the District, if and to the extent provided to the District by the County for the then current fiscal year.

(vi) Information regarding total secured tax charges and delinquencies on taxable properties within the District, if and to the extent provided to the District by the County for the last completed fiscal year.

Any or all of the items listed above may be set forth in one or a set of documents or 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 made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events. (a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers or their failure to perform;

(v) adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vi) tender offers;

(vii) defeasances;

(viii) rating changes;

(ix) bankruptcy, insolvency, receivership or similar event of the District; or

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

For the purposes of the event identified in subparagraph (ix), 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) 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, in a timely manner not later than ten business days after the occurrence of the event:

(i) unless described in paragraph 5(a)(v), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(ii) modifications to rights of Bond Holders;

(iii) Bond calls;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) non-payment related defaults;

(vi) 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;

(vii) appointment of a successor or additional paying agent or the change of name of a paying agent; or

(viii) incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect Bond holders.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 3 hereof, as provided in Section 3(b) hereof.

(d) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the District determines would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection (b)(iii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

(e) The District intends to comply with the Listed Events described in subsection (a)(x) and subsection (b)(viii), and the definition of "Financial Obligation" in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange

Commission in Release No. 34-83885, dated August 20, 2018 (the "2018 Release"), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

Section 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in a filing with the MSRB.

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. 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. The initial Dissemination Agent shall be Keygent LLC.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Section 3(a) hereof, Section 4 hereof, or Section 5(a) or (b) hereof, 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 the District 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; and

(c) the proposed amendment or waiver either (i) is approved by the Holders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

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 a filing with the MSRB, 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 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice required to be filed pursuant to this Disclosure Certificate, 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 in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 11. 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; provided, that any such action may be instituted only in Superior Court of the State of California in and for the County or in U.S. District Court in or nearest to the County. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and (if the Dissemination Agent is other than the District), 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.

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.

Dated: September 5, 2019

PLEASANTON UNIFIED SCHOOL DISTRICT

By: ____________________________________

ACCEPTED AND AGREED TO:

KEYGENT LLC, as Dissemination Agent

By: ____________________________________
Authorized Signatory

EXHIBIT A

NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	**PLEASANTON UNIFIED SCHOOL DISTRICT**
Name of Issue:	Pleasanton Unified School District (Alameda County, California) General Obligation Bonds, Election of 2016, Series 2019
Date of Issuance:	September 5, 2019

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Certificate of the District, dated September 5, 2019. [The District anticipates that the Annual Report will be filed by _____________.]

Dated:_______________

PLEASANTON UNIFIED SCHOOL DISTRICT

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APPENDIX F

ALAMEDA COUNTY INVESTMENT POLICIES AND PRACTICES; DESCRIPTION OF INVESTMENT POOL

The following information has been furnished by the Office of the Treasurer-Tax Collector, County of Alameda (the "County Treasurer"). It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the County Treasurer and (ii) the composition, carrying amount, market value and other information relating to the investment pools (the "Pools"). Further information may be obtained directly from the Treasurer-Tax Collector, 1221 Oak Street, Room 131, Oakland, California 94612.

Neither the District nor the Underwriter has made an independent investigation of the investments in the Pools and has made no assessment of the current Investment Policy. The value of the various investments in the Pools 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 Treasury Oversight Committee and the County Board of Supervisors, may change the Investment Policy at any time. Therefore, there can be no assurance that the values of the various investments in the Pools will not vary significantly from the values described herein.

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ALAMEDA COUNTY
Annual Investment Policy
Calendar Year 2019

Introduction

The Alameda County Board of Supervisors, by Ordinance # O-2018-66 has renewed the annual delegation of its investment authority and responsibility to invest and/or to reinvest the funds in the Alameda County treasury to the Alameda County Treasurer. Accordingly, to provide a framework for the oversight of the Treasurer's investment responsibilities and activities, the *Government Code of the State of California through Section 27133* requires the County Treasurer to prepare an annual investment policy that provides the specific guidelines, pursuant to which, the Treasurer should carry-out investment-related functions. Participation in the Alameda County investment pool is limited to entities that are required by mandate to deposit their revenues in the county treasury.

Investment Philosophy

The Alameda County Treasurer shall invest monies in the treasury in accordance with the following basic principles of investing, in the order of priority:

1. **Safety** – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. **Liquidity** – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
3. **Return** - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints of safety.

The investment portfolio shall be diversified and designed to attain a market-average rate of return that considers the cash-flow characteristics and operating cash needs of County departments, the County's various subdivisions, school districts and special districts.

The investment portfolio shall strive to attain an average maturity not to exceed 36 months. Investments shall be made with the general intention of holding to maturity and not for trading. However, the Treasurer may, from time to time, swap or sell securities to re-position investment holdings to current coupon issues or to take advantage of market value appreciation by realizing profits on securities held by the portfolio.

The Treasurer may sell securities in which actual loss from such sale may be incurred under the following conditions:

1. To raise cash to meet unanticipated cash-flow need.
2. To swap old securities for current coupon securities.
3. To avoid further erosion and loss of investment principal due to deterioration in credit-worthiness or if interest rates are anticipated to continually rise.

<u>Investment Guidelines and Eligible Securities</u>

Section 53600 et seq. of the Government Code of the State of California prescribes the statutory requirements relating to investments by local treasurers, including types of allowable investments, proportional limits by investment type relative to the size of the investment pool, maximum maturity of investments, and credit rating criteria. The term to maturity of investments in the pool shall not exceed a final maturity of 5 years from date of purchase, except when specifically authorized by a resolution of the Alameda County Board of Supervisors. Final maturity limits, investment type limits, and issuer ratings and limits are calculated/considered at time of purchase.

Alameda County investments shall conform to the legal provisions set forth in the Government Code, except that, the County further prescribes the following requirements:
(Please refer to ATTACHMENT I)

I. <u>Bankers' Acceptance</u>

- Maximum limit: 30% of the portfolio.
- Ratings requirement: "A" rated by S & P or its equivalent by other rating agencies for domestic banks. "AA" rated by S & P or its equivalent by other rating agencies for US Branch of Foreign Banks.
- Maximum maturity: May not exceed 180 days from purchase date to final maturity.

II. <u>Commercial Paper</u>

- Maximum limit: 25% of the portfolio.
- Ratings requirement: "P-1" rated by S & P or its equivalent by other rating agencies.
- Maximum maturity: May not exceed 270 days from purchase date to final maturity.

III. <u>Medium-Term Corporate Notes</u>

- Maximum limit: 30% of the portfolio.

- Ratings requirement: “A” rated by S & P or the equivalent by other rating agencies if maturity is less than 3 years. “AA” rated by S & P or the equivalent by other rating if maturity is more than 3 years from purchase date.
- Maximum maturity: May not exceed 5 years from purchase date to final maturity.

IV. Negotiable Certificates of Deposits

- Maximum limit: 30% of the portfolio.
- Ratings requirement: “A” rated by S & P or the equivalent by other rating agencies if issued by a domestic bank. “AA” rated by S & P or the equivalent by other rating agencies if issued by a U.S. branch of a foreign bank.
- Maximum maturity: May not exceed one year in maturity from purchase date.

V. Money Market Mutual Funds

- Maximum limit: 20% of the portfolio. Investments in any one fund may not exceed 5% of the portfolio
- NAV requirement: A money-market fund must maintain a constant NAV (Net Asset Value) of $1.00.
- Rating requirement: In order to be eligible for purchase for the Treasurer’s investment pool, a money market fund, must meet either of the following requirements.

    - The fund must be invested in securities and obligations permitted by subdivisions (a) to (1) inclusive, of Section 53601 of the Government Code of the State of California. The fund must attain “AAA” ratings from 2 of the 3 nationally recognized rating services.

      OR

    - The fund must be invested in securities and obligations permitted by subdivisions (a) to (1) inclusive, of Section 53601 of the Government Code of the State of California, and **if not rated**, must retain an investment adviser registered with the SEC with more than five years of experience investing in the securities and obligations as authorized by subdivisions (a) to (m), inclusive, and with assets under management in excess of $500,000,000.

VI. U.S. Treasury Bills, U.S. Government Notes and Bonds, Federal Agency

Notes, debt issues of the State of California and debt issues of local agencies within the State of California

- Maximum limit: 100% of the portfolio.
- Purchase of debt issues of the U.S. Government, Federal Agencies, State of California and other local agencies in the State of California are eligible for purchase without limit, subject to requirements and restrictions of Section 53601 et seq. of the Government Code, except that floating rate notes, structured notes and other derivative securities permitted for purchase under the Code shall be limited to an aggregate cap of 15% of the total portfolio. Plain callable securities are not subject to the 15% limit.
- Maximum maturity: 5 years

VII. Washington Supranational Obligations

- Maximum limit: 30% of the portfolio.
- Purchase of U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank of Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB) that are eligible for purchase or sale in the United States.
- Ratings requirement: AA or better by S & P or equivalent by other rating agencies.
- Maximum maturity: 5 years

VIII. Asset-Backed Securities

- Maximum limit: 20% of the portfolio.
- Equipment lease-backed certificates, consumer receivable pass-through certificates or consumer receivable-backed bonds are eligible for purchase.
- Ratings requirement: The security must carry a ‘AA’ or better by S&P or equivalent by other rating agencies.
- Maximum maturity: 5 years

IX. Repurchase Agreements

1. Repurchase Agreements
    - Maximum limit: 20% of the portfolio.
    - Counter-party requirements: A financial institution that will deliver the securities versus payment, either to the Treasurer’s custodian bank or to a third-party custodian.
    - Collateral requirements: U.S. Government Securities or Federal Agency Securities with final maturity not exceeding 5 years from commencement of repurchase agreement.

- Collateral value requirements: Minimum of 102% of the funds borrowed and marked-to-market daily during the term of agreement.
- Maximum term of agreement: 180 days.

2. Reverse Repurchase Agreements
   - Maximum limit: 20% of the portfolio.
   - Borrowing for leveraging purposes shall conform in all aspects to the governing provisions of the Government Code Section 53601, et. seq. Reverse repurchase agreements which have been entered into for purposes of either raising temporary cash needs or for the purpose of leveraging to attain favorable investment spreads, must be approved by the Board of Supervisors, pursuant to Government Code guidelines.

X. <u>LAIF (Local Agency Investment Fund)</u>

- Maximum amount: As permitted by the State Treasurer

XI. <u>CalTRUST (Joint Powers Authority Investment Trust for California Public Agencies)</u>

- Maximum limit: Twice the limit of LAIF deposits

XII. <u>CAMP (Joint Powers Authority created to provide a statewide local government investment pool)</u>

- Maximum limit: Twice the limit of LAIF deposits

XIII. <u>Collateralized/FDIC - Insured Time Deposits</u>

The Treasurer may place interest-bearing inactive public time deposits with banks and savings and loan associations located within the State of California, collateralized in accordance with requirements of the Government Code. Further, pursuant to the requirement of Government Code Section 53635.2, in order to be eligible as a depository of local agency monies, the depository institution must have a CRA (Community Reinvestment Act) rating of at least “Satisfactory”, received in its most recent evaluation by the appropriate federal rating agency. Pursuant to Government Code section 53601.8, the depository bank may use an eligible private sector entity to help place deposits with one or more commercial banks, savings and loan associations, or credit unions located in the United States. The Treasurer may also place with an eligible bank, savings and loan association, and credit union uncollateralized interest-bearing inactive time deposits for the FDIC or the NCUA insured amount of up to $250,000, provided that the depository institution requests, and the Treasurer grants, a waiver of security in writing.

XIV. **Collateralized Money Market Bank Accounts**

The Treasurer may open and deposit funds in interest-bearing active collateralized money market bank accounts in the banks that qualify under the eligibility requirements required for collateralized inactive time deposits, under **item XII** of this policy. Deposits in money market bank accounts are made to provide better short-term yield, as well as to provide another source of immediate liquidity.

XV. **Others – any other legally permitted investments by specific authorizing resolutions of the Alameda County Board of Supervisors shall be eligible investments.**

Credit rating requirements for eligible securities referred-to in this policy shall mean the numeric, alpha, and/or alpha-numeric designations assigned by the following rating agencies:

Moody's Investor Service
Standard & Poor's Rating Services
Fitch IBCA, Inc.
Thompson Bank Watch

The list of possible ratings for Standard and Poor's, Moody's and Fitch are Attachment II.

Directed Investments and Withdrawal Policy

Self-directed investments made by any school district or any special district, including deposits by same districts into the State's Local Agency Investment Fund (LAIF) are considered withdrawal of funds from the County treasury. Each district withdrawing funds for the purpose of investing outside of the Treasurer's investment pool may only do so once each month, upon a 3-day written notice to the Treasurer in an amount not exceeding $20,000,000**.** Such withdrawal is hereafter referred to as a "Permissible Withdrawal". Permissible withdrawals are further subject to the following requirements:

- Each district wishing to invest bond proceeds and/or bond funds outside of the Treasurer's investment pool, must notify the Treasurer no later than on the day of the bond closing, so that the Treasurer could place such bond proceeds in short-term investment/s whose maturity would coincide with the settlement/purchase date of the directed investment.
- Securities representing district- directed investments shall be held solely for the purpose of safekeeping by the County Treasurer at the County's custodial bank.
- Directed investments shall be the direct responsibility of each respective district with respect to their accounting and accountability.
- Any school district or special district that has obtained a temporary loan from the Alameda County Treasurer may not invest operating funds outside of the Treasurer's investment pool until the temporary loan is fully liquidated.

Securities Lending

Pursuant to Section 53601 (i) (3) of the Government Code, the Alameda County Treasurer may engage in securities lending through a third-party custodian and lending administrator. Revenues derived from securities lending will be considered incremental interest income to be shared among participating funds in the investment pool.

Other Provisions

Further, the Treasurer of Alameda County sets forth the following:

1. The Treasurer shall maintain sufficient funds in the County Treasury, to meet the estimated normal daily operating cash demands of the County and investment pool participants by investing funds to maturities that anticipate major cash needs. Investments shall, whenever possible, be made in securities that have active secondary or resale markets in order to provide maximum portfolio liquidity.

2. The treasurer's investment pool practices a "buy and hold" strategy, thus, funds are invested in securities that mature on dates coincident with the anticipated operating cash requirements of all participating entities. Consequently, withdrawal of funds for purposes other than to pay operating expenditures is unanticipated and could risk the pool's liquidity and stability. Nevertheless, subject to the **Directed Investments and Withdrawal Policy**, the Treasurer may liquidate securities in order to meet unanticipated cash withdrawals or disbursements made by the County or any pool participant, whether the purpose of such withdrawal or disbursement is to make payment for a legitimate obligation or to pull-out funds to reinvest outside the Treasurer's pool. Except for permissible withdrawals as described in the previous section, in the event the Treasurer is obligated to liquidate investments in an adverse market, the resulting loss, if any (calculated on the basis of comparing the accrued interest earned at the original purchase rate vs. the actual interest earned and/or loss at the current sale rate), due to an unanticipated school or special district withdrawal that normal pool liquidity cannot meet, and if the purpose of such withdrawal is to invest the funds outside of the Treasurer's investment pool, shall be borne by the withdrawing district/s alone. Losses due to the sale of securities to meet unanticipated cash needs other than for the purpose of investing funds outside the treasurer's pool shall be considered as normal cost of providing unanticipated liquidity needs.

3. The Treasurer shall hold all securities including collateral on repurchase agreements, in safekeeping with the County's custodial bank or with a national bank located in a Federal Reserve City which has provided the County with a safekeeping agreement.

4. The Alameda County Treasurer's investment pool does not accept non-mandatory depositors.

Investment Report

The Treasurer shall submit a report on the monthly status of the investment pool to the Alameda County Board of Supervisors, the Treasurer's Oversight Committee and the participating districts. The investment report must include the total market value of securities held, as reported by the custodial bank in its custodial report to the County, in each of the following calendar-quarter monthly reports, September, December, March, and June.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of Alameda County Treasurer's investment pool.

Further, any securities broker or dealer who has made a political contribution to the Treasurer, any member of the Board of Supervisors, or any candidate for those offices, in an amount that exceeds the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board within any consecutive 48-month period following January 1, 1996, shall be disqualified from transacting securities trades (purchase, sale and/or exchange) with the County Treasurer.

Safekeeping and Custody

The following process shall be maintained for safekeeping and custody of securities:

1. Delivery vs. payment
   All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the Alameda County's safekeeping institution prior to the release of funds.
2. Third-Party Safekeeping
   All marketable securities except for money market funds registered in the County's name shall be deposited for safekeeping with banks contracted to provide the County Treasurer with custodial security clearance services. Securities are **NOT** to be held in investment firm/broker-dealer account.

Authorized Financial Institutions, Depositories, and Broker/Dealers

The Treasurer shall maintain a list of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of broker/dealers that are approved to conduct investment security transactions with the Alameda County Treasurer. These may include primary dealers, regional broker/dealers, minority-owned broker/dealers and direct issuers of securities.

All financial institutions and depositories, including broker-dealers, must provide certification of having read and understood and agreeing to comply with Alameda County Treasurer's investment policy on an annual basis.

All broker/dealers who desire to become qualified for investment transactions must supply the following (as appropriate):

1. Audited financial statements

2. Proof of FINRA registration
3. Proof of state registration
4. Completed broker/dealer questionnaire
5. Certification of having read and understood and agreeing to comply with Alameda County Treasurer's investment policy

Allocation of Interest Income and Costs

The Treasurer shall account for interest income on a cash basis to be apportioned based on average daily cash balances of participating funds during the quarterly allocation period. Government Code Section 27013 permits the Treasurer to charge the cost of the treasury operations and administration to the interest income prior to distribution. The cost of operating the County treasury which includes tax and revenue receipt processing, county-wide central cashiering, investment banking, management, operations, safekeeping and accounting, daily redemption of county warrants/checks and other direct and indirect treasury operations costs, shall be netted on a quarterly basis against the un-apportioned interest prior to its allocation to the pool participants. The treasury operations costs are determined each fiscal year as part of the budgeting process, during which the departmental budget is allocated among the various functioning units of the Treasurer-Tax Collector's department.

Treasury Oversight Committee

The Treasury Oversight Committee shall meet at least once annually, preferably the third week of November. The responsibilities of the Treasury Oversight Committee are:

1. To ensure that an annual audit of the investment portfolio is performed;
2. To review the Treasurer's Annual Investment Policy before it is submitted to the Board of Supervisors for authorization; and
3. To ensure that the Treasurer's investments conform to the requirements of the annual investment policy.

Limit on Receipt of Honoraria, Gifts and Gratuities

No individual responsible for the management of the County's investment portfolio or any member of the Treasury Oversight Committee shall accept honoraria, gifts or gratuities from any advisor, broker, dealer, banker or other person with whom the county treasury conducts business, that aggregate in value in excess of $250.00 in any calendar year.

Conclusion

Any provision in this, the investment policy of Alameda County, which may later be disallowed by the governing sections of the Government Code of the State of California, shall also be so disallowed. Conversely, any new permissive provisions under the governing sections of the Government Code shall be allowed without necessarily amending the investment policy during the year that the law takes effect. However, such new provision shall be adopted by policy in the next annual investment policy. This investment policy shall be in effect until revised or replaced by the investment policy of the following calendar year.

SUMMARY OF ALLOWABLE INVESTMENTS

AUTHORIZED INVESTMENTS	MAXIMUM % HOLDINGS	PURCHASE RESTRICTIONS	MAXIMUM MATURITY	CREDIT QUALITY
Banker's Acceptance	30%	N/A	180 days	"A" rated by S&P or equivalent for domestic banks
Commercial Paper	25%	N/A	270 days	"AA" rated by S&P or equivalent for US branch of foreign banks "A-1/P-1" rated by S&P and Moody's or equivalent
Medium Term Notes or Corporate Notes	30%	N/A	5 years	"A" rated by S&P or equivalent for maturity less than 3 years "AA" rated by S&P or equivalent for maturity over 3 years
Negotiable CD	30%	N/A	1 year	"A" rated by S&P or equivalent for domestic banks "AA" rated by S&P or equivalent for US branch of foreign banks
Money-Market Mutual Funds	20%	Max. 5% Must maintain constant NAV of $1.00	Daily Liquidity	"AAA" from 2 of the 3 nationally recognized rating services
US Treasury Bills, US Government Notes and Bonds, Federal Agency bonds (FHLB, FFCB, FNMA, FHLMC or FAMCA), debt issues by St. of CA and local agencies within the state	100%	N/A	5 years	N/A
Washington Supranational Obligations	30%	Senior unsecured unsubordinated or unconditionally guaranteed by IBRD, IFC, or IADB	5 years	"AA" by S&P or equivalent by other rating agencies
Asset-Backed Securities	20%	Equipment leased-backed certificate, consumer receivable pass-through certificates, consumer receivables-backed bonds	5 years	Security: 'AA' or better by S&P or equivalent by other rating agencies
Repurchase Agreements (REPO)	20%	Counter-party that will deliver securities DVP. Collateral to be US Government or Federal Agency securities with maximum maturity of 5 years. 102% of funds borrowed and marked-tomarket daily.	180 days	N/A
Reverse Repurchase Agreements (Reverse REPO)	20%	Prior Approval of Board of Supervisors	As per code	N/A
LAIF	N/A	As per limit set by LAIF	Daily Liquidity	N/A
CAMP	N/A	2 x LAIF	Daily Liquidity	N/A
CalTRUST	N/A	2 x LAIF	Daily Liquidity	N/A
Fully Collateralized/FDIC - Insured Time Deposits	no limit	Refer to page 5	5 years	N/A
Fully Collateralized Money Market Bank Account	no limit	Refer to page 5	Daily Liquidity	N/A

RATINGS INTERPRETATION

LONG TERM DEBT RATINGS			
MOODY'S	**S&P**	**FITCH**	**RATINGS INTERPRETATION FOR CREDIT**
Aaa	AAA	AAA	STRONGEST QUALITY
Aa1	AA+	AA+	STRONG QUALITY
Aa2	AA	AA	
Aa3	AA-	AA-	
A1	A+	A+	GOOD QUALITY
A2	A	A	
A3	A-	A-	
Baa1	BBB+	BBB+	MEDIUM QUALITY
Baa2	BBB	BBB	
Baa3	BBB-	BBB-	
Ba1	BB+	BB+	SPECULATIVE
Ba2	BB	BB	
Ba3	BB-	BB-	
B1	B+	B+	LOW
B2	B	B	
B3	B-	B-	
Caa	CCC+	CCC	POOR
-	CCC	-	HIGHLY SPECULATIVE TO DEFAULT
-	CCC-	-	
Ca	CC	CCC	
C	-	-	
-	-	DDD	
-	-	DD	
-	D	D	

SHORT TERM DEBT RATINGS			
MOODY'S	**S&P**	**FITCH**	**RATINGS INTERPRETATION FOR CREDIT**
P-1	A-1+	F1+	STRONGEST QUALITY
	A-1	F1	STRONG QUALITY
P-2	A-2	F2	GOOD QUALITY
P-3	A-3	F3	MEDIUM QUALITY

Agenda ______ June 18, 2019

TREASURER - TAX COLLECTOR

HENRY C. LEVY
TREASURER - TAX COLLECTOR

May 28, 2019

Board of Supervisors
County of Alameda
1221 Oak Street, 5th Floor
Oakland, CA 94612

Dear Board Members:

RE: Investment Report – April 2019

In accordance with the Treasurer's investment policy, submitted herewith is a report of the cash pool investments for the month of April 2019. Enclosed with this report is a detailed composition of all outstanding investments by securities category as of April 30, 2019. This report reflects the market value and cost of purchase. All investments in the Treasurer's investment portfolio conform to the statutory requirements of Government Code Section 53601 et. seq., authorities delegated by the County Board of Supervisors and the Treasurer's investment policy.

As Of April 30, 2019

Treasurer's Investment Pool – Book Value	$ 6,684,548,617
Treasurer's Investment Pool – Market Value	6,687,739,338
Total Cash in Bank	45,171,083
Total interest received during the month	14,594,601
Average Maturity of the portfolio	399 days
Annualized cash basis rate of return for the month	2.64%

Liquidity Summary of the Portfolio as Of April 30, 2019

Maturity	Amount	Percentage Held
1 to 90 days	$ 1,811,202,687	27.10%
91 to 365 days	2,673,625,931	40.00%
2 years	890,778,788	13.33%
3 years	561,669,144	8.40%
4 years,	389,414,386	5.83%
5 years	357,857,682	5.34%
Total	**$ 6,684,548,617**	**100.00%**

Conclusion

Based on investment activity during the month of April 2019, the Treasurer expects to meet all operating cash needs for the pool participants within the next six months from the portfolio's most liquid assets and current revenues. For your review, a copy of the Investment Status Report and transacation details for the month of April 2019 is attached and on file with the Office of the Clerk of the Board of Supervisors.

Vision 2026 Goal

The Investment Report meets the 10x goal of **Accessible Infrastructure** in support of our shared vision of **Prosperous and Vibrant Economy**.

Very truly yours,

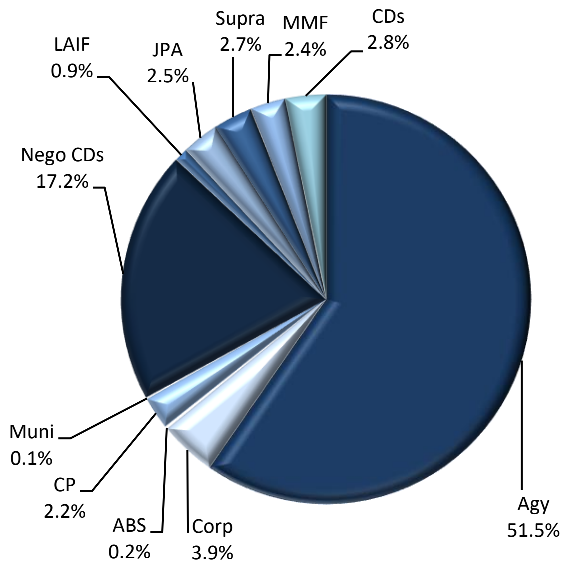
Henry C. Levy
Treasurer – Tax Collector

cc: Susan Muranishi, County Administrator
Melissa Wilk, Auditor-Controller
School District and Special District Participants
Members of the Treasury Oversight Committee

Portfolio Summary
4/30/2019

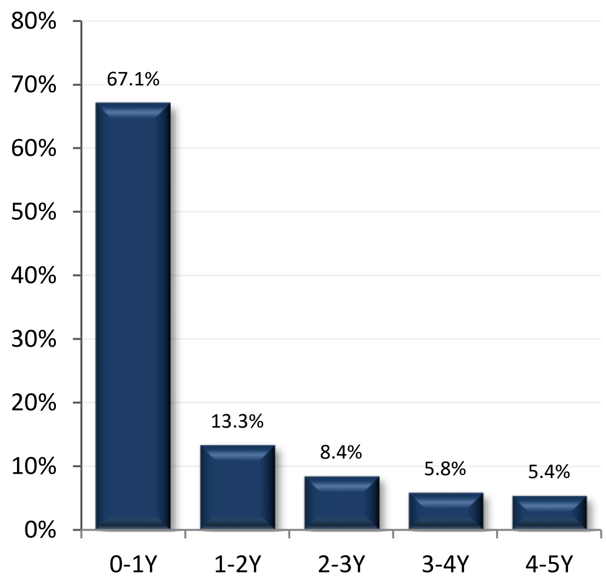
County of Alameda

SECTOR ALLOCATION



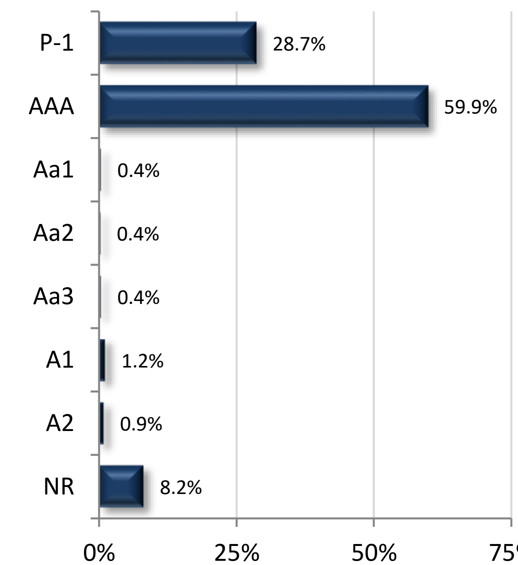
Per Book Value

MATURITY DISTRIBUTION



Per Book Value

CREDIT QUALITY (MOODY'S)



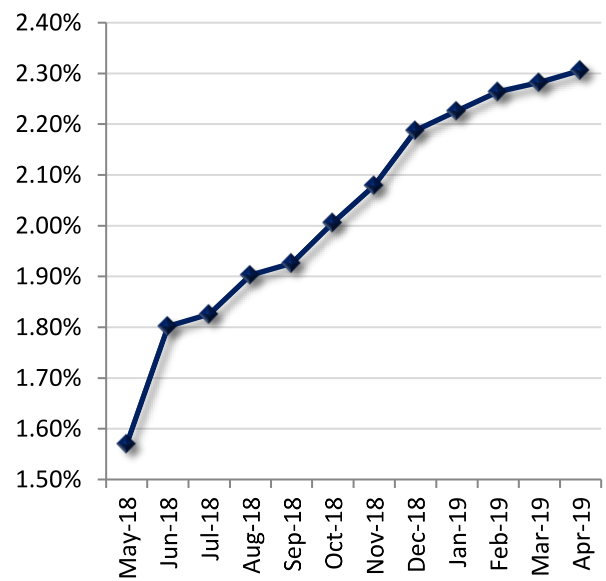
NR: Not Rated

ACCOUNT SUMMARY

	4/30/19	3/31/19
Market Value	$6,687,739,338	$6,196,865,375
Book Value*	$6,684,548,617	$6,194,165,234
Unrealized G/L	$3,190,720	$2,700,141
Par Value	$6,705,570,000	$6,210,570,000
Net Asset Value	$100.048	$100.044
Book Yield	2.31%	2.28%
Years to Maturity	1.09	0.79
Effective Duration	0.86	0.64

*Book Value is not Amortized

PORTFOLIO BOOK YIELD HISTORY



TOP ISSUERS

Issuer	% Portfolio
Federal Home Loan Mtg Corp	13.0%
Federal Home Loan Bank	11.9%
U.S. Treasury	9.6%
Federal National Mtg Assn	8.6%
Federal Farm Credit Bank	8.3%
Federal Home Loan Bk Disc Note	4.7%
FARMER MAC	3.4%
MUFG UNION BANK	3.0%
NATXNY	3.0%
Toronto Dominion Bank	3.0%
Treasury Bill	2.9%
International Bank Recon & D	2.7%
TOYOTA MOTOR CREDIT CORP	2.4%
Bank of Montreal	2.2%
Nordea Bank Fin NY	2.2%

Per Book Value

Investment Policy Compliance
4/30/2019

County of Alameda

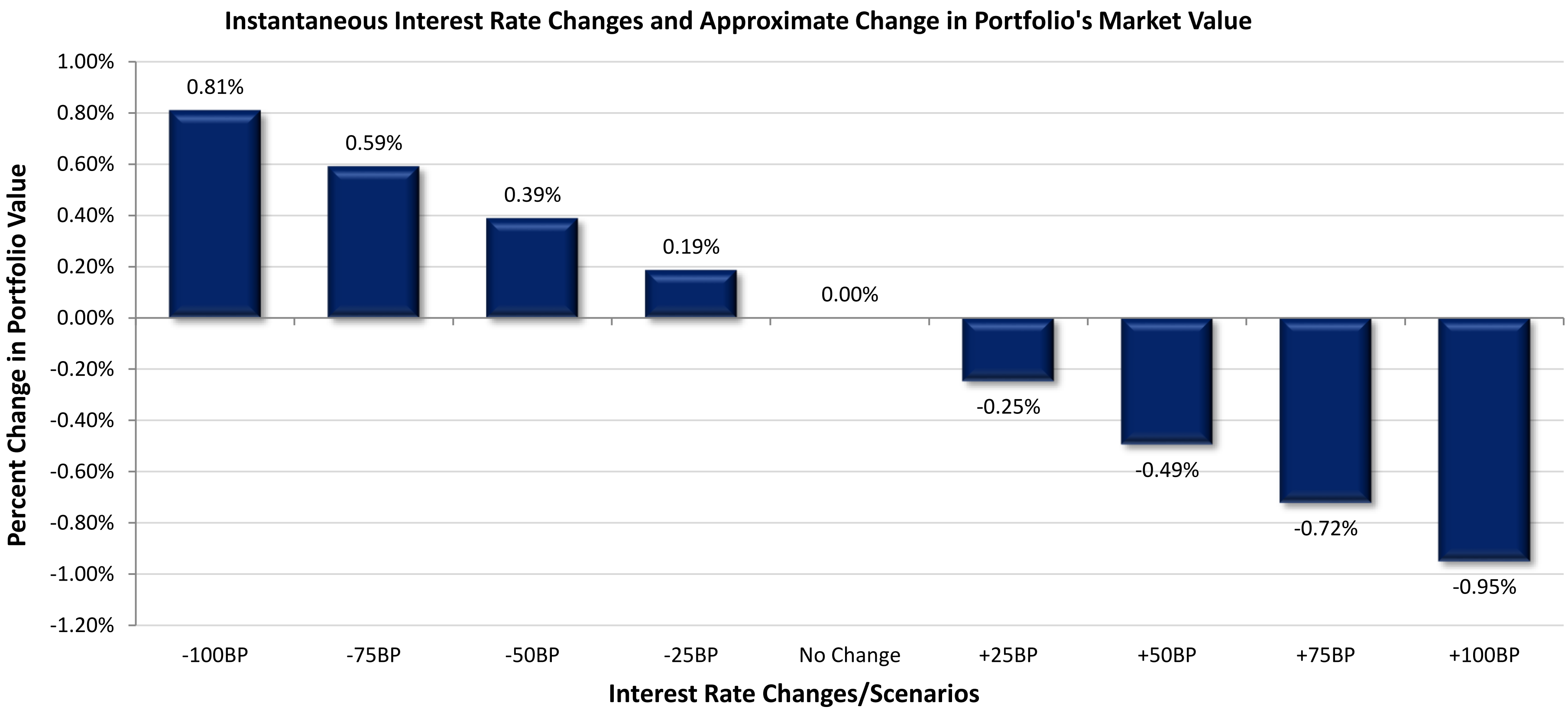
Item / Sector	Parameters	In Compliance	
Weighted Average Maturity	Maximum WAM of 3.0 years	Yes	1.09 yrs
U.S. Treasury and Federal Agency Obligations	No sector limit; no issuer limit; max maturity 5 years	Yes	64.1%
Debt Issued by State of CA and Local Agencies within the State	No sector limit; no issuer limit; max maturity 5 years	Yes	0.1%
LAIF	Maximum amount permitted by LAIF (currently $65 million limit)	Yes	$60 Mil
Joint Powers Authority (CAMP)	Max Limit: Twice the limit of LAIF deposits (currently $130 million limit)	Yes	$130 Mil
Joint Powers Authority (CalTrust)	Max Limit: Twice the limit of LAIF deposits (currently $130 million limit)	Yes	$40 Mil
Money Market Mutual Funds	20% limit; 5% per fund limit or $75 Mil, whichever is lower (except for Nov, Dec, March, and April); SEC registered with stable NAV; No front-end loads; Rated AAAm or equivalent by at least two of the three rating agencies or advisor requirements	Yes	2.4%
Commercial Paper (Includes Asset Backed)	25% sector limit; Max maturity of 270 days; Rated A-1, P-1, or F-1; Total assets over $500mm; Asset Backed CP Must have program-wide credit enhancements	Yes	2.2%
Negotiable CDs	30% limit; Minimum rating of A by rating agency if issued by domestic bank; Minimum rating of AA if a U.S. branch of a foreign bank; Max maturity of 1 year	Yes	17.2%
Collateralized/FDIC - Insured Time Deposits	Time deposits with banks and savings and loans associations located with the State, collateralized according to Government code	Yes	2.8%
Collateralized Money Market Bank Accounts	Deposit funds in interest-bearing active collateralized money market bank accounts	Yes	1.0%
Medium-Term Notes	30% limit; Max maturity 5 years; Minimum rating of A by rating a rating agency if maturing less than 3 years; minimum rating of AA if maturity is greater than 3 years	Yes	3.9%
Repurchase Agreement	20% limit; Max maturity of 180 days; Must have 102% collateral; Collateral of agency and treasuries with final maturity not to exceed 5 years	Yes	0.0%
Supranationals	30% limit; Only IBRD, IFC, IADB; Max Maturity 5 years; Minimum rating of AA by a rating agency.; max maturity of 5 years	Yes	2.7%
Floaters, Structured Notes, Derivatives	15% limit for treasuries, agencies, and munis	Yes	0.0%

Historical Book Values
4/30/2019

County of Alameda

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2016	$3.325	$3.023	$3.078	$2.936	$3.117	$3.530	$3.747	$3.852	$3.862	$4.195	$4.199	$4.060
Fiscal Year 2017	$4.120	$3.786	$3.698	$3.962	$4.328	$4.781	$4.807	$4.726	$4.767	$5.174	$5.263	$5.253
Fiscal Year 2018	$5.107	$4.600	$4.490	$4.625	$5.096	$5.818	$6.011	$5.881	$5.868	$6.002	$5.984	$5.901
Fiscal Year 2019	$5.648	$5.146	$5.108	$5.047	$5.540	$6.217	$6.047	$5.912	$6.093	$6.626		

Figures in Billions, Average Daily Balance

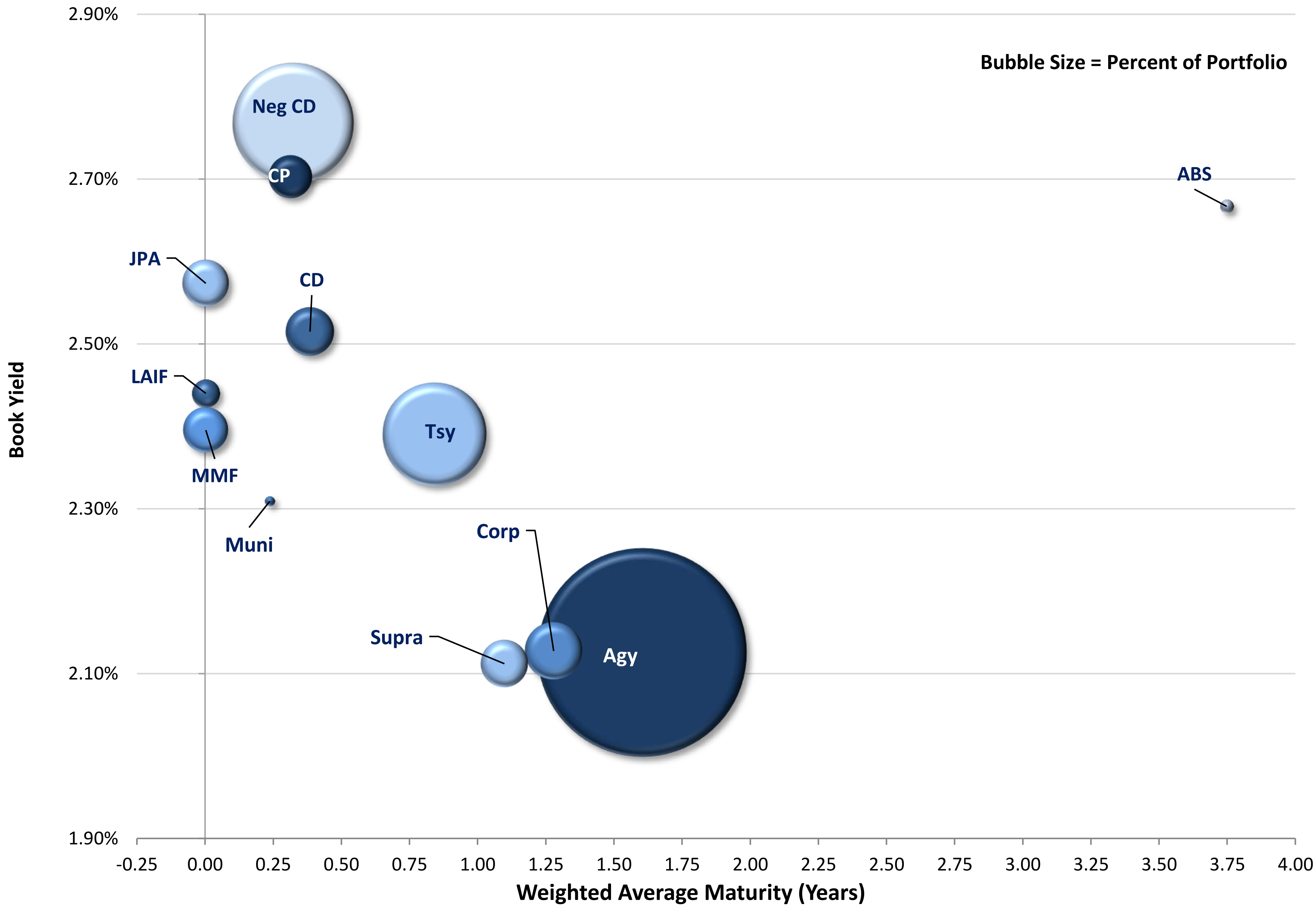


Int. Rate Change	Portfolio Value	Value Change	Percent Change
-100 Basis Points	$6,741,910,026	$54,170,689	0.81%
-75 Basis Points	$6,727,283,940	$39,544,603	0.59%
-50 Basis Points	$6,713,741,268	$26,001,931	0.39%
-25 Basis Points	$6,700,198,596	$12,459,258	0.19%
No Change	$6,687,739,338	$0	0.00%
+25 Basis Points	$6,671,220,621	-$16,518,716	-0.25%
+50 Basis Points	$6,654,701,905	-$33,037,432	-0.49%
+75 Basis Points	$6,639,453,860	-$48,285,478	-0.72%
+100 Basis Points	$6,624,205,814	-$63,533,524	-0.95%

FTN FINANCIAL
MAIN STREET ADVISORS
A Subsidiary of First Tennessee Bank National Association

Book Yield per WAM per Percent of Portfolio
4/30/2019

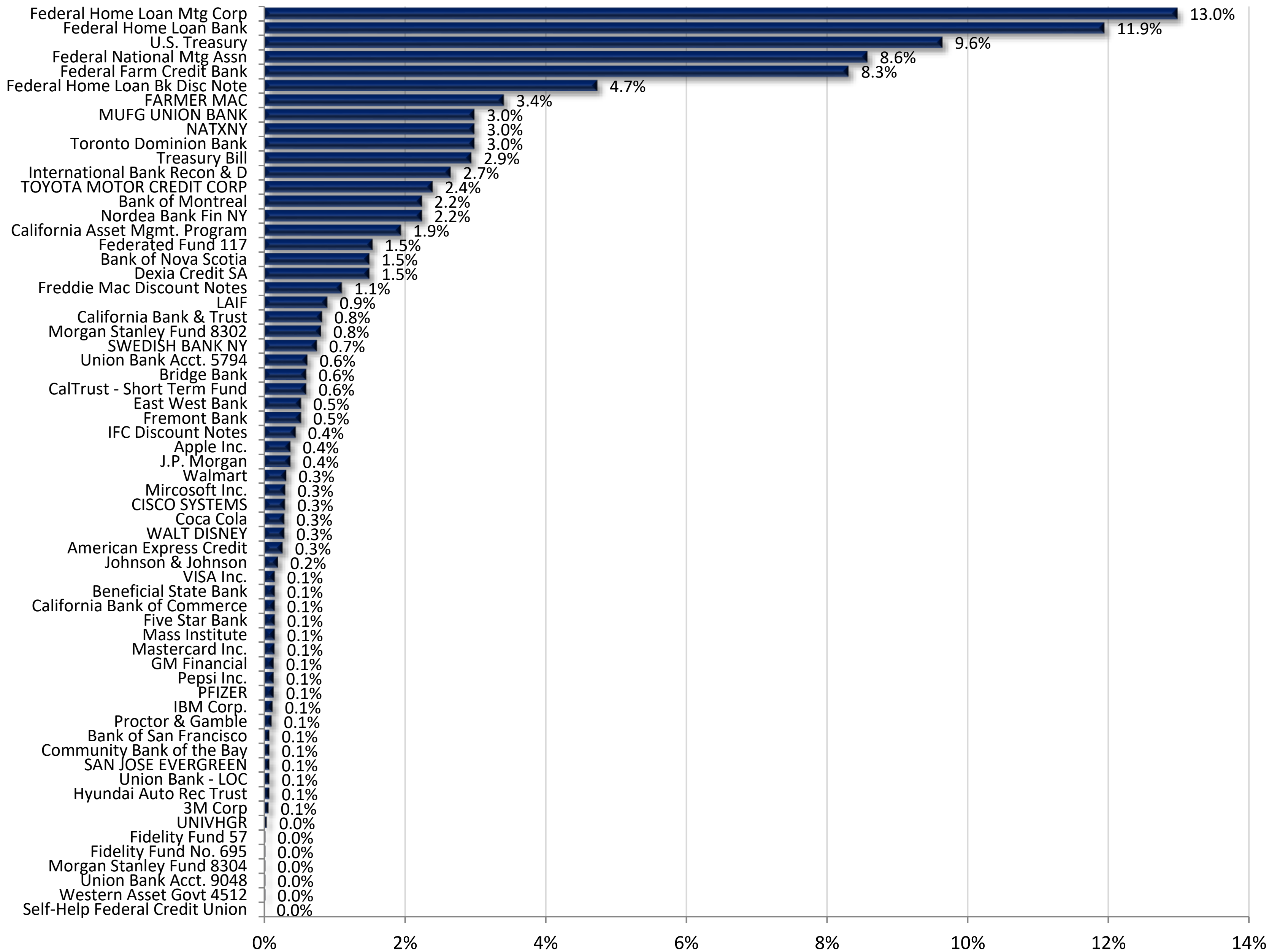
County of Alameda



*Note: Excludes Cash Balance

Holdings Allocation by Issuer
4/30/2019

County of Alameda



Alameda County Investment Pool
Portfolio Management
Portfolio Summary
April 30, 2019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM 365 Equiv.
Non-Negotiable CDs	185,170,000.00	185,170,000.00	185,170,000.00	2.77	141	2.515
Local Agency Investment Funds	60,000,000.00	60,000,000.00	60,000,000.00	0.90	1	2.440
Joint Powers Authority	170,000,000.00	170,000,000.00	170,000,000.00	2.54	1	2.574
Money Market Mutual Funds	161,000,000.00	161,000,000.00	161,000,000.00	2.41	1	2.395
Money Market Bank Accounts	67,000,000.00	67,000,000.00	67,000,000.00	1.00	1	1.280
Negotiable CDs	1,150,000,000.00	1,150,061,500.00	1,150,000,000.00	17.20	118	2.768
Corporate Notes	258,500,000.00	257,623,858.75	258,121,838.75	3.86	467	2.127
Washington Supranational Obligation	178,500,000.00	178,162,744.50	177,378,567.60	2.65	401	2.112
Commercial Paper Disc. -Amortizing	150,000,000.00	148,794,000.00	148,108,486.12	2.22	114	2.703
Agency Bullets (Aaa/AA+)	385,000,000.00	386,360,450.00	384,597,500.00	5.75	973	2.380
Federal Agency Disc. -Amortizing	425,000,000.00	423,358,750.00	420,581,395.84	6.29	58	2.551
Treasury Notes and Bonds	650,000,000.00	646,014,495.24	644,827,917.14	9.65	356	2.356
Treasury Discounts -Amortizing	200,000,000.00	198,050,500.00	196,887,659.73	2.95	150	2.500
Agency Callables (Aaa/AA+)	2,643,900,000.00	2,634,631,889.05	2,639,376,425.55	39.48	613	2.020
Asset Backed Securities	14,000,000.00	14,013,350.00	13,998,826.60	0.21	1,368	2.667
Municipal Bonds	7,500,000.00	7,497,800.00	7,500,000.00	0.11	87	2.309
Investments	**6,705,570,000.00**	**6,687,739,337.54**	**6,684,548,617.33**	**100.00%**	**399**	**2.306**

Total Earnings	April 30 Month Ending	Fiscal Year To Date
Current Year	13,003,462.75	97,671,996.45
Average Daily Balance	**6,625,659,814.34**	**5,674,995,555.51**
Effective Rate of Return	**2.39%**	**2.07%**

Henry C. Levy, Treasurer - Tax Collector

Reporting period 04/01/2019-04/30/2019

Run Date: 05/29/2019 - 14:12

Portfolio POOL
RC
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.6.1

Alameda County Investment Pool
Portfolio Management
Portfolio Details - Investments
April 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Maturity	Maturity Date
Non-Negotiable CDs											
SYS11589	11589	Five Star Bank		11/09/2018	10,000,000.00	10,000,000.00	10,000,000.00	2.510	2.545	8	05/09/2019
SYS11655	11655	Bank of San Francisco		02/07/2019	5,000,000.00	5,000,000.00	5,000,000.00	2.500	2.535	97	08/06/2019
SYS11690	11690	Bridge Bank		04/02/2019	40,000,000.00	40,000,000.00	40,000,000.00	2.390	2.423	154	10/02/2019
SYS11691	11691	Beneficial State Bank		04/03/2019	10,000,000.00	10,000,000.00	10,000,000.00	2.440	2.474	155	10/03/2019
SYS11730	11730	California Bank & Trust		04/17/2019	30,000,000.00	30,000,000.00	30,000,000.00	2.380	2.413	63	07/03/2019
SYS11667	11667	Community Bank of the Bay		03/07/2019	5,000,000.00	5,000,000.00	5,000,000.00	2.500	2.535	125	09/03/2019
SYS11600	11600	California Bank of Commerce		11/21/2018	10,000,000.00	10,000,000.00	10,000,000.00	2.510	2.545	20	05/21/2019
SYS11601	11601	East West Bank		11/15/2018	25,000,000.00	25,000,000.00	25,000,000.00	2.800	2.839	13	05/14/2019
SYS11711	11711	East West Bank		04/11/2019	10,000,000.00	10,000,000.00	10,000,000.00	2.800	2.839	13	05/14/2019
SYS11749	11749	Fremont Bank		04/30/2019	35,000,000.00	35,000,000.00	35,000,000.00	2.410	2.443	365	04/30/2020
SYS11669	11669	Self-Help Federal Credit Union		03/13/2019	170,000.00	170,000.00	170,000.00	2.100	2.129	317	03/13/2020
SYS11729	11729	Union Bank - LOC		04/17/2019	5,000,000.00	5,000,000.00	5,000,000.00	2.000	2.028	351	04/16/2020
		Subtotal and Average	**131,336,666.67**		**185,170,000.00**	**185,170,000.00**	**185,170,000.00**		**2.515**	**141**	
Local Agency Investment Funds											
SYS10285	10285	LAIF		07/01/2013	60,000,000.00	60,000,000.00	60,000,000.00	2.440	2.440	1	
		Subtotal and Average	**60,000,000.00**		**60,000,000.00**	**60,000,000.00**	**60,000,000.00**		**2.440**	**1**	
Joint Powers Authority											
SYS10470	10470	California Asset Mgmt. Program		06/28/2012	130,000,000.00	130,000,000.00	130,000,000.00	2.590	2.590	1	
SYS10472	10472	CalTrust - Short Term Fund		07/01/2013	40,000,000.00	40,000,000.00	40,000,000.00	2.520	2.520	1	
		Subtotal and Average	**186,000,000.00**		**170,000,000.00**	**170,000,000.00**	**170,000,000.00**		**2.574**	**1**	
Money Market Mutual Funds											
608919718	11093	Federated Fund 117		09/30/2016	103,000,000.00	103,000,000.00	103,000,000.00	2.400	2.400	1	
316175504	10274	Fidelity Fund No. 695		06/28/2012	1,000,000.00	1,000,000.00	1,000,000.00	2.370	2.370	1	
316175108	11090	Fidelity Fund 57		09/30/2016	1,000,000.00	1,000,000.00	1,000,000.00	2.330	2.330	1	
61747C707	10280	Morgan Stanley Fund 8302		06/28/2013	54,000,000.00	54,000,000.00	54,000,000.00	2.390	2.390	1	
61747C582	11089	Morgan Stanley Fund 8304		09/30/2016	1,000,000.00	1,000,000.00	1,000,000.00	2.350	2.350	1	
52470G791	10318	Western Asset Govt 4512		08/15/2013	1,000,000.00	1,000,000.00	1,000,000.00	2.350	2.350	1	
		Subtotal and Average	**576,466,666.67**		**161,000,000.00**	**161,000,000.00**	**161,000,000.00**		**2.395**	**1**	
Money Market Bank Accounts											
SYS10286	10286	California Bank & Trust		06/28/2013	25,000,000.00	25,000,000.00	25,000,000.00	1.750	1.750	1	
SYS10290	10290	Union Bank Acct. 5794		06/28/2013	41,000,000.00	41,000,000.00	41,000,000.00	1.000	1.000	1	

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Money Market Bank Accounts											
SYS10291	10291	Union Bank Acct. 9048		06/28/2013	1,000,000.00	1,000,000.00	1,000,000.00	1.000	1.000	1	
		Subtotal and Average	**61,300,000.00**		**67,000,000.00**	**67,000,000.00**	**67,000,000.00**		**1.280**	**1**	
Negotiable CDs											
06370RPW3	11613	Bank of Montreal		12/04/2018	50,000,000.00	50,052,000.00	50,000,000.00	2.920	2.961	91	07/31/2019
06370RRD3	11619	Bank of Montreal		12/11/2018	50,000,000.00	50,060,000.00	50,000,000.00	2.900	2.940	112	08/21/2019
06370RRE1	11620	Bank of Montreal		12/11/2018	50,000,000.00	50,053,000.00	50,000,000.00	2.900	2.940	98	08/07/2019
06417G3R7	11618	Bank of Nova Scotia		12/11/2018	50,000,000.00	50,040,500.00	50,000,000.00	2.890	2.930	91	07/31/2019
06417G5D6	11661	Bank of Nova Scotia		02/20/2019	50,000,000.00	49,582,000.00	50,000,000.00	2.610	2.646	119	08/28/2019
25215FEJ9	11611	Dexia Credit SA		12/04/2018	50,000,000.00	50,039,500.00	50,000,000.00	2.850	2.890	91	07/31/2019
25215FEQ3	11648	Dexia Credit SA		01/29/2019	50,000,000.00	50,025,000.00	50,000,000.00	2.680	2.717	140	09/18/2019
55379WRA6	11587	MUFG UNION BANK		10/31/2018	50,000,000.00	50,014,500.00	50,000,000.00	2.830	2.869	30	05/31/2019
62478TY52	11682	MUFG UNION BANK		03/26/2019	50,000,000.00	50,009,000.00	50,000,000.00	2.600	2.636	142	09/20/2019
62478TZ69	11694	MUFG UNION BANK		04/05/2019	50,000,000.00	50,000,000.00	50,000,000.00	2.590	2.626	225	12/12/2019
62478TZ85	11714	MUFG UNION BANK		04/11/2019	50,000,000.00	49,992,500.00	50,000,000.00	2.570	2.606	236	12/23/2019
63873NZM6	11599	NATXNY		11/21/2018	50,000,000.00	50,034,500.00	50,000,000.00	2.930	2.971	56	06/26/2019
63873NZW4	11612	NATXNY		12/04/2018	50,000,000.00	50,047,000.00	50,000,000.00	2.940	2.981	84	07/24/2019
63873NP39	11674	NATXNY		03/19/2019	50,000,000.00	50,025,500.00	50,000,000.00	2.690	2.727	182	10/30/2019
63873NR52	11695	NATXNY		04/05/2019	50,000,000.00	50,000,500.00	50,000,000.00	2.600	2.636	208	11/25/2019
65558TAK1	11592	Nordea Bank Fin NY		11/15/2018	50,000,000.00	50,004,500.00	50,000,000.00	2.780	2.819	9	05/10/2019
65558TAJ4	11593	Nordea Bank Fin NY		11/15/2018	50,000,000.00	50,020,000.00	50,000,000.00	2.810	2.849	42	06/12/2019
65558TDN2	11650	Nordea Bank Fin NY		01/29/2019	50,000,000.00	50,019,500.00	50,000,000.00	2.670	2.707	91	07/31/2019
87019VTE7	11585	SWEDISH BANK NY		10/30/2018	50,000,000.00	50,000,000.00	50,000,000.00	2.640	2.677	0	05/01/2019
89114MYC5	11675	Toronto Dominion Bank		03/19/2019	50,000,000.00	50,018,000.00	50,000,000.00	2.630	2.667	196	11/13/2019
89114MZA8	11681	Toronto Dominion Bank		03/26/2019	50,000,000.00	50,006,500.00	50,000,000.00	2.580	2.616	154	10/02/2019
89114MZJ9	11684	Toronto Dominion Bank		03/28/2019	50,000,000.00	50,010,000.00	50,000,000.00	2.600	2.636	196	11/13/2019
89114MA80	11697	Toronto Dominion Bank		04/05/2019	50,000,000.00	50,007,500.00	50,000,000.00	2.580	2.616	126	09/04/2019
		Subtotal and Average	**1,161,666,666.67**		**1,150,000,000.00**	**1,150,061,500.00**	**1,150,000,000.00**		**2.768**	**118**	
Corporate Notes											
037833BD1	10648	Apple Inc.		05/13/2015	5,000,000.00	4,973,150.00	4,992,250.00	2.000	2.033	371	05/06/2020
037833CC2	11060	Apple Inc.		08/04/2016	5,000,000.00	4,894,900.00	4,993,050.00	1.550	1.579	826	08/04/2021
037833CB4	11061	Apple Inc.		08/04/2016	5,000,000.00	4,981,700.00	4,995,000.00	1.100	1.134	93	08/02/2019
037833CK4	11207	Apple Inc.		02/09/2017	10,000,000.00	9,950,600.00	9,995,100.00	1.900	1.917	282	02/07/2020
0258M0EE5	11225	American Express Credit		03/03/2017	2,500,000.00	2,489,450.00	2,497,400.00	2.200	2.236	307	03/03/2020

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Corporate Notes											
0258MODT3	11686	American Express Credit		03/29/2019	15,000,000.00	15,083,168.75	15,083,168.75	2.375	2.600	391	05/26/2020
17275RBD3	11575	CISCO SYSTEMS		10/11/2018	10,000,000.00	9,940,100.00	9,779,300.00	2.200	3.180	669	02/28/2021
17275RAX0	11710	CISCO SYSTEMS		04/11/2019	10,000,000.00	10,076,344.44	10,066,044.44	2.450	2.560	411	06/15/2020
25468PDL7	11044	WALT DISNEY		07/12/2016	1,000,000.00	996,710.00	996,640.00	0.875	0.989	72	07/12/2019
25468PDU7	11292	WALT DISNEY		06/06/2017	5,000,000.00	4,962,700.00	4,994,200.00	1.800	1.840	401	06/05/2020
25468PDU7	11293	WALT DISNEY		06/06/2017	13,000,000.00	12,903,020.00	12,984,920.00	1.800	1.840	401	06/05/2020
459200JE2	10916	IBM Corp.		02/19/2016	8,000,000.00	7,997,360.00	8,000,000.00	1.800	1.799	16	05/17/2019
478160BS2	10927	Johnson & Johnson		03/01/2016	2,000,000.00	1,969,240.00	2,000,000.00	1.650	1.650	670	03/01/2021
478160CD4	11226	Johnson & Johnson		03/03/2017	11,000,000.00	10,944,670.00	10,970,080.00	2.250	2.308	1,037	03/03/2022
46625HNX4	11687	J.P. Morgan		03/29/2019	25,000,000.00	24,941,000.00	24,975,000.00	2.550	2.614	547	10/29/2020
191216BV1	11005	Coca Cola		05/31/2016	19,000,000.00	18,983,280.00	18,986,700.00	1.375	1.399	29	05/30/2019
575718AC5	11597	Mass Institute		11/20/2018	10,000,000.00	9,986,300.00	9,964,000.00	2.051	1.819	61	07/01/2019
57636QAF1	11737	Mastercard Inc.		04/25/2019	10,000,000.00	9,958,255.56	9,942,055.56	2.000	2.580	935	11/21/2021
88579YBA8	11567	3M Corp		09/14/2018	4,000,000.00	4,051,480.00	3,991,800.00	3.000	3.072	867	09/14/2021
594918BG8	10819	Mircosoft Inc.		11/03/2015	2,000,000.00	1,986,700.00	1,998,400.00	2.000	2.017	552	11/03/2020
594918BN3	11062	Mircosoft Inc.		08/08/2016	4,000,000.00	3,984,840.00	3,995,880.00	1.100	1.135	99	08/08/2019
594918BP8	11063	Mircosoft Inc.		08/08/2016	2,000,000.00	1,957,080.00	1,997,900.00	1.550	1.572	830	08/08/2021
594918BN3	11064	Mircosoft Inc.		08/08/2016	5,000,000.00	4,981,050.00	4,994,850.00	1.100	1.135	99	08/08/2019
594918BP8	11065	Mircosoft Inc.		08/08/2016	7,000,000.00	6,849,780.00	6,992,650.00	1.550	1.572	830	08/08/2021
713448DX3	11333	Pepsi Inc.		10/10/2017	9,000,000.00	8,917,740.00	8,998,200.00	2.000	2.006	715	04/15/2021
717081EB5	11142	PFIZER		11/21/2016	9,000,000.00	8,950,230.00	8,993,520.00	1.700	1.724	228	12/15/2019
742718EQ8	11126	Proctor & Gamble		11/03/2016	5,000,000.00	4,913,300.00	4,989,750.00	1.700	1.743	917	11/03/2021
742718EZ8	11354	Proctor & Gamble		10/25/2017	2,000,000.00	1,992,560.00	1,999,300.00	1.750	1.768	177	10/25/2019
89236TBP9	11478	TOYOTA MOTOR CREDIT CORP		04/13/2018	12,000,000.00	11,988,240.00	11,943,720.00	2.125	2.503	78	07/18/2019
92826CAB8	11709	VISA Inc.		04/11/2019	10,000,000.00	10,022,100.00	10,020,000.00	2.200	2.515	593	12/14/2020
931142DU4	11342	Walmart		10/20/2017	5,000,000.00	4,961,200.00	4,999,600.00	2.350	2.351	1,324	12/15/2022
931142DY6	11343	Walmart		10/20/2017	4,000,000.00	3,983,040.00	3,999,920.00	1.750	1.751	161	10/09/2019
931142EA7	11344	Walmart		10/20/2017	5,000,000.00	4,952,350.00	4,992,750.00	1.900	1.947	594	12/15/2020
931142EJ8	11535	Walmart		06/27/2018	3,000,000.00	3,037,320.00	2,999,850.00	3.125	3.127	784	06/23/2021
931142EK5	11536	Walmart		06/27/2018	2,000,000.00	2,054,880.00	1,999,460.00	3.400	3.406	1,517	06/26/2023
931142EG4	11537	Walmart		06/27/2018	2,000,000.00	2,008,020.00	1,999,380.00	2.850	2.866	419	06/23/2020
		Subtotal and Average	**243,787,402.16**		**258,500,000.00**	**257,623,858.75**	**258,121,838.75**		**2.127**	**467**	
Washington Supranational Obligation											
45905UZJ6	11135	International Bank Recon & D		11/16/2016	10,000,000.00	9,933,900.00	9,974,100.00	1.300	1.390	177	10/25/2019

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Washington Supranational Obligation											
459058FS7	11159	International Bank Recon & D		12/12/2016	15,000,000.00	14,877,750.00	14,821,950.00	1.125	1.537	210	11/27/2019
45905UZJ6	11227	International Bank Recon & D		03/03/2017	10,000,000.00	9,933,900.00	9,920,000.00	1.300	1.610	177	10/25/2019
45905UQ56	11353	International Bank Recon & D		10/25/2017	25,000,000.00	24,944,000.00	25,000,000.00	1.650	1.650	92	08/01/2019
45905UQ49	11356	International Bank Recon & D		10/26/2017	25,000,000.00	24,793,250.00	25,000,000.00	1.800	1.800	457	07/31/2020
459058FQ1	11381	International Bank Recon & D		11/30/2017	15,000,000.00	14,916,900.00	14,816,700.00	1.200	1.881	152	09/30/2019
459058FQ1	11386	International Bank Recon & D		12/01/2017	15,000,000.00	14,916,900.00	14,815,200.00	1.200	1.885	152	09/30/2019
45905UQ80	11464	International Bank Recon & D		03/27/2018	10,000,000.00	9,921,300.00	9,839,000.00	1.950	2.292	558	11/09/2020
45905UQ80	11538	International Bank Recon & D		06/28/2018	10,000,000.00	9,921,300.00	9,826,900.00	1.950	2.710	558	11/09/2020
459058GH0	11544	International Bank Recon & D		07/25/2018	10,000,000.00	10,091,400.00	9,976,600.00	2.750	2.832	814	07/23/2021
45905UQ80	11555	International Bank Recon & D		08/30/2018	10,000,000.00	9,921,300.00	9,813,622.60	1.950	2.832	558	11/09/2020
45905UY32	11621	International Bank Recon & D		12/11/2018	23,500,000.00	23,990,844.50	23,574,495.00	3.170	3.169	919	11/05/2021
		Subtotal and Average	**186,717,073.16**		**178,500,000.00**	**178,162,744.50**	**177,378,567.60**		**2.112**	**401**	
Commercial Paper Disc. -Amortizing											
89233HSV7	11626	TOYOTA MOTOR CREDIT CORP		12/17/2018	50,000,000.00	49,904,500.00	49,357,055.56	2.840	2.917	28	05/29/2019
89233HZC1	11696	TOYOTA MOTOR CREDIT CORP		04/05/2019	50,000,000.00	49,209,500.00	49,118,013.89	2.530	2.648	225	12/12/2019
89233HUX0	11722	TOYOTA MOTOR CREDIT CORP		04/16/2019	50,000,000.00	49,680,000.00	49,633,416.67	2.490	2.543	91	07/31/2019
		Subtotal and Average	**171,472,832.42**		**150,000,000.00**	**148,794,000.00**	**148,108,486.12**		**2.703**	**114**	
Agency Bullets (Aaa/AA+)											
3132X0Q53	11469	FARMER MAC		03/29/2018	10,000,000.00	10,045,800.00	9,995,100.00	2.600	2.617	698	03/29/2021
3132X0U25	11486	FARMER MAC		04/19/2018	30,000,000.00	30,482,100.00	29,982,000.00	2.800	2.813	1,449	04/19/2023
3132X0U25	11487	FARMER MAC		04/19/2018	40,000,000.00	40,642,800.00	39,976,000.00	2.800	2.813	1,449	04/19/2023
3132X0U25	11488	FARMER MAC		04/19/2018	30,000,000.00	30,482,100.00	29,982,000.00	2.800	2.813	1,449	04/19/2023
31422BEV8	11731	FARMER MAC		04/22/2019	50,000,000.00	50,089,500.00	50,000,000.00	2.485	2.485	887	10/04/2021
31422BEX4	11736	FARMER MAC		04/24/2019	50,000,000.00	50,029,000.00	50,000,000.00	2.475	2.475	1,252	10/04/2022
3133EHHB2	11265	Federal Farm Credit Bank		04/27/2017	5,000,000.00	4,955,150.00	4,986,500.00	1.450	1.542	362	04/27/2020
3133EJHL6	11459	Federal Farm Credit Bank		03/27/2018	10,000,000.00	9,992,800.00	9,992,800.00	2.375	2.412	331	03/27/2020
3133EJHL6	11460	Federal Farm Credit Bank		03/27/2018	10,000,000.00	9,984,000.00	9,984,000.00	2.375	2.457	331	03/27/2020
3130A7CV5	10911	Federal Home Loan Bank		02/18/2016	5,000,000.00	4,917,350.00	4,979,800.00	1.375	1.459	659	02/18/2021
3130A7CV5	10912	Federal Home Loan Bank		02/18/2016	15,000,000.00	14,752,050.00	14,939,400.00	1.375	1.459	659	02/18/2021
3130ACM92	11334	Federal Home Loan Bank		10/13/2017	10,000,000.00	9,955,900.00	9,982,300.00	1.500	1.679	173	10/21/2019
3130ACM92	11335	Federal Home Loan Bank		10/13/2017	10,000,000.00	9,955,900.00	9,982,300.00	1.500	1.679	173	10/21/2019
3130ACM92	11336	Federal Home Loan Bank		10/13/2017	10,000,000.00	9,955,900.00	9,982,300.00	1.500	1.679	173	10/21/2019
3130ADUJ9	11455	Federal Home Loan Bank		03/16/2018	15,000,000.00	14,999,100.00	14,997,300.00	2.375	2.384	334	03/30/2020

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Agency Bullets (Aaa/AA+)											
3130ADUJ9	11456	Federal Home Loan Bank		03/16/2018	15,000,000.00	14,999,100.00	14,997,300.00	2.375	2.384	334	03/30/2020
3130ADR53	11458	Federal Home Loan Bank		03/20/2018	10,000,000.00	9,990,500.00	10,000,000.00	2.350	2.350	324	03/20/2020
3135G0T29	11218	Federal National Mtg Assn		02/28/2017	10,000,000.00	9,929,100.00	9,993,600.00	1.500	1.522	303	02/28/2020
3135G0T29	11219	Federal National Mtg Assn		02/28/2017	10,000,000.00	9,929,100.00	9,993,600.00	1.500	1.147	303	02/28/2020
3135G0V34	11657	Federal National Mtg Assn		02/08/2019	20,000,000.00	20,136,600.00	19,925,600.00	2.500	2.580	1,741	02/05/2024
3135G0V34	11658	Federal National Mtg Assn		02/08/2019	20,000,000.00	20,136,600.00	19,925,600.00	2.500	2.580	1,741	02/05/2024
		Subtotal and Average	**319,262,246.67**		**385,000,000.00**	**386,360,450.00**	**384,597,500.00**		**2.380**	**973**	
Federal Agency Disc. -Amortizing											
313384HJ1	11594	Federal Home Loan Bk Disc Note		11/16/2018	50,000,000.00	49,812,500.00	49,229,166.67	2.500	2.604	56	06/26/2019
313384GG8	11631	Federal Home Loan Bk Disc Note		12/20/2018	50,000,000.00	49,899,500.00	49,442,000.00	2.480	2.578	30	05/31/2019
313384FK0	11633	Federal Home Loan Bk Disc Note		12/20/2018	20,000,000.00	19,988,000.00	19,806,908.33		2.559	9	05/10/2019
313384HY8	11641	Federal Home Loan Bk Disc Note		12/28/2018	50,000,000.00	49,765,500.00	49,325,041.67	2.505	2.608	70	07/10/2019
313384NA3	11673	Federal Home Loan Bk Disc Note		03/19/2019	50,000,000.00	49,440,000.00	49,280,548.61	2.455	2.556	168	10/16/2019
313384GG8	11689	Federal Home Loan Bk Disc Note		03/29/2019	50,000,000.00	49,899,500.00	49,790,000.00	2.400	2.478	30	05/31/2019
313384GT0	11743	Federal Home Loan Bk Disc Note		04/29/2019	50,000,000.00	49,863,000.00	49,856,666.67	2.400	2.474	41	06/11/2019
313396HD8	11591	Freddie Mac Discount Notes		11/15/2018	50,000,000.00	49,829,500.00	49,249,111.11	2.480	2.583	51	06/21/2019
31315KGG9	11642	Freddie Mac Discount Notes		12/28/2018	25,000,000.00	24,949,750.00	24,734,777.78	2.480	2.577	30	05/31/2019
459516GW4	11701	IFC Discount Notes		04/09/2019	30,000,000.00	29,911,500.00	29,867,175.00	2.415	2.494	44	06/14/2019
		Subtotal and Average	**480,486,879.26**		**425,000,000.00**	**423,358,750.00**	**420,581,395.84**		**2.551**	**58**	
Treasury Notes and Bonds											
9128282T6	11324	U.S. Treasury		09/21/2017	50,000,000.00	49,785,000.00	49,816,406.25	1.250	1.442	122	08/31/2019
912828R44	11596	U.S. Treasury		11/19/2018	50,000,000.00	49,975,334.25	49,620,068.63	0.875	2.468	14	05/15/2019
912828WL0	11606	U.S. Treasury		11/30/2018	50,000,000.00	49,962,000.00	49,751,953.13	1.500	2.505	30	05/31/2019
912828V31	11624	U.S. Treasury		12/13/2018	50,000,000.00	49,629,000.00	49,271,484.38	1.375	2.741	259	01/15/2020
912828VV9	11702	U.S. Treasury		04/09/2019	50,000,000.00	49,968,989.13	49,933,848.51	2.125	2.391	488	08/31/2020
912828F21	11712	U.S. Treasury		04/11/2019	50,000,000.00	49,883,433.06	49,803,417.44	2.125	2.316	883	09/30/2021
912828H52	11713	U.S. Treasury		04/11/2019	50,000,000.00	49,679,356.35	49,652,106.35	1.250	2.430	275	01/31/2020
912828H52	11715	U.S. Treasury		04/11/2019	50,000,000.00	49,679,356.35	49,652,106.35	1.250	2.430	275	01/31/2020
912828TH3	11723	U.S. Treasury		04/16/2019	50,000,000.00	49,893,642.27	49,871,892.27	0.875	2.375	91	07/31/2019
912828TH3	11724	U.S. Treasury		04/16/2019	50,000,000.00	49,893,642.27	49,875,798.52	0.875	2.348	91	07/31/2019
912828H52	11734	U.S. Treasury		04/23/2019	100,000,000.00	99,400,149.17	99,372,992.92	1.250	2.444	275	01/31/2020
9128282D1	11744	U.S. Treasury		04/29/2019	50,000,000.00	48,264,592.39	48,205,842.39	1.375	2.304	1,583	08/31/2023
		Subtotal and Average	**414,070,187.72**		**650,000,000.00**	**646,014,495.24**	**644,827,917.14**		**2.356**	**356**	

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Treasury Discounts -Amortizing											
912796RR2	11607	Treasury Bill		11/30/2018	50,000,000.00	49,903,500.00	49,382,840.28	2.455	2.555	29	05/30/2019
912796QR3	11625	Treasury Bill		12/17/2018	50,000,000.00	49,743,000.00	49,263,375.00	2.490	2.593	78	07/18/2019
912796RT8	11692	Treasury Bill		04/05/2019	50,000,000.00	49,202,000.00	49,119,777.78	2.330	2.429	246	01/02/2020
912796RT8	11693	Treasury Bill		04/05/2019	50,000,000.00	49,202,000.00	49,121,666.67	2.325	2.423	246	01/02/2020
		Subtotal and Average	**217,026,588.75**		**200,000,000.00**	**198,050,500.00**	**196,887,659.73**		**2.500**	**150**	
Agency Callables (Aaa/AA+)											
31422BEK2	11699	FARMER MAC		04/09/2019	12,000,000.00	11,995,800.00	11,988,000.00	2.760	2.782	1,805	04/09/2024
31422BEK2	11700	FARMER MAC		04/09/2019	6,000,000.00	5,997,900.00	5,985,000.00	2.760	2.814	1,805	04/09/2024
3133EFMD6	10811	Federal Farm Credit Bank		10/29/2015	9,000,000.00	8,976,690.00	9,000,000.00	1.340	1.340	89	07/29/2019
3133EFD20	10918	Federal Farm Credit Bank		02/23/2016	10,000,000.00	9,992,600.00	10,000,000.00	1.250	1.250	22	05/23/2019
3133EFZ26	10954	Federal Farm Credit Bank		04/07/2016	15,000,000.00	14,866,200.00	15,000,000.00	1.400	1.400	342	04/07/2020
3133EF2L0	10956	Federal Farm Credit Bank		04/13/2016	10,000,000.00	9,896,200.00	10,000,000.00	1.400	1.400	348	04/13/2020
3133EF2L0	10957	Federal Farm Credit Bank		04/15/2016	15,000,000.00	14,844,300.00	15,000,000.00	1.400	1.400	348	04/13/2020
3133EF2L0	10961	Federal Farm Credit Bank		04/19/2016	15,000,000.00	14,844,300.00	15,000,000.00	1.400	1.400	348	04/13/2020
3133EF5Y9	10977	Federal Farm Credit Bank		05/04/2016	9,700,000.00	9,613,961.00	9,700,000.00	1.470	1.470	369	05/04/2020
3133EGDW2	11008	Federal Farm Credit Bank		06/08/2016	10,000,000.00	9,909,500.00	10,000,000.00	1.520	1.520	404	06/08/2020
3133EGDW2	11009	Federal Farm Credit Bank		06/08/2016	10,000,000.00	9,909,500.00	10,000,000.00	1.520	1.520	404	06/08/2020
3133EGFY6	11014	Federal Farm Credit Bank		06/16/2016	15,000,000.00	14,874,600.00	15,000,000.00	1.400	1.400	320	03/16/2020
3133EGGS8	11017	Federal Farm Credit Bank		06/27/2016	15,000,000.00	14,971,200.00	15,000,000.00	1.200	1.200	57	06/27/2019
3133EGHP3	11022	Federal Farm Credit Bank		06/29/2016	10,000,000.00	9,893,500.00	10,000,000.00	1.420	1.420	425	06/29/2020
3133EGHQ1	11027	Federal Farm Credit Bank		06/29/2016	20,000,000.00	19,798,400.00	20,000,000.00	1.470	1.470	425	06/29/2020
3133EGQR9	11067	Federal Farm Credit Bank		08/18/2016	12,000,000.00	11,897,640.00	12,000,000.00	1.250	1.250	285	02/10/2020
3133EGVJ1	11085	Federal Farm Credit Bank		09/26/2016	10,000,000.00	9,950,600.00	10,000,000.00	1.160	1.160	148	09/26/2019
3133EGXK6	11098	Federal Farm Credit Bank		10/11/2016	10,000,000.00	9,943,800.00	10,000,000.00	1.120	1.120	163	10/11/2019
3133EGZE8	11108	Federal Farm Credit Bank		10/24/2016	15,000,000.00	14,916,600.00	15,000,000.00	1.210	1.210	176	10/24/2019
3133EGZE8	11109	Federal Farm Credit Bank		10/24/2016	10,000,000.00	9,944,400.00	10,000,000.00	1.210	1.210	176	10/24/2019
3133EGD77	11124	Federal Farm Credit Bank		11/03/2016	10,000,000.00	9,999,300.00	10,000,000.00	1.120	1.120	2	05/03/2019
3133EGD77	11125	Federal Farm Credit Bank		11/03/2016	10,000,000.00	9,999,300.00	10,000,000.00	1.120	1.120	2	05/03/2019
3133EGU52	11160	Federal Farm Credit Bank		12/13/2016	15,000,000.00	14,950,500.00	15,000,000.00	1.490	1.490	135	09/13/2019
3133EGU52	11161	Federal Farm Credit Bank		12/13/2016	7,000,000.00	6,976,900.00	7,000,000.00	1.490	1.490	135	09/13/2019
3133EGU60	11164	Federal Farm Credit Bank		12/14/2016	5,000,000.00	4,964,650.00	4,996,250.00	1.820	1.841	502	09/14/2020
3133EGU60	11165	Federal Farm Credit Bank		12/14/2016	15,000,000.00	14,893,950.00	15,000,000.00	1.820	1.820	502	09/14/2020
3133EGG66	11169	Federal Farm Credit Bank		12/15/2016	9,000,000.00	8,941,140.00	8,905,500.00	1.130	1.499	198	11/15/2019
3133EGW92	11171	Federal Farm Credit Bank		12/19/2016	20,000,000.00	19,892,000.00	20,000,000.00	1.500	1.500	232	12/19/2019

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Agency Callables (Aaa/AA+)											
3133EG3J2	11186	Federal Farm Credit Bank		01/10/2017	10,000,000.00	9,944,400.00	10,000,000.00	1.550	1.550	254	01/10/2020
3133EG7D1	11209	Federal Farm Credit Bank		02/15/2017	10,000,000.00	9,956,900.00	10,000,000.00	1.550	1.550	198	11/15/2019
3133EGXK6	11211	Federal Farm Credit Bank		02/15/2017	5,000,000.00	4,971,900.00	4,959,500.00	1.120	1.432	163	10/11/2019
3133EHCA9	11231	Federal Farm Credit Bank		03/31/2017	5,000,000.00	4,973,950.00	5,000,000.00	1.760	1.760	317	03/13/2020
3133EHZF3	11323	Federal Farm Credit Bank		09/19/2017	10,000,000.00	9,985,800.00	10,000,000.00	1.375	1.375	49	06/19/2019
3133EHW58	11374	Federal Farm Credit Bank		11/27/2017	10,000,000.00	9,932,400.00	9,997,100.00	1.900	1.936	576	11/27/2020
3133EGHD0	11375	Federal Farm Credit Bank		11/27/2017	13,000,000.00	12,974,000.00	12,865,937.50	1.120	1.783	57	06/27/2019
3133EFKY2	11385	Federal Farm Credit Bank		12/01/2017	17,000,000.00	16,917,550.00	16,843,260.00	1.360	1.854	180	10/28/2019
3133EH2C6	11394	Federal Farm Credit Bank		12/08/2017	15,000,000.00	14,937,150.00	15,000,000.00	1.970	1.970	404	06/08/2020
3133EGQQ1	11407	Federal Farm Credit Bank		12/22/2017	10,000,000.00	9,891,300.00	9,825,370.00	1.300	2.050	380	05/15/2020
3133EJKY4	11475	Federal Farm Credit Bank		04/13/2018	10,000,000.00	9,996,600.00	9,995,500.00	2.375	2.398	348	04/13/2020
3133EJKY4	11476	Federal Farm Credit Bank		04/13/2018	10,000,000.00	9,996,600.00	9,994,180.00	2.375	2.405	348	04/13/2020
3133EJLZ0	11493	Federal Farm Credit Bank		04/23/2018	10,000,000.00	10,057,300.00	9,985,900.00	2.625	2.674	723	04/23/2021
3133EJLA5	11508	Federal Farm Credit Bank		05/11/2018	10,000,000.00	10,000,500.00	9,965,000.00	2.830	2.924	1,083	04/18/2022
3133EJGJ2	11521	Federal Farm Credit Bank		06/12/2018	10,000,000.00	10,000,000.00	9,965,000.00	2.470	2.630	503	09/15/2020
3133EJZ28	11614	Federal Farm Credit Bank		12/05/2018	10,000,000.00	10,006,000.00	10,000,000.00	3.370	3.370	1,314	12/05/2022
3133EJ7H6	11660	Federal Farm Credit Bank		02/13/2019	10,000,000.00	10,000,400.00	10,000,000.00	2.800	2.801	1,108	05/13/2022
3133EKAY2	11662	Federal Farm Credit Bank		02/22/2019	10,000,000.00	10,001,200.00	10,000,000.00	2.720	2.720	1,028	02/22/2022
3133EKBD7	11663	Federal Farm Credit Bank		02/22/2019	10,000,000.00	10,000,900.00	10,000,000.00	2.970	2.972	1,573	08/21/2023
3133EHXZ1	11665	Federal Farm Credit Bank		02/26/2019	10,000,000.00	9,844,300.00	9,803,000.00	2.000	2.585	1,230	09/12/2022
3133EKGV2	11717	Federal Farm Credit Bank		04/12/2019	15,000,000.00	14,995,050.00	14,990,250.00	2.510	2.549	622	01/12/2021
3130A6MH7	10805	Federal Home Loan Bank		10/28/2015	5,000,000.00	4,950,700.00	5,000,000.00	1.720	1.720	546	10/28/2020
3130A8DB6	11006	Federal Home Loan Bank		06/03/2016	10,000,000.00	9,981,000.00	9,995,800.00	1.125	1.139	51	06/21/2019
3130A8DB6	11007	Federal Home Loan Bank		06/03/2016	10,000,000.00	9,981,000.00	9,995,800.00	1.125	1.139	51	06/21/2019
3130A8ZA4	11068	Federal Home Loan Bank		08/22/2016	22,200,000.00	21,933,600.00	22,200,000.00	1.230	1.230	387	05/22/2020
3130A9PB1	11111	Federal Home Loan Bank		10/25/2016	10,000,000.00	9,940,400.00	9,999,000.00	1.200	1.203	177	10/25/2019
3130A9NJ6	11117	Federal Home Loan Bank		10/31/2016	10,000,000.00	9,945,200.00	9,988,500.00	1.200	1.240	163	10/11/2019
3130AA3R7	11141	Federal Home Loan Bank		11/17/2016	10,000,000.00	9,945,400.00	9,997,700.00	1.375	1.383	198	11/15/2019
3130AABG2	11148	Federal Home Loan Bank		11/30/2016	5,000,000.00	4,945,900.00	4,980,100.00	1.875	1.959	943	11/29/2021
3130AABG2	11149	Federal Home Loan Bank		11/30/2016	5,000,000.00	4,945,900.00	4,980,100.00	1.875	1.959	943	11/29/2021
3130AABG2	11150	Federal Home Loan Bank		11/30/2016	5,000,000.00	4,945,900.00	4,980,100.00	1.875	1.959	943	11/29/2021
3130A8RQ8	11181	Federal Home Loan Bank		01/05/2017	10,000,000.00	9,970,200.00	9,950,000.00	1.200	1.400	86	07/26/2019
3130AAMN5	11206	Federal Home Loan Bank		02/08/2017	6,000,000.00	5,915,640.00	5,997,000.00	2.000	2.011	909	10/26/2021
3130A8DB6	11215	Federal Home Loan Bank		02/27/2017	15,000,000.00	14,971,500.00	14,934,750.00	1.125	1.316	51	06/21/2019
3130AB3Q7	11239	Federal Home Loan Bank		04/06/2017	10,000,000.00	9,979,900.00	9,995,800.00	1.400	1.419	75	07/15/2019
3130AB3F1	11246	Federal Home Loan Bank		04/13/2017	15,000,000.00	14,889,900.00	15,000,000.00	1.600	1.600	348	04/13/2020

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Agency Callables (Aaa/AA+)											
3130A8MM2	11297	Federal Home Loan Bank		06/28/2017	9,000,000.00	8,977,410.00	8,950,500.00	1.125	1.400	71	07/11/2019
3130ABB21	11298	Federal Home Loan Bank		06/29/2017	10,000,000.00	9,975,400.00	9,984,000.00	1.375	1.454	86	07/26/2019
3130ACE26	11312	Federal Home Loan Bank		09/08/2017	10,000,000.00	9,865,600.00	9,967,900.00	1.375	1.483	516	09/28/2020
3130ACE26	11313	Federal Home Loan Bank		09/08/2017	10,000,000.00	9,865,600.00	9,967,900.00	1.375	1.483	516	09/28/2020
3130ACE26	11314	Federal Home Loan Bank		09/08/2017	10,000,000.00	9,865,600.00	9,967,900.00	1.375	1.483	516	09/28/2020
3130ACF33	11316	Federal Home Loan Bank		09/13/2017	10,000,000.00	9,854,300.00	10,000,000.00	1.875	1.875	866	09/13/2021
3130A6JG3	11325	Federal Home Loan Bank		09/21/2017	10,000,000.00	9,930,900.00	9,997,500.00	1.700	1.710	349	04/14/2020
3130ACKG8	11349	Federal Home Loan Bank		10/24/2017	15,000,000.00	14,901,450.00	15,000,000.00	2.200	2.200	1,272	10/24/2022
3130ACLQ5	11357	Federal Home Loan Bank		10/30/2017	10,000,000.00	9,911,000.00	10,000,000.00	2.000	2.000	730	04/30/2021
3130ACN83	11358	Federal Home Loan Bank		10/30/2017	15,000,000.00	14,889,000.00	15,000,000.00	1.700	1.700	380	05/15/2020
3130A8HX4	11370	Federal Home Loan Bank		11/16/2017	5,000,000.00	4,986,450.00	4,972,500.00	1.625	2.211	791	06/30/2021
3130ACN83	11396	Federal Home Loan Bank		12/13/2017	10,000,000.00	9,926,000.00	9,952,000.00	1.700	1.903	380	05/15/2020
3130ACN83	11406	Federal Home Loan Bank		12/21/2017	15,000,000.00	14,889,000.00	14,896,500.00	1.700	1.995	380	05/15/2020
3130ACN83	11408	Federal Home Loan Bank		12/26/2017	20,000,000.00	19,852,000.00	19,875,000.00	1.700	1.969	380	05/15/2020
3130AD4J8	11410	Federal Home Loan Bank		12/27/2017	10,000,000.00	9,966,000.00	10,000,000.00	2.000	2.001	331	03/27/2020
3130ADC26	11433	Federal Home Loan Bank		01/29/2018	10,000,000.00	9,959,100.00	10,000,000.00	2.200	2.200	639	01/29/2021
3130ADN32	11437	Federal Home Loan Bank		02/09/2018	10,000,000.00	9,975,100.00	9,981,700.00	2.125	2.219	286	02/11/2020
3130ADN32	11438	Federal Home Loan Bank		02/09/2018	10,000,000.00	9,975,100.00	9,981,700.00	2.125	2.219	286	02/11/2020
3130ADN32	11439	Federal Home Loan Bank		02/09/2018	10,000,000.00	9,975,100.00	9,981,700.00	2.125	2.219	286	02/11/2020
3130ADN32	11440	Federal Home Loan Bank		02/09/2018	8,000,000.00	7,980,080.00	7,985,360.00	2.125	2.219	286	02/11/2020
3130ADG30	11441	Federal Home Loan Bank		02/14/2018	10,000,000.00	9,960,900.00	9,979,000.00	2.300	2.374	636	01/26/2021
3130ADG30	11453	Federal Home Loan Bank		03/12/2018	10,000,000.00	9,960,900.00	9,940,000.00	2.300	2.517	636	01/26/2021
3130ADU34	11462	Federal Home Loan Bank		03/27/2018	10,000,000.00	10,000,000.00	10,000,000.00	2.420	2.420	331	03/27/2020
3130AE7C8	11505	Federal Home Loan Bank		05/03/2018	10,000,000.00	10,000,100.00	10,000,000.00	3.000	3.000	1,098	05/03/2022
3130AECJ7	11512	Federal Home Loan Bank		05/21/2018	15,000,000.00	15,040,200.00	14,994,600.00	2.625	2.643	393	05/28/2020
3130ADFV9	11524	Federal Home Loan Bank		06/19/2018	10,000,000.00	9,980,000.00	9,900,000.00	2.250	2.648	639	01/29/2021
3130ADG22	11549	Federal Home Loan Bank		08/23/2018	10,000,000.00	9,972,400.00	9,928,800.00	2.090	2.605	267	01/23/2020
3130AEWA4	11564	Federal Home Loan Bank		09/07/2018	15,000,000.00	15,058,350.00	14,967,750.00	2.625	2.733	519	10/01/2020
3130AEWA4	11565	Federal Home Loan Bank		09/07/2018	15,000,000.00	15,058,350.00	14,967,750.00	2.625	2.733	519	10/01/2020
3130AF5B9	11576	Federal Home Loan Bank		10/12/2018	10,000,000.00	10,167,500.00	9,993,500.00	3.000	3.023	895	10/12/2021
3130AF5B9	11577	Federal Home Loan Bank		10/12/2018	10,000,000.00	10,167,500.00	9,993,500.00	3.000	3.023	895	10/12/2021
3130AFC54	11583	Federal Home Loan Bank		10/30/2018	10,000,000.00	10,001,500.00	10,000,000.00	3.250	3.250	922	11/08/2021
3130AFB71	11590	Federal Home Loan Bank		11/14/2018	20,000,000.00	20,022,722.22	20,022,722.22	3.050	3.052	551	11/02/2020
3130AFFA0	11603	Federal Home Loan Bank		11/29/2018	15,000,000.00	15,008,250.00	15,000,000.00	3.200	3.200	943	11/29/2021
3130AFB71	11604	Federal Home Loan Bank		11/29/2018	10,000,000.00	10,024,569.44	10,024,569.44	3.050	3.049	551	11/02/2020
3130ACF66	11643	Federal Home Loan Bank		01/09/2019	10,000,000.00	9,896,900.00	9,792,000.00	2.150	2.742	1,244	09/26/2022

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Agency Callables (Aaa/AA+)											
3130AFRA7	11647	Federal Home Loan Bank		01/29/2019	10,000,000.00	10,018,400.00	10,000,000.00	2.650	2.650	639	01/29/2021
3130AFTE7	11651	Federal Home Loan Bank		01/30/2019	15,000,000.00	15,029,250.00	15,000,000.00	2.770	2.770	1,185	07/29/2022
3130AG4E2	11672	Federal Home Loan Bank		03/19/2019	20,000,000.00	20,008,000.00	20,000,000.00	2.550	2.553	232	12/19/2019
3130AG3Z6	11676	Federal Home Loan Bank		03/20/2019	20,000,000.00	20,004,800.00	20,000,000.00	2.580	2.580	324	03/20/2020
3130AG2Z7	11677	Federal Home Loan Bank		03/25/2019	12,000,000.00	12,017,280.00	12,000,000.00	2.650	2.650	1,059	03/25/2022
3130AG5Z4	11720	Federal Home Loan Bank		04/15/2019	10,000,000.00	9,933,200.00	10,000,000.00	2.625	2.625	1,811	04/15/2024
3130AGBF1	11721	Federal Home Loan Bank		04/16/2019	25,000,000.00	25,015,500.00	25,000,000.00	2.600	2.601	807	07/16/2021
3130AG6T7	11725	Federal Home Loan Bank		04/17/2019	8,000,000.00	7,977,280.00	8,000,000.00	2.740	2.740	1,813	04/17/2024
3130ACH72	11746	Federal Home Loan Bank		04/29/2019	25,000,000.00	24,899,986.11	24,896,736.11	2.260	2.434	1,252	10/04/2022
3130AGCH6	11748	Federal Home Loan Bank		04/30/2019	10,000,000.00	10,000,200.00	10,000,000.00	2.540	2.541	639	01/29/2021
3134G9DF1	10975	Federal Home Loan Mtg Corp		05/04/2016	15,000,000.00	14,886,000.00	15,000,000.00	1.410	1.410	279	02/04/2020
3134G9F93	11029	Federal Home Loan Mtg Corp		06/30/2016	10,000,000.00	9,976,900.00	10,000,000.00	1.000	1.000	58	06/28/2019
3134G9F85	11030	Federal Home Loan Mtg Corp		06/30/2016	25,000,000.00	24,626,500.00	25,000,000.00	1.320	1.320	518	09/30/2020
3137EAEB1	11051	Federal Home Loan Mtg Corp		07/20/2016	10,000,000.00	9,965,500.00	9,975,800.00	0.875	0.957	79	07/19/2019
3134G9Q75	11052	Federal Home Loan Mtg Corp		07/26/2016	18,000,000.00	17,943,840.00	18,000,000.00	1.250	1.250	86	07/26/2019
3134G9Q75	11053	Federal Home Loan Mtg Corp		07/26/2016	10,000,000.00	9,968,800.00	9,997,500.00	1.250	1.259	86	07/26/2019
3137EAEC9	11066	Federal Home Loan Mtg Corp		08/12/2016	10,000,000.00	9,743,300.00	9,949,200.00	1.125	1.230	834	08/12/2021
3134GAUL6	11106	Federal Home Loan Mtg Corp		10/25/2016	15,000,000.00	14,908,350.00	15,000,000.00	1.200	1.200	177	10/25/2019
3134G9Q75	11136	Federal Home Loan Mtg Corp		11/16/2016	10,000,000.00	9,968,800.00	9,972,450.00	1.250	1.354	86	07/26/2019
3134G9Q75	11137	Federal Home Loan Mtg Corp		11/16/2016	10,000,000.00	9,968,800.00	9,972,500.00	1.250	1.354	86	07/26/2019
3134G9Q75	11173	Federal Home Loan Mtg Corp		12/21/2016	10,000,000.00	9,968,800.00	9,918,500.00	1.250	1.571	86	07/26/2019
3137EAEE5	11190	Federal Home Loan Mtg Corp		01/17/2017	10,000,000.00	9,936,900.00	9,989,200.00	1.500	1.537	261	01/17/2020
3137EAEE5	11191	Federal Home Loan Mtg Corp		01/17/2017	10,000,000.00	9,936,900.00	9,989,200.00	1.500	1.537	261	01/17/2020
3134GA7A6	11243	Federal Home Loan Mtg Corp		04/07/2017	15,000,000.00	14,946,000.00	14,995,500.00	1.500	1.513	131	09/09/2019
3137EAEF2	11252	Federal Home Loan Mtg Corp		04/20/2017	10,000,000.00	9,902,100.00	9,965,800.00	1.375	1.492	355	04/20/2020
3137EAEF2	11253	Federal Home Loan Mtg Corp		04/20/2017	10,000,000.00	9,902,100.00	9,965,800.00	1.375	1.492	355	04/20/2020
3137EAEF2	11254	Federal Home Loan Mtg Corp		04/20/2017	10,000,000.00	9,902,100.00	9,965,800.00	1.375	1.492	355	04/20/2020
3134GBHY1	11256	Federal Home Loan Mtg Corp		04/25/2017	15,000,000.00	14,929,800.00	15,000,000.00	1.500	1.500	177	10/25/2019
3134GBHQ8	11260	Federal Home Loan Mtg Corp		04/27/2017	20,000,000.00	19,828,200.00	20,000,000.00	1.700	1.700	453	07/27/2020
3134GBEE8	11261	Federal Home Loan Mtg Corp		04/27/2017	15,000,000.00	14,882,100.00	15,000,000.00	1.750	1.750	453	07/27/2020
3134GBHC9	11268	Federal Home Loan Mtg Corp		04/28/2017	5,000,000.00	4,959,800.00	5,000,000.00	1.850	1.850	545	10/27/2020
3134GBLC4	11282	Federal Home Loan Mtg Corp		05/18/2017	5,000,000.00	4,947,050.00	4,997,500.00	1.800	1.815	567	11/18/2020
3134GA7A6	11285	Federal Home Loan Mtg Corp		05/31/2017	10,000,000.00	9,964,000.00	10,000,000.00	1.500	1.500	131	09/09/2019
3134GBXG2	11299	Federal Home Loan Mtg Corp		06/30/2017	10,000,000.00	9,942,200.00	10,000,000.00	1.550	1.550	240	12/27/2019
3137EAEH8	11305	Federal Home Loan Mtg Corp		07/19/2017	10,000,000.00	9,968,600.00	9,985,300.00	1.375	1.447	106	08/15/2019
3137EAEH8	11306	Federal Home Loan Mtg Corp		07/19/2017	10,000,000.00	9,968,600.00	9,985,300.00	1.375	1.447	106	08/15/2019

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Agency Callables (Aaa/AA+)											
3134GBYF3	11308	Federal Home Loan Mtg Corp		07/27/2017	10,000,000.00	9,898,300.00	10,000,000.00	1.800	1.800	637	01/27/2021
3134GBH21	11327	Federal Home Loan Mtg Corp		09/29/2017	10,000,000.00	9,905,100.00	10,000,000.00	1.700	1.700	517	09/29/2020
3137EAEK1	11367	Federal Home Loan Mtg Corp		11/15/2017	10,000,000.00	9,934,000.00	9,990,400.00	1.875	1.908	566	11/17/2020
3137EAEK1	11368	Federal Home Loan Mtg Corp		11/15/2017	10,000,000.00	9,934,000.00	9,990,400.00	1.875	1.908	566	11/17/2020
3134GBTJ1	11369	Federal Home Loan Mtg Corp		11/16/2017	10,000,000.00	9,888,800.00	9,940,000.00	1.830	2.006	762	06/01/2021
3134G9HY6	11376	Federal Home Loan Mtg Corp		11/27/2017	14,000,000.00	13,996,080.00	13,886,250.00	1.200	1.770	8	05/09/2019
3134G9NB9	11400	Federal Home Loan Mtg Corp		12/19/2017	15,000,000.00	14,988,000.00	14,878,800.00	1.230	1.804	23	05/24/2019
3134G9NB9	11419	Federal Home Loan Mtg Corp		01/10/2018	10,000,000.00	9,992,000.00	9,903,600.00	1.230	1.945	23	05/24/2019
3134G95P8	11426	Federal Home Loan Mtg Corp		01/17/2018	10,000,000.00	9,949,300.00	9,905,000.00	2.000	2.380	847	08/25/2021
3137EAEL9	11446	Federal Home Loan Mtg Corp		02/16/2018	10,000,000.00	10,005,400.00	9,973,600.00	2.375	2.467	657	02/16/2021
3137EAEM7	11489	Federal Home Loan Mtg Corp		04/19/2018	15,000,000.00	15,014,100.00	14,996,700.00	2.500	2.511	358	04/23/2020
3137EAEM7	11490	Federal Home Loan Mtg Corp		04/19/2018	15,000,000.00	15,014,100.00	14,996,700.00	2.500	2.511	358	04/23/2020
3137EAEN5	11520	Federal Home Loan Mtg Corp		06/11/2018	15,000,000.00	15,252,600.00	14,918,400.00	2.750	2.867	1,510	06/19/2023
3134GSN68	11635	Federal Home Loan Mtg Corp		12/21/2018	25,000,000.00	25,011,750.00	25,000,000.00	3.030	3.031	874	09/21/2021
3134GSK79	11637	Federal Home Loan Mtg Corp		12/28/2018	5,000,000.00	5,002,900.00	5,000,000.00	3.030	3.030	789	06/28/2021
31422BCV0	11664	Federal Home Loan Mtg Corp		02/26/2019	10,000,000.00	10,014,600.00	10,000,000.00	2.480	2.480	660	02/19/2021
3134GS4S1	11666	Federal Home Loan Mtg Corp		02/28/2019	15,000,000.00	15,002,550.00	15,000,000.00	3.000	3.000	1,764	02/28/2024
3134GTAR4	11678	Federal Home Loan Mtg Corp		03/26/2019	15,000,000.00	14,965,062.50	15,001,062.50	2.550	2.550	1,059	03/25/2022
3134GTAS2	11679	Federal Home Loan Mtg Corp		03/26/2019	7,000,000.00	6,990,546.11	7,000,486.11	2.500	2.500	1,059	03/25/2022
3134GTAE3	11683	Federal Home Loan Mtg Corp		03/27/2019	20,000,000.00	20,003,600.00	20,000,000.00	2.700	2.700	880	09/27/2021
3134GTGA5	11698	Federal Home Loan Mtg Corp		04/08/2019	15,000,000.00	15,004,950.00	15,000,000.00	2.700	2.700	1,073	04/08/2022
3134GTBE2	11704	Federal Home Loan Mtg Corp		04/10/2019	10,000,000.00	9,994,500.00	10,000,000.00	2.600	2.601	985	01/10/2022
3134GTDV2	11705	Federal Home Loan Mtg Corp		04/10/2019	25,000,000.00	24,996,500.00	25,000,000.00	2.700	2.700	1,623	10/10/2023
3134GTDC4	11707	Federal Home Loan Mtg Corp		04/10/2019	25,000,000.00	24,994,750.00	25,000,000.00	2.670	2.670	1,626	10/13/2023
3134GTFS7	11708	Federal Home Loan Mtg Corp		04/11/2019	25,000,000.00	25,006,250.00	25,000,000.00	2.700	2.700	1,259	10/11/2022
3134GTDE0	11716	Federal Home Loan Mtg Corp		04/12/2019	25,000,000.00	25,004,000.00	25,000,000.00	2.570	2.570	1,255	10/07/2022
3134GTHU0	11732	Federal Home Loan Mtg Corp		04/23/2019	25,000,000.00	24,840,750.00	25,000,000.00	2.811	2.811	1,636	10/23/2023
3134GTHU0	11733	Federal Home Loan Mtg Corp		04/23/2019	25,000,000.00	24,840,750.00	25,000,000.00	2.811	2.811	1,636	10/23/2023
3134GTGY3	11735	Federal Home Loan Mtg Corp		04/24/2019	15,000,000.00	14,972,700.00	14,992,500.00	2.750	2.761	1,820	04/24/2024
3134GTHL0	11741	Federal Home Loan Mtg Corp		04/29/2019	20,000,000.00	20,004,000.00	20,000,000.00	2.700	2.700	912	10/29/2021
3134GTKY8	11742	Federal Home Loan Mtg Corp		04/29/2019	50,000,000.00	50,007,500.00	50,000,000.00	2.670	2.671	1,276	10/28/2022
3134GTKX0	11747	Federal Home Loan Mtg Corp		04/30/2019	50,000,000.00	49,963,500.00	50,000,000.00	2.780	2.780	1,643	10/30/2023
3136G2R74	10822	Federal National Mtg Assn		11/05/2015	15,000,000.00	14,921,250.00	15,000,000.00	1.400	1.400	188	11/05/2019
3135G0N33	11056	Federal National Mtg Assn		08/02/2016	15,000,000.00	14,938,500.00	14,974,800.00	0.875	0.932	93	08/02/2019
3135G0N33	11057	Federal National Mtg Assn		08/02/2016	10,000,000.00	9,959,000.00	9,983,200.00	0.875	0.932	93	08/02/2019
3135G0M91	11075	Federal National Mtg Assn		08/31/2016	10,000,000.00	9,967,700.00	10,000,000.00	1.125	1.125	86	07/26/2019

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Agency Callables (Aaa/AA+)											
3136G34J1	11076	Federal National Mtg Assn		09/01/2016	5,000,000.00	4,955,100.00	4,983,750.00	1.000	1.100	237	12/24/2019
3135G0P49	11078	Federal National Mtg Assn		09/02/2016	10,000,000.00	9,951,300.00	9,984,400.00	1.000	1.053	119	08/28/2019
3135G0P49	11079	Federal National Mtg Assn		09/02/2016	10,000,000.00	9,951,300.00	9,984,400.00	1.000	1.053	119	08/28/2019
3136G34K8	11087	Federal National Mtg Assn		09/28/2016	10,000,000.00	9,952,600.00	10,000,000.00	1.125	1.125	131	09/09/2019
3136G3W76	11101	Federal National Mtg Assn		10/18/2016	13,000,000.00	12,946,440.00	12,992,850.00	1.150	1.170	114	08/23/2019
3136G4DA8	11102	Federal National Mtg Assn		10/19/2016	15,000,000.00	14,886,750.00	15,000,000.00	1.200	1.200	243	12/30/2019
3136G4BQ5	11104	Federal National Mtg Assn		10/19/2016	10,000,000.00	9,922,700.00	9,997,500.00	1.250	1.258	251	01/07/2020
3135G0Q30	11110	Federal National Mtg Assn		10/24/2016	10,000,000.00	9,948,500.00	10,000,000.00	1.180	1.180	149	09/27/2019
3136G4DR1	11114	Federal National Mtg Assn		10/26/2016	10,000,000.00	9,937,800.00	9,987,500.00	1.100	1.143	169	10/17/2019
3135G0Q71	11116	Federal National Mtg Assn		10/28/2016	10,000,000.00	9,942,000.00	10,000,000.00	1.250	1.250	180	10/28/2019
3135G0P72	11129	Federal National Mtg Assn		11/10/2016	10,000,000.00	9,909,400.00	10,000,000.00	1.375	1.375	334	03/30/2020
3136G3D51	11133	Federal National Mtg Assn		11/15/2016	15,000,000.00	14,955,750.00	14,992,500.00	1.250	1.269	86	07/26/2019
3136G4GU1	11146	Federal National Mtg Assn		11/29/2016	10,000,000.00	9,939,100.00	9,985,000.00	1.400	1.451	208	11/25/2019
3136G4HH9	11151	Federal National Mtg Assn		11/30/2016	10,000,000.00	9,930,700.00	10,000,000.00	1.500	1.500	301	02/26/2020
3136G3K38	11166	Federal National Mtg Assn		12/14/2016	15,000,000.00	14,953,200.00	14,940,000.00	1.260	1.415	93	08/02/2019
3136G4GU1	11172	Federal National Mtg Assn		12/19/2016	15,000,000.00	14,908,650.00	14,888,700.00	1.400	1.660	208	11/25/2019
3135G0S38	11184	Federal National Mtg Assn		01/09/2017	15,000,000.00	14,892,150.00	14,973,150.00	2.000	2.038	980	01/05/2022
3136G4GU1	11242	Federal National Mtg Assn		04/07/2017	9,000,000.00	8,945,190.00	8,968,500.00	1.400	1.536	208	11/25/2019
3136G3K46	11255	Federal National Mtg Assn		04/21/2017	15,000,000.00	14,953,200.00	14,970,000.00	1.260	1.349	93	08/02/2019
3135G0P23	11263	Federal National Mtg Assn		04/27/2017	15,000,000.00	14,941,800.00	14,943,000.00	1.250	1.417	114	08/23/2019
3135G0T60	11309	Federal National Mtg Assn		08/01/2017	10,000,000.00	9,894,200.00	9,969,700.00	1.500	1.604	456	07/30/2020
3135G0T60	11310	Federal National Mtg Assn		08/01/2017	10,000,000.00	9,894,200.00	9,969,700.00	1.500	1.604	456	07/30/2020
3135G0T78	11331	Federal National Mtg Assn		10/06/2017	15,000,000.00	14,857,650.00	14,990,100.00	2.000	2.014	1,253	10/05/2022
3135G0T78	11332	Federal National Mtg Assn		10/06/2017	10,000,000.00	9,905,100.00	9,993,400.00	2.000	2.014	1,253	10/05/2022
3136G3UN3	11338	Federal National Mtg Assn		10/18/2017	5,000,000.00	4,989,700.00	4,965,000.00	1.200	1.620	58	06/28/2019
3136G4PK3	11398	Federal National Mtg Assn		12/14/2017	15,000,000.00	14,873,550.00	14,898,600.00	1.750	2.000	516	09/28/2020
3136G4QB2	11422	Federal National Mtg Assn		01/16/2018	15,000,000.00	14,885,700.00	14,884,500.00	1.850	2.140	531	10/13/2020
3136G4RB1	11463	Federal National Mtg Assn		03/27/2018	8,000,000.00	7,975,440.00	7,912,800.00	2.150	2.551	636	01/26/2021
3135G0U27	11479	Federal National Mtg Assn		04/13/2018	10,000,000.00	10,034,100.00	9,985,100.00	2.500	2.552	713	04/13/2021
3136G4SD6	11502	Federal National Mtg Assn		04/26/2018	15,000,000.00	15,014,100.00	15,000,000.00	2.750	2.751	1,001	01/26/2022
3135G0U43	11568	Federal National Mtg Assn		09/14/2018	20,000,000.00	20,455,800.00	19,918,000.00	2.875	2.964	1,595	09/12/2023
3135G0U84	11588	Federal National Mtg Assn		11/01/2018	10,000,000.00	10,079,700.00	9,994,200.00	2.875	2.905	548	10/30/2020
3135G0U92	11644	Federal National Mtg Assn		01/11/2019	10,000,000.00	10,080,300.00	9,992,800.00	2.625	2.650	986	01/11/2022
3135G0U92	11645	Federal National Mtg Assn		01/11/2019	10,000,000.00	10,080,300.00	9,992,800.00	2.625	2.650	986	01/11/2022
3135G0V59	11718	Federal National Mtg Assn		04/12/2019	15,000,000.00	14,973,150.00	14,950,800.00	2.250	2.364	1,077	04/12/2022
3135G0V59	11719	Federal National Mtg Assn		04/12/2019	30,000,000.00	29,946,300.00	29,870,400.00	2.250	2.400	1,077	04/12/2022

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Agency Callables (Aaa/AA+)											
3136G05D9	11745	Federal National Mtg Assn		04/29/2019	25,000,000.00	24,921,541.67	24,917,541.67	1.660	2.358	569	11/20/2020
		Subtotal and Average	**2,400,867,244.62**		**2,643,900,000.00**	**2,634,631,889.05**	**2,639,376,425.55**		**2.020**	**613**	
Asset Backed Securities											
36257FAD2	11726	GM Financial		04/17/2019	4,000,000.00	4,005,160.00	3,999,674.40	2.650	2.668	1,752	02/16/2024
36257FAB6	11727	GM Financial		04/17/2019	5,000,000.00	5,001,650.00	4,999,550.00	2.660	2.681	1,142	06/16/2022
44932NAB6	11703	Hyundai Auto Rec Trust		04/10/2019	2,000,000.00	2,001,320.00	1,999,997.00	2.670	2.685	959	12/15/2021
44932NAD2	11706	Hyundai Auto Rec Trust		04/10/2019	3,000,000.00	3,005,220.00	2,999,605.20	2.660	2.630	1,506	06/15/2023
		Subtotal and Average	**7,699,359.59**		**14,000,000.00**	**14,013,350.00**	**13,998,826.60**		**2.667**	**1,368**	
Municipal Bonds											
798189PB6	11516	SAN JOSE EVERGREEN		06/05/2018	5,000,000.00	4,998,550.00	5,000,000.00	2.657	2.659	123	09/01/2019
91412GS71	11281	UNIVHGR		05/18/2017	2,500,000.00	2,499,250.00	2,500,000.00	1.610	1.610	14	05/15/2019
		Subtotal and Average	**7,500,000.00**		**7,500,000.00**	**7,497,800.00**	**7,500,000.00**		**2.309**	**87**	
		Total and Average	**6,625,659,814.34**		**6,705,570,000.00**	**6,687,739,337.54**	**6,684,548,617.33**		**2.306**	**399**	

Alameda County Investment Pool
Transaction Activity Report
April 1, 2019 - April 30, 2019
Sorted by Fund - Transaction Date
All Funds

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
11690	100	SYS11690	BRIDGE 2.39% MAT	Purchase	04/02/2019	Bridge Bank	40,000,000.00			**-40,000,000.00**
11274	100	0258M0EK1	AMEX 1.875% MAT	Redemption	04/02/2019	American Express		1,999,180.00		**1,999,180.00**
11274	100	0258M0EK1	AMEX 1.875% MAT	Cap G/L	04/02/2019	American Express		820.00		**820.00**
11483	100	3133EJLT4	FEDERAL FARM CR	Redemption	04/02/2019	Federal Farm Credit		10,000,000.00		**10,000,000.00**
11586	100	3133EJPE3	FEDERAL FARM CR	Redemption	04/02/2019	Federal Farm Credit		9,954,000.00		**9,954,000.00**
11586	100	3133EJPE3	FEDERAL FARM CR	Cap G/L	04/02/2019	Federal Farm Credit		46,000.00		**46,000.00**
11274	100	0258M0EK1	AMEX 1.875% MAT	Interest	04/02/2019	American Express			15,520.83	**15,520.83**
11483	100	3133EJLT4	FEDERAL FARM CR	Interest	04/02/2019	Federal Farm Credit			136,666.67	**136,666.67**
11586	100	3133EJPE3	FEDERAL FARM CR	Interest	04/02/2019	Federal Farm Credit			38,513.89	**38,513.89**
11600	100	SYS11600	CBC 2.5% MAT	Interest	04/02/2019	California Bank of C			21,615.25	**21,615.25**
11601	100	SYS11601	EWEST 2.8% MAT	Interest	04/02/2019	East West Bank			60,277.80	**60,277.80**
10472	100	SYS10472	CTRSTF 0.1%	Interest	04/02/2019	CalTrust - Short Ter			81,006.85	**81,006.85**
11691	100	SYS11691	BSB 2.5% MAT	Purchase	04/03/2019	Beneficial State Ban	10,000,000.00			**-10,000,000.00**
11579	100	55379WQJ8	MUFG 2.67% MAT	Redemption	04/03/2019	MUFG UNION BANK		50,000,000.00		**50,000,000.00**
11579	100	55379WQJ8	MUFG 2.67% MAT	Interest	04/03/2019	MUFG UNION BANK			593,333.35	**593,333.35**
11694	100	62478TZ69	MUFG 2.59% MAT	Purchase	04/05/2019	MUFG UNION BANK	50,000,000.00			**-50,000,000.00**
11695	100	63873NR52	NATXNY 2.6% MAT	Purchase	04/05/2019	NATXNY	50,000,000.00			**-50,000,000.00**
11692	100	912796RT8	UNITED STATES	Purchase	04/05/2019	Treasury Bill	49,119,777.78			**-49,119,777.78**
11693	100	912796RT8	UNITED STATES	Purchase	04/05/2019	Treasury Bill	49,121,666.67			**-49,121,666.67**
11697	100	89114MA80	TD 2.58% MAT	Purchase	04/05/2019	Toronto Dominion	50,000,000.00			**-50,000,000.00**
11696	100	89233HZC1	TOYOTA ZERO CPN	Purchase	04/05/2019	TOYOTA MOTOR	49,118,013.89			**-49,118,013.89**
10470	100	SYS10470	CAMP 0.24%	Purchase	04/05/2019	California Asset Mgm	30,000,000.00			**-30,000,000.00**
11037	100	3133EGJW6	FEDERAL FARM CR	Redemption	04/05/2019	Federal Farm Credit		15,000,000.00		**15,000,000.00**
11037	100	3133EGJW6	FEDERAL FARM CR	Interest	04/05/2019	Federal Farm Credit			77,250.00	**77,250.00**
11601	100	SYS11601	EWEST 2.8% MAT	Interest	04/05/2019	East West Bank			214,431.46	**214,431.46**
11331	100	3135G0T78	FNMA 2.% MAT	Interest	04/06/2019	Federal National Mtg			150,000.00	**150,000.00**
11332	100	3135G0T78	FNMA 2.% MAT	Interest	04/06/2019	Federal National Mtg			100,000.00	**100,000.00**
10954	100	3133EFZ26	FEDERAL FARM CR	Interest	04/07/2019	Federal Farm Credit			105,000.00	**105,000.00**
11655	100	SYS11655	BANKSF 2.5% MAT	Interest	04/07/2019	Bank of San Francisc			10,763.89	**10,763.89**
11667	100	SYS11667	CBB 2.5% MAT	Interest	04/07/2019	Community Bank of th			11,111.11	**11,111.11**
11698	100	3134GTGA5	FEDERAL HOME LN	Purchase	04/08/2019	Federal Home Loan	15,000,000.00			**-15,000,000.00**
11699	100	31422BEK2	FAMCA 2.76% MAT	Purchase	04/09/2019	FARMER MAC	11,988,000.00			**-11,988,000.00**
11700	100	31422BEK2	FAMCA 2.76% MAT	Purchase	04/09/2019	FARMER MAC	5,985,000.00			**-5,985,000.00**
11701	100	459516GW4	IFCDN DISC NOTE	Purchase	04/09/2019	IFC Discount Notes	29,867,175.00			**-29,867,175.00**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
11702	100	912828VV9	UNITED STATES	Purchase	04/09/2019	U.S. Treasury	49,933,848.51			**-49,933,848.51**
11343	100	931142DY6	WMT 1.75% MAT	Interest	04/09/2019	Walmart			35,000.00	**35,000.00**
11704	100	3134GTBE2	FEDERAL HOME LN	Purchase	04/10/2019	Federal Home Loan	10,000,000.00			**-10,000,000.00**
11705	100	3134GTDV2	FEDERAL HOME LN	Purchase	04/10/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11707	100	3134GTDC4	FEDERAL HOME LN	Purchase	04/10/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11703	100	44932NAB6	HART 2.67% MAT	Purchase	04/10/2019	Hyundai Auto Rec Tru	1,999,997.00			**-1,999,997.00**
11706	100	44932NAD2	HART 2.66% MAT	Purchase	04/10/2019	Hyundai Auto Rec Tru	2,999,605.20			**-2,999,605.20**
11589	100	SYS11589	5STAR 2.51% MAT	Interest	04/10/2019	Five Star Bank			21,342.47	**21,342.47**
11710	100	17275RAX0	CISCO SYS INC, SR	Purchase	04/11/2019	CISCO SYSTEMS	10,066,044.44			**-10,066,044.44**
11711	100	SYS11711	EWEST 2.8% MAT	Purchase	04/11/2019	East West Bank	10,000,000.00			**-10,000,000.00**
11708	100	3134GTFS7	FEDERAL HOME LN	Purchase	04/11/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11714	100	62478TZ85	MUFG 2.57% MAT	Purchase	04/11/2019	MUFG UNION BANK	50,000,000.00			**-50,000,000.00**
11712	100	912828F21	UNITED STATES	Purchase	04/11/2019	U.S. Treasury	49,803,417.44			**-49,803,417.44**
11713	100	912828H52	UNITED STATES	Purchase	04/11/2019	U.S. Treasury	49,652,106.35			**-49,652,106.35**
11715	100	912828H52	UNITED STATES	Purchase	04/11/2019	U.S. Treasury	49,652,106.35			**-49,652,106.35**
11709	100	92826CAB8	VISA 2.2% MAT	Purchase	04/11/2019	VISA Inc.	10,020,000.00			**-10,020,000.00**
11652	100	912796RG6	UNITED STATES	Redemption	04/11/2019	Treasury Bill		50,000,000.00		**50,000,000.00**
11680	100	912796RG6	UNITED STATES	Redemption	04/11/2019	Treasury Bill		50,000,000.00		**50,000,000.00**
11098	100	3133EGXK6	FEDERAL FARM CR	Interest	04/11/2019	Federal Farm Credit			84,000.00	**84,000.00**
11117	100	3130A9NJ6	FEDERAL HOME	Interest	04/11/2019	Federal Home Loan			60,000.00	**60,000.00**
11211	100	3133EGXK6	FEDERAL FARM CR	Interest	04/11/2019	Federal Farm Credit			28,000.00	**28,000.00**
11717	100	3133EKGV2	FEDERAL FARM CR	Purchase	04/12/2019	Federal Farm Credit	14,990,250.00			**-14,990,250.00**
11716	100	3134GTDE0	FEDERAL HOME LN	Purchase	04/12/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11718	100	3135G0V59	FNMA 2.25% MAT	Purchase	04/12/2019	Federal National Mtg	14,950,800.00			**-14,950,800.00**
11719	100	3135G0V59	FNMA 2.25% MAT	Purchase	04/12/2019	Federal National Mtg	29,870,400.00			**-29,870,400.00**
10470	100	SYS10470	CAMP 0.24%	Purchase	04/12/2019	California Asset Mgm	200,000,000.00			**-200,000,000.00**
11616	100	89233HRC0	TOYOTA DISC NOTE	Redemption	04/12/2019	TOYOTA MOTOR		50,000,000.00		**50,000,000.00**
11627	100	55379WUC8	MUFG 2.81% MAT	Redemption	04/12/2019	MUFG UNION BANK		50,000,000.00		**50,000,000.00**
11628	100	459516EF3	IFCDN DISC NOTE	Redemption	04/12/2019	IFC Discount Notes		50,000,000.00		**50,000,000.00**
11630	100	313384EF2	FHDN DISC NOTE	Redemption	04/12/2019	Federal Home Loan		50,000,000.00		**50,000,000.00**
11632	100	459516EF3	IFCDN DISC NOTE	Redemption	04/12/2019	IFC Discount Notes		50,000,000.00		**50,000,000.00**
11640	100	313384EF2	FHDN DISC NOTE	Redemption	04/12/2019	Federal Home Loan		50,000,000.00		**50,000,000.00**
11649	100	89233HRC0	TOYOTA DISC NOTE	Redemption	04/12/2019	TOYOTA MOTOR		50,000,000.00		**50,000,000.00**
11653	100	62478YRC4	MUFG DISC NOTE	Redemption	04/12/2019	MUFG UNION BANK		50,000,000.00		**50,000,000.00**
11573	100	SYS11573	BRIDGE 2.% MAT	Interest	04/12/2019	Bridge Bank			81,534.21	**81,534.21**
11576	100	3130AF5B9	FEDERAL HOME	Interest	04/12/2019	Federal Home Loan			150,000.00	**150,000.00**
11577	100	3130AF5B9	FEDERAL HOME	Interest	04/12/2019	Federal Home Loan			150,000.00	**150,000.00**
11627	100	55379WUC8	MUFG 2.81% MAT	Interest	04/12/2019	MUFG UNION BANK			452,722.20	**452,722.20**
10957	100	3133EF2L0	FEDERAL FARM CR	Interest	04/13/2019	Federal Farm Credit			105,000.00	**105,000.00**
10961	100	3133EF2L0	FEDERAL FARM CR	Interest	04/13/2019	Federal Farm Credit			105,000.00	**105,000.00**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
11334	100	3130ACM92	FHLB 1.58922% MAT	Interest	04/13/2019	Federal Home Loan			75,000.00	**75,000.00**
11335	100	3130ACM92	FHLB 1.58922% MAT	Interest	04/13/2019	Federal Home Loan			75,000.00	**75,000.00**
11336	100	3130ACM92	FHLB 1.58922% MAT	Interest	04/13/2019	Federal Home Loan			75,000.00	**75,000.00**
11669	100	SYS11669	SELFHP 2.1% MAT	Interest	04/13/2019	Self-Help Federal Cr			317.33	**317.33**
11720	100	3130AG5Z4	FEDERAL HOME	Purchase	04/15/2019	Federal Home Loan	10,000,000.00			**-10,000,000.00**
10470	100	SYS10470	CAMP 0.24%	Redemption	04/15/2019	California Asset Mgm		200,000,000.00		**200,000,000.00**
10956	100	3133EF2L0	FEDERAL FARM CR	Interest	04/15/2019	Federal Farm Credit			70,000.00	**70,000.00**
11246	100	3130AB3F1	FEDERAL HOME	Interest	04/15/2019	Federal Home Loan			120,000.00	**120,000.00**
11325	100	3130A6JG3	FEDERAL HOME	Interest	04/15/2019	Federal Home Loan			85,000.00	**85,000.00**
11333	100	713448DX3	PEPSICO INC, SR	Interest	04/15/2019	Pepsi Inc.			90,000.00	**90,000.00**
11422	100	3136G4QB2	FEDERAL NATL MTG	Interest	04/15/2019	Federal National Mtg			138,750.00	**138,750.00**
11475	100	3133EJKY4	FEDERAL FARM CR	Interest	04/15/2019	Federal Farm Credit			118,750.00	**118,750.00**
11476	100	3133EJKY4	FEDERAL FARM CR	Interest	04/15/2019	Federal Farm Credit			118,750.00	**118,750.00**
11479	100	3135G0U27	FNMA 2.5% MAT	Interest	04/15/2019	Federal National Mtg			125,000.00	**125,000.00**
11721	100	3130AGBF1	FEDERAL HOME	Purchase	04/16/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11722	100	89233HUX0	TOYOTA DISC NOTE	Purchase	04/16/2019	TOYOTA MOTOR	49,633,416.67			**-49,633,416.67**
11723	100	912828TH3	UNITED STATES	Purchase	04/16/2019	U.S. Treasury	49,871,892.27			**-49,871,892.27**
11724	100	912828TH3	UNITED STATES	Purchase	04/16/2019	U.S. Treasury	49,875,798.52			**-49,875,798.52**
11730	100	SYS11730	CALBT 2.38% MAT	Purchase	04/17/2019	California Bank & Tr	30,000,000.00			**-30,000,000.00**
11725	100	3130AG6T7	FEDERAL HOME	Purchase	04/17/2019	Federal Home Loan	8,000,000.00			**-8,000,000.00**
11726	100	36257FAD2	GM 2.65% MAT	Purchase	04/17/2019	GM Financial	3,999,674.40			**-3,999,674.40**
11727	100	36257FAB6	GM 2.66% MAT	Purchase	04/17/2019	GM Financial	4,999,550.00			**-4,999,550.00**
11729	100	SYS11729	UB-LOC 2.% MAT	Purchase	04/17/2019	Union Bank - LOC	5,000,000.00			**-5,000,000.00**
11247	100	3133EHFP3	FEDERAL FARM CR	Redemption	04/17/2019	Federal Farm Credit		10,000,000.00		**10,000,000.00**
11248	100	3133EHFK4	FEDERAL FARM CR	Redemption	04/17/2019	Federal Farm Credit		15,000,000.00		**15,000,000.00**
11249	100	3133EHFP3	FEDERAL FARM CR	Redemption	04/17/2019	Federal Farm Credit		15,000,000.00		**15,000,000.00**
11491	100	SYS11491	UB-LOC 0.2% MAT	Redemption	04/17/2019	Union Bank - LOC		5,000,000.00		**5,000,000.00**
11584	100	87019VTD9	SWEDBK 2.64% MAT	Redemption	04/17/2019	SWEDISH BANK NY		50,000,000.00		**50,000,000.00**
11688	100	313384EL9	FHLBDN DISC NOTE	Redemption	04/17/2019	Federal Home Loan		50,000,000.00		**50,000,000.00**
11114	100	3136G4DR1	FEDERAL NATL MTG	Interest	04/17/2019	Federal National Mtg			55,000.00	**55,000.00**
11247	100	3133EHFP3	FEDERAL FARM CR	Interest	04/17/2019	Federal Farm Credit			69,500.00	**69,500.00**
11248	100	3133EHFK4	FEDERAL FARM CR	Interest	04/17/2019	Federal Farm Credit			99,000.00	**99,000.00**
11249	100	3133EHFP3	FEDERAL FARM CR	Interest	04/17/2019	Federal Farm Credit			104,250.00	**104,250.00**
11491	100	SYS11491	UB-LOC 0.2% MAT	Interest	04/17/2019	Union Bank - LOC			24,444.44	**24,444.44**
11584	100	87019VTD9	SWEDBK 2.64% MAT	Interest	04/17/2019	SWEDISH BANK NY			619,666.65	**619,666.65**
11508	100	3133EJLA5	FEDERAL FARM CR	Interest	04/18/2019	Federal Farm Credit			141,500.00	**141,500.00**
11486	100	3132X0U25	FEDERAL AGRIC	Interest	04/19/2019	FARMER MAC			420,000.00	**420,000.00**
11487	100	3132X0U25	FEDERAL AGRIC	Interest	04/19/2019	FARMER MAC			560,000.00	**560,000.00**
11488	100	3132X0U25	FEDERAL AGRIC	Interest	04/19/2019	FARMER MAC			420,000.00	**420,000.00**
11252	100	3137EAEF2	FEDERAL HOME LN	Interest	04/20/2019	Federal Home Loan			68,750.00	**68,750.00**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
11253	100	3137EAEF2	FEDERAL HOME LN	Interest	04/20/2019	Federal Home Loan			68,750.00	**68,750.00**
11254	100	3137EAEF2	FEDERAL HOME LN	Interest	04/20/2019	Federal Home Loan			68,750.00	**68,750.00**
11731	100	31422BEV8	FAMCA 2.485% MAT	Purchase	04/22/2019	FARMER MAC	50,000,000.00			**-50,000,000.00**
11732	100	3134GTHU0	FEDERAL HOME LN	Purchase	04/23/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11733	100	3134GTHU0	FEDERAL HOME LN	Purchase	04/23/2019	Federal Home Loan	25,000,000.00			**-25,000,000.00**
11734	100	912828H52	UNITED STATES	Purchase	04/23/2019	U.S. Treasury	99,372,992.92			**-99,372,992.92**
11489	100	3137EAEM7	FEDERAL HOME LN	Interest	04/23/2019	Federal Home Loan			187,500.00	**187,500.00**
11490	100	3137EAEM7	FEDERAL HOME LN	Interest	04/23/2019	Federal Home Loan			187,500.00	**187,500.00**
11493	100	3133EJLZ0	FEDERAL FARM CR	Interest	04/23/2019	Federal Farm Credit			131,250.00	**131,250.00**
11736	100	31422BEX4	FAMCA 2.475% MAT	Purchase	04/24/2019	FARMER MAC	50,000,000.00			**-50,000,000.00**
11735	100	3134GTGY3	FEDERAL HOME LN	Purchase	04/24/2019	Federal Home Loan	14,992,500.00			**-14,992,500.00**
11108	100	3133EGZE8	FEDERAL FARM CR	Interest	04/24/2019	Federal Farm Credit			90,750.00	**90,750.00**
11109	100	3133EGZE8	FEDERAL FARM CR	Interest	04/24/2019	Federal Farm Credit			60,500.00	**60,500.00**
11349	100	3130ACKG8	FEDERAL HOME	Interest	04/24/2019	Federal Home Loan			165,000.00	**165,000.00**
11737	100	57636QAF1	MASTER 2.% MAT	Purchase	04/25/2019	Mastercard Inc.	9,942,055.56			**-9,942,055.56**
11500	100	3133EJMC0	FEDERAL FARM CR	Redemption	04/25/2019	Federal Farm Credit		19,972,200.00		**19,972,200.00**
11500	100	3133EJMC0	FEDERAL FARM CR	Cap G/L	04/25/2019	Federal Farm Credit		27,800.00		**27,800.00**
11106	100	3134GAUL6	FEDERAL HOME LN	Interest	04/25/2019	Federal Home Loan			90,000.00	**90,000.00**
11111	100	3130A9PB1	FEDERAL HOME	Interest	04/25/2019	Federal Home Loan			60,000.00	**60,000.00**
11135	100	45905UZJ6	IBRD 1.3% MAT	Interest	04/25/2019	International Bank R			65,000.00	**65,000.00**
11227	100	45905UZJ6	IBRD 1.3% MAT	Interest	04/25/2019	International Bank R			65,000.00	**65,000.00**
11256	100	3134GBHY1	FHLMC 1.5% MAT	Interest	04/25/2019	Federal Home Loan			112,500.00	**112,500.00**
11354	100	742718EZ8	PROCTER AND	Interest	04/25/2019	Proctor & Gamble			17,500.00	**17,500.00**
11500	100	3133EJMC0	FEDERAL FARM CR	Interest	04/25/2019	Federal Farm Credit			300,000.00	**300,000.00**
11738	100	313384EY1	BRV DISC NOTE	Purchase	04/26/2019	Federal Home Loan	49,990,208.33			**-49,990,208.33**
11739	100	313384EY1	BRV DISC NOTE	Purchase	04/26/2019	Federal Home Loan	49,990,208.33			**-49,990,208.33**
11740	100	313384EY1	BRV DISC NOTE	Purchase	04/26/2019	Federal Home Loan	49,990,208.33			**-49,990,208.33**
10968	100	3135G0K28	FEDERAL NATL MTG	Redemption	04/26/2019	Federal National Mtg		15,000,000.00		**15,000,000.00**
11548	100	3134GSSB2	FHLMC 2.85% MAT	Redemption	04/26/2019	Federal Home Loan		15,000,000.00		**15,000,000.00**
10968	100	3135G0K28	FEDERAL NATL MTG	Interest	04/26/2019	Federal National Mtg			93,750.00	**93,750.00**
11502	100	3136G4SD6	FEDERAL NATL MTG	Interest	04/26/2019	Federal National Mtg			206,250.00	**206,250.00**
11548	100	3134GSSB2	FHLMC 2.85% MAT	Interest	04/26/2019	Federal Home Loan			106,875.00	**106,875.00**
11268	100	3134GBHC9	FEDERAL HOME LN	Interest	04/27/2019	Federal Home Loan			46,250.00	**46,250.00**
11385	100	3133EFKY2	FEDERAL FARM CR	Interest	04/28/2019	Federal Farm Credit			115,600.00	**115,600.00**
11746	100	3130ACH72	FEDERAL HOME	Purchase	04/29/2019	Federal Home Loan	24,896,736.11			**-24,896,736.11**
11743	100	313384GT0	FHLBDN DISC NOTE	Purchase	04/29/2019	Federal Home Loan	49,856,666.67			**-49,856,666.67**
11741	100	3134GTHL0	FEDERAL HOME LN	Purchase	04/29/2019	Federal Home Loan	20,000,000.00			**-20,000,000.00**
11742	100	3134GTKY8	FEDERAL HOME LN	Purchase	04/29/2019	Federal Home Loan	50,000,000.00			**-50,000,000.00**
11745	100	3136G05D9	FEDERAL NATL MTG	Purchase	04/29/2019	Federal National Mtg	24,917,541.67			**-24,917,541.67**
11744	100	9128282D1	UNITED STATES	Purchase	04/29/2019	U.S. Treasury	48,205,842.39			**-48,205,842.39**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
11654	100	45905UZ56	IBRD 2.85% MAT	Redemption	04/29/2019	International Bank R		10,000,000.00		**10,000,000.00**
11738	100	313384EY1	BRV DISC NOTE	Redemption	04/29/2019	Federal Home Loan		50,000,000.00		**50,000,000.00**
11739	100	313384EY1	BRV DISC NOTE	Redemption	04/29/2019	Federal Home Loan		50,000,000.00		**50,000,000.00**
11740	100	313384EY1	BRV DISC NOTE	Redemption	04/29/2019	Federal Home Loan		50,000,000.00		**50,000,000.00**
10805	100	3130A6MH7	FEDERAL HOME	Interest	04/29/2019	Federal Home Loan			43,000.00	**43,000.00**
11116	100	3135G0Q71	FEDERAL NATL MTG	Interest	04/29/2019	Federal National Mtg			62,500.00	**62,500.00**
11260	100	3134GBHQ8	FHLMC 1.7% MAT	Interest	04/29/2019	Federal Home Loan			170,000.00	**170,000.00**
11265	100	3133EHHB2	FEDERAL FARM CR	Interest	04/29/2019	Federal Farm Credit			36,250.00	**36,250.00**
11654	100	45905UZ56	IBRD 2.85% MAT	Interest	04/29/2019	International Bank R			70,458.33	**70,458.33**
11654	100	45905UZ56	IBRD 2.85% MAT	Accr Int	04/29/2019	International Bank R		5,541.67	-5,541.67	**0.00**
11687	100	46625HNX4	JPM 2.55% MAT	Interest	04/29/2019	J.P. Morgan			318,750.00	**318,750.00**
11687	100	46625HNX4	JPM 2.55% MAT	Accr Int	04/29/2019	J.P. Morgan		265,625.00	-265,625.00	**0.00**
11748	100	3130AGCH6	FEDERAL HOME	Purchase	04/30/2019	Federal Home Loan	10,000,000.00			**-10,000,000.00**
11747	100	3134GTKX0	FEDERAL HOME LN	Purchase	04/30/2019	Federal Home Loan	50,000,000.00			**-50,000,000.00**
11749	100	SYS11749	FREMNT 2.41% MAT	Purchase	04/30/2019	Fremont Bank	35,000,000.00			**-35,000,000.00**
11556	100	3134GSSK2	FEDERAL HOME LN	Redemption	04/30/2019	Federal Home Loan		10,000,000.00		**10,000,000.00**
11357	100	3130ACLQ5	FEDERAL HOME	Interest	04/30/2019	Federal Home Loan			100,000.00	**100,000.00**
11556	100	3134GSSK2	FEDERAL HOME LN	Interest	04/30/2019	Federal Home Loan			71,875.00	**71,875.00**
11588	100	3135G0U84	FEDERAL NATL MTG	Interest	04/30/2019	Federal National Mtg			142,951.39	**142,951.39**
11601	100	SYS11601	EWEST 2.8% MAT	Interest	04/30/2019	East West Bank			58,333.35	**58,333.35**
11691	100	SYS11691	BSB 2.5% MAT	Interest	04/30/2019	Beneficial State Ban			18,977.78	**18,977.78**
10472	100	SYS10472	CTRSTF 0.1%	Interest	04/30/2019	CalTrust - Short Ter			97,072.94	**97,072.94**
11464	100	45905UQ80	IBRD 1.95% MAT	Interest	05/09/2019	International Bank R			97,500.00	**97,500.00**
		Totals for General Fund					**2,067,673,500.8**	**1,152,271,166.6**	**9,816,995.52**	**-905,585,338.61**
		Grand Total					**2,067,673,500.8**	**1,152,271,166.6**	**9,816,995.52**	**-905,585,338.61**

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APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and 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 the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Series 2019 Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Series 2019 Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2019 Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities 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 Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI 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 the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 the 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, the 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 the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the

event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

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

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