NEW ISSUE - FULL BOOK-ENTRY **RATING: Moody's: "Aa3"**
See "RATING" herein.

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

$7,535,000
VENTURA UNIFIED SCHOOL DISTRICT
(Ventura County, California)
General Obligation Refunding Bonds, Series 2020
(Forward Delivery)

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

Authority and Purpose. The above-captioned General Obligation Refunding Bonds, Series 2020 (Forward Delivery) (the "Bonds") are being issued by the Ventura Unified School District (the "District") pursuant to certain provisions of the California Government Code and a resolution of the Board of Education of the District adopted on April 23, 2019. The Bonds are being issued to refund certain maturities of the District's 2010 General Obligation Refunding Bonds (the "Prior Bonds") which refunded a portion of the District's General Obligation Bonds, 1997 Election, Series E and General Obligation Bonds, 1997 Election, Series F, and to pay costs of issuance. See "THE BONDS – Authority For Issuance" and "THE REFUNDING PLAN" herein.

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

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

Payments. The Bonds are being issued as current interest bonds. Interest on the Bonds accrues from the date of delivery and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2020. Payments of principal of and interest on the Bonds will be paid by U.S. Bank National Association (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants, which will remit such payments to beneficial owners of the Bonds. See "THE BONDS - Description of the Bonds."

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

MATURITY SCHEDULE
(See inside cover)

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

The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the District. Kutak Rock LLP, Denver, Colorado, is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about May 5, 2020, in accordance with the Forward Delivery Purchase Contract. See "DESCRIPTION OF THE FORWARD DELIVERY PURCHASE CONTRACT" herein. The Underwriter reserves the right to obligate investors purchasing the Bonds to execute and deliver to the Underwriter a Delayed Delivery Contract, the form of which is included herein as Appendix H.

RBC Capital Markets

The date of this Official Statement is May 22, 2019.

MATURITY SCHEDULE

VENTURA UNIFIED SCHOOL DISTRICT
(Ventura County, California)
General Obligation Refunding Bonds, Series 2020
(Forward Delivery)

Base CUSIP†: 923004

Maturity (August 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†
2020	$100,000	5.000%	1.850%	100.743%	SS5
2021	700,000	5.000	1.860	103.825	ST3
2022	735,000	5.000	1.870	106.828	SU0
2023	775,000	5.000	1.880	109.756	SV8
2024	895,000	5.000	1.890	112.608	SW6
2025	535,000	5.000	1.940	115.170	SX4
2026	560,000	5.000	1.990	117.575	SY2
2027	585,000	5.000	2.060	119.674	SZ9
2028	620,000	5.000	2.150	121.410	TA3
2029	640,000	5.000	2.250	122.821	TB1
2030	680,000	5.000	2.370	121.703 [C]	TC9
2031	710,000	5.000	2.480	120.689 [C]	TD7

[C] Priced to first par call date of August 1, 2029.
† CUSIP Global Services, and a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Capital IQ. Neither the District nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.

VENTURA UNIFIED SCHOOL DISTRICT

BOARD OF EDUCATION

Sabrena Rodriguez, *Board President*
Jackie Moran, *Vice President*
Matthew Almaraz*, Board Member*
Dr. Jerry Dannenberg, *Board Member*
Velma Lomax, *Board Member*

DISTRICT ADMINISTRATION

Dr. Roger Rice, *Superintendent*
Betsy George*, Assistant Superintendent, Business Services*

PROFESSIONAL SERVICES

BOND AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

UNDERWRITER

RBC Capital Markets, LLC
San Francisco, California

FINANCIAL ADVISOR

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

BOND REGISTRAR, TRANSFER AGENT, PAYING AGENT AND ESCROW AGENT

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

ESCROW VERIFICATION

Causey Demgen & Moore, P.C.
Denver, Colorado

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

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

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

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

Involvement of Underwriter. The Underwriter has provided the following statement for inclusion in this Official Statement: "The Underwriter has reviewed the information in this Official Statement in accordance with, and as 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."

Stabilization of and Changes to Offering Prices. The Underwriter may overallot or take other steps that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

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

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

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

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

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$7,535,000
VENTURA UNIFIED SCHOOL DISTRICT
(Ventura County, California)
General Obligation Refunding Bonds, Series 2020
(Forward Delivery)

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the General Obligation Refunding Bonds, Series 2020 captioned above (the **"Bonds"**) by the Ventura Unified School District (the "**District**").

It is anticipated that the Bonds will be executed and delivered on or about May 5, 2020 (the "**Closing Date**") in accordance with the Forward Delivery Purchase Contract. See "DESCRIPTION OF THE FORWARD DELIVERY PURCHASE CONTRACT" herein. The Underwriter reserves the right to obligate investors purchasing the Bonds to execute and deliver to the Underwriter a Delayed Delivery Contract, the form of which is included herein as Appendix H.

INTRODUCTION

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

The District. The District was formed effective July 1, 1965 as the result of a unification election held March 16, 1965 and action of the Ventura County Board of Supervisors at the meeting of March 30, 1965. The District includes an area of approximately 165 square miles, including the City of San Buenaventura, also known as Ventura (the "**City**") and surrounding area, in the western most portion of Ventura County (the "**County**"). Enrollment in the District is approximately 16,353 students for fiscal year 2018-19.

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

Purpose. The Bonds are being issued on a forward delivery basis to refund, on a current basis, a portion of the outstanding Ventura Unified School District 2010 General Obligation Refunding Bonds, originally issued in the aggregate principal amount of $14,510,000, (the **"Prior Bonds"**), and to pay costs of issuance. See "THE REFUNDING PLAN" herein.

Authority for Issuance of the Bonds. The Bonds will be issued under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "**Bond Law**") and under a resolution adopted by the Board of Education of the District on April 23, 2019 (the "**Bond Resolution**"). See "THE BONDS - Authority for Issuance" herein.

Payment and Registration of the Bonds. The Bonds are being issued as current interest bonds. The Bonds will be dated their date of original issuance and delivery (the "**Dated Date**") and will be issued as fully registered bonds, in the denominations of $5,000 or any integral multiple of $5,000, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("**DTC**"), and will be available under the book-entry system maintained by DTC, only through brokers and dealers who are or act through participants in DTC's book-entry only system ("**DTC Participants**"), as described below. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "THE BONDS" and "APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Interest on the Bonds accrues from their Dated Date and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2020. See "THE BONDS - Description of the Bonds."

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

Legal Matters. Issuance of the Bonds is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, will serve as Disclosure Counsel to the District. Kutak Rock LLP, Denver, Colorado, is serving as counsel to the Underwriter. Payment of the fees of Bond Counsel, Disclosure Counsel, and counsel to the Underwriter is contingent upon issuance of the Bonds.

Tax Matters**.** Assuming compliance with certain covenants and provisions of the Internal Revenue Code of 1986, in the opinion of Bond Counsel, interest on the Bonds will not be includable in gross income for federal income tax purposes although it may be includable in the calculation for certain taxes. Also, in the opinion of Bond Counsel, interest on the Bonds will be exempt from State of California (the **"State"**) personal income taxes. See "TAX MATTERS" and APPENDIX D hereto for the form of Bond Counsel's opinion to be delivered concurrently with the Bonds.

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

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

The District has other series of general obligation bonds which are payable from *ad valorem* taxes levied on taxable property in the District. See "PROPERTY TAXATION – Direct and Overlapping Debt" and "DISTRICT FINANCIAL INFORMATION – Existing Debt Obligations – General Obligation Bonds" in APPENDIX A.

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement and information concerning the Bonds are available from the District from the Superintendent's Office at 255 West Stanley Avenue, Suite 100, Ventura, California 93001, Telephone: (805) 641-5000. The District may impose a charge for copying, mailing and handling.

END OF INTRODUCTION

THE REFUNDING PLAN

As described herein, the proceeds of the Bonds will be used to refund the Refunded Bonds, and to pay related costs of issuance.

Description of Prior Bonds

On November 4, 2010, the District caused the issuance of the Prior Bonds for the purpose refunding certain maturites of the Ventura Unified School District General Obligation Bonds, 1997 Election, Series E and the Ventura Unified School District General Obligation Bonds, 1997 Election, Series F. The Prior Bonds are subject to redemption at the option of the District on or after August 1, 2020, at a redemption price of 100% of the principal amount being redeemed, plus any accrued interest, without premium.

The Refunded Bonds

The Bonds are being issued by the District to refund the Prior Bonds maturing on or after August 1, 2021 (the "**Refunded Bonds**"), as more particularly identified in the following table.

VENTURA UNIFIED SCHOOL DISTRICT
Identification of Refunded Bonds

Maturities Payable from Escrow	CUSIP†	Principal Amount	Redemption Date	Redemption Price
08/01/2021	923004QC2	$795,000	08/01/2020	100%
08/01/2022**	923004QD0	575,000	08/01/2020	100
08/01/2022**	923004QK4	260,000	08/01/2020	100
08/01/2023**	923004QE8	500,000	08/01/2020	100
08/01/2023**	923004QL2	375,000	08/01/2020	100
08/01/2024	923004QF5	1,005,000	08/01/2020	100
08/01/2025	923004QG3	600,000	08/01/2020	100
08/01/2026	923004QH1	620,000	08/01/2020	100
08/01/2031 T	923004QM0	3,530,000	08/01/2020	100

***Bifurcated Maturities.*
T: Term Bond.
†: CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of The American Bankers Association. Neither the District nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.

Deposits in Escrow Fund

On the Closing Date, the District will deliver a portion of the net proceeds of the Bonds to U.S. Bank National Association, Los Angeles, California (**"U.S. Bank"**), in its capacity as escrow agent pursuant to an Escrow Agreement by and among the District and U.S. Bank. Such proceeds will initially be invested in certain federal securities or held in cash, uninvested, and applied to the payment and redemption of a portion of the Prior Bonds as summarized in the preceding table.

Sufficiency of the deposits in the Escrow Fund for such purposes will be verified by Causey Demgen & Moore, P.C. (the **"Verification Agent"**). See "ESCROW VERIFICATION" herein.

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

SOURCES AND USES OF FUNDS

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

Sources of Funds	
Principal Amount of Bonds	$7,535,000.00
Original Issue Premium	1,134,095.50
Total Sources	$8,669,095.50
Uses of Funds	
Deposit to Escrow Fund	$8,448,606.25
Costs of Issuance[(1)]	220,489.25
Total Uses	$8,669,095.50

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

THE BONDS

Authority for Issuance

The Bonds will be issued pursuant to the Bond Law and the Bond Resolution.

Description of the Bonds

Book-Entry Form. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of DTC. Purchasers of the Bonds (the "**Beneficial Owners**") will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by U.S. Bank National Association, Los Angeles, California (the "**Paying Agent**") to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

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

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

Principal and Interest Payments. The Bonds will be dated their Dated Date and will bear interest payable semiannually each February 1 and August 1 (each, an "**Interest Payment Date**"), commencing August 1, 2020, at the interest rates shown on the inside front cover page of this Official Statement. The Bonds will mature on August 1 in each of the years and in the principal amounts shown on the inside front cover page of this Official Statement. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each Bond authenticated on or before July 15, 2020, shall bear interest from the date of the Bonds. Each Bond authenticated during the period between the 15th day of the month preceding any Interest Payment Date (the "**Record Date**") and that Interest Payment Date shall bear interest from that Interest Payment Date. Any other Bond shall bear interest from the Interest Payment Date immediately preceding the date of its authentication. If an Interest Payment Date does not fall on a business day, the interest, principal or redemption payment due on such Interest Payment Date will be paid on the next business day. The Bonds will be issued in denominations of $5,000 principal amount each or any integral multiple thereof.

See the maturity schedules on the inside cover page of this Official Statement and "DEBT SERVICE SCHEDULES" herein.

Redemption

Optional Redemption. The Bonds maturing on or before August 1, 2029 are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 2030 are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 2029, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Whenever less than all of the outstanding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For the purpose of selection for optional redemption, Bonds will be deemed to consist of $5,000 portions (principal amount), and any such portion may be separately redeemed. The Bonds may all be separately redeemed.

Notice of Redemption

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

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

Partial Redemption of Bonds

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

Effect of Redemption

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

Right to Rescind Notice of Redemption

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

Registration, Transfer and Exchange of Bonds

If the book-entry system as described above and in APPENDIX F is no longer used with respect to the Bonds, the following provisions will govern the registration, transfer, and exchange of the Bonds.

Registration Books. The Paying Agent will keep or cause to be kept sufficient books for the registration and transfer of the Bonds (the "**Registration Books**"), which will at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the Bonds.

Transfer. Any Bond may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

Whenever any Bond or Bonds are surrendered for transfer, the District will execute and the Paying Agent will authenticate and deliver a new Bond or Bonds, for like aggregate principal amount and the same series. No transfers will be required to be made (a) 15 days prior to a date established for selection of Bonds for redemption and (b) with respect to a Bond that has been selected for redemption.

Exchange. Bonds may be exchanged at the principal office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity and series. The District may charge a reasonable sum for each new Bond issued upon any exchange. No exchanges will be required to be made (a) 15 days prior to a date established for selection of Bonds for redemption and (b) with respect to a Bond that has been selected for redemption.

Defeasance

The Bonds may be paid by the District, in whole or in part, in any one or more of the following ways:

(a) by paying or causing to be paid the principal or redemption price of and interest on such Bonds, as and when the same become due and payable;

(b) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Bond Resolution) to pay or redeem such Bonds; or

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

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

(i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice, the amount to be deposited or held will by the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption has been given as provided in the Bond Resolution or provision satisfactory to the Paying Agent has been made for the giving of such notice.

Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as described above) to pay or redeem any outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), then all liability of the County and the District in respect of such Bond will cease and be completely discharged, except only that thereafter the owner thereof will be entitled only to payment of the principal of and interest on such Bond by the District, and the District will remain liable for such payment, but only out of such money or securities deposited with the Paying Agent for such payment.

"Federal Securities" means (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

DESCRIPTION OF THE FORWARD DELIVERY PURCHASE CONTRACT

Certain Delayed Delivery Considerations. The District has entered into a forward delivery bond purchase agreement (the **"Forward Delivery Purchase Contract"**) for the Bonds with RBC Capital Markets, LLC (the "**Underwriter**"). Subject to the terms of the Forward Delivery Purchase Contract, the District expects to issue and deliver the Bonds on the Closing Date. The following is a description of certain provisions of the Forward Delivery Purchase Contract. The following description is not considered a full statement of the terms of the Forward Delivery Purchase Contract and accordingly is qualified by reference thereto and is subject to the full text thereof.

Settlement. Under the Forward Delivery Purchase Contract, the issuance and purchase of the Bonds on the Closing Date are subject to the satisfaction of certain conditions set forth therein, including, among other things, the delivery to the Underwriter of certain documents and opinions. In addition, the Underwriter is not required to purchase the Bonds if, among other conditions, (1) there has been a Change in Law (as defined below), (2) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State of California either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the date of Closing), or for any other reason Bond Counsel cannot issue an opinion substantially in the form of Appendix D hereto to the effect that (i) the interest on the Bonds is not subject to federal income tax under Section 103 of the Code (or comparable provisions of any successor federal tax laws) and (ii) the interest on the Bonds is exempt from the State of California personal income taxation; (3) there shall have occurred an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or any other calamity or crisis in the financial markets of the United States or elsewhere; (4) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the U. S. Securities and Exchange Commission or any other governmental authority having jurisdiction; (5) a general banking moratorium shall have been declared by federal, New York or State authorities having jurisdiction and shall remain in effect; (6) legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission which has the effect of requiring the Bonds to be registered under, or the sale thereof to be in violation of, the Securities Act of 1933, as amended or has the effect of requiring the Bond Resolution to be qualified under the Trust Indenture Act of 1939, as amended, or would otherwise cause the Bonds or the sale thereof to be in violation of any provision of federal securities laws, or, in each case, any law analogous thereto relating to governmental bodies; (7) the Preliminary Official Statement, as of its date, contained an untrue statement or misstatement of material fact or omitted to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect, or the Official Statement as of its date or as of the date of Closing contained an untrue statement or misstatement of material fact or omitted to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect, or the Updated Official Statement as of the date thereof or as of Settlement contains an untrue statement or misstatement of material fact or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect; (8) additional material restrictions not in force as of the date of the Forward Deliver Purchase Contract shall have been imposed upon trading in securities generally by any federal, State, or New York governmental authority or by any United States national securities exchange; (9) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose as to the Bonds or securities of the general character of the Bonds any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or the charge to the net capital requirements of the Underwriter; (10) any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement; or (11) the evidence of the rating on the Bonds required to be delivered on the Closing Date is not delivered.

A "Change in Law" means (1) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (2) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Closing Date); (3) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Closing Date); or (4) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (i) as to the Underwriter, prohibit the Underwriter from completing the underwriting of the Bonds or selling the Bonds, or beneficial ownership interests therein to the public, as provided in the Forward Delivery Purchase Contract, or (ii) as to the District, would make the completion of the issuance, sale or delivery of the Bonds illegal.

The Underwriter has advised the District that the Bonds will be sold only to investors who execute a delayed delivery contract in substantially the form included as APPENDIX H attached hereto (the "**Delayed Delivery Contract**"). The District is not a party to the Delayed Delivery Contract, and the District is not in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the Forward Delivery Purchase Contract are not conditioned or dependent upon the performance of any Delayed Delivery Contract.

Additional Risks Relating to the Delayed Delivery Period of the Bonds. Issuance and delivery of the Bonds will be dependent on receipt by the District of the opinion of Bond Counsel with respect to the Bonds substantially in the form set forth in APPENDIX D and of certain other documents required by the Forward Delivery Purchase Contract, and payment of the purchase price by the Underwriter in accordance with the Forward Delivery Purchase Contract.

Bond Counsel could be prevented from rendering its opinion on the Closing Date with respect to the Bonds as a result of (i) changes or proposed changes, prior to the Closing Date, in federal or State laws, court decisions, regulations or proposed regulations, or rulings of administrative agencies or (ii) the failure of the District to provide closing documents, satisfactory to Bond Counsel, of the type customarily required in connection with the issuance of tax-exempt bonds, such as certificates to the effect that the proceedings of the District with respect to the issuance of the Bonds have not been amended or repealed, in a manner detrimental to holders of the Bonds, by executive, legislative or administrative action.

During the period of time between the date hereof and the Closing Date (the "**Delayed Delivery Period**"), certain information contained in this Official Statement may change in certain material respects. The District has agreed to amend this Official Statement to the extent necessary to assure its accuracy and to provide a reasonable number of copies of the amended Official Statement, if any, to the Underwriter at such time. Additionally, the District has agreed to deliver an updated Official Statement (the "Updated Official Statement") dated a date not more than 25 days nor less than 10 days pror to the Closing Date, which, as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made not misleading. With these exceptions, the District and the Underwriter have not agreed to, nor are they obligated to, provide updates to the information contained in this Official Statement during the Delayed Delivery Period

Ratings Risk. No assurances can be given that the rating assigned to the Bonds on the Closing Date will not be different from those currently assigned to the Bonds. Issuance of the Bonds and the Underwriter's obligations under the Forward Delivery Purchase Contract are not conditioned upon the assignment of any particular ratings for the Bonds or the maintenance of the initial ratings of the Bonds.

Secondary Market Risk During Delayed Delivery Period for the Bonds. The Underwriter is not obligated to make a secondary market in the Bonds, and no assurances can be given that a secondary market will exist for the Bonds during the Delayed Delivery Period. Purchasers of the Bonds should assume that the Bonds will be illiquid during the Delayed Delivery Period.

Market Value Risk of the Bonds. The market value of the Bonds as of the Closing Date may be affected by a variety of factors including, without limitation, general market conditions, the ratings then assigned to the Bonds, the financial conditions and business operations of the District and federal income tax and other laws.

The market value of the Bonds as of the Closing Date could therefore be higher or lower than the price to be paid by the initial purchasers of the Bonds, and that difference could be substantial. Neither the District nor the Underwriter makes any representation as to the expected market price of the Bonds as of the Closing Date. Further, no assurance can be given that the introduction or enactment of any future legislation will not affect the market price for the Bonds as of the Closing Date or thereafter or not have a materially adverse impact on any secondary market for the Bonds.

Tax Law Risk of the Bonds. Subject to the additional conditions of settlement under "Settlement" above, the Forward Delivery Purchase Contract obligates the District to delivery and the Underwriter to acquire the Bonds if the District delivers opinions of Bond Counsel with respect to the Bonds in substantially the form and to the effect as set forth in APPENDIX D. During the Delayed Delivery Period, new legislation, new court decisions, new regulations or new rulings may be enacted, promulgated or interpreted that might prevent Bond Counsel from rendering its opinion or otherwise affect the substance of such opinion. Notwithstanding that the enactment of new legislation, new court decisions or the promulgation of new regulations or rulings might diminish the value of, or otherwise affect, the exclusion from gross income of interest payable on "state or local bonds" (such as the Bonds) for federal income tax purposes, the District might be able to satisfy the requirements for the delivery of the Bonds. In such event, the purchasers would be required to accept delivery of the Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood of any changes in tax law and the consequences of such changes to such purchasers.

Termination of Obligation. The Underwriter is permitted to terminate its obligations with respect to the Bonds by notification to the District on or prior to the Closing Date if any of the events described above in items (1) through (10) under "Settlement" occurs.

DEBT SERVICE SCHEDULES

The following tables show the annual debt service schedule with respect to the Bonds, assuming no optional redemption.

VENTURA UNIFIED SCHOOL DISTRICT
Annual Debt Service on the Bonds

Year Ending August 1	Principal	Interest	Total Debt Service
2020	$100,000.00	$90,001.39	$190,001.39
2021	700,000.00	371,750.00	1,071,750.00
2022	735,000.00	336,750.00	1,071,750.00
2023	775,000.00	300,000.00	1,075,000.00
2024	895,000.00	261,250.00	1,156,250.00
2025	535,000.00	216,500.00	751,500.00
2026	560,000.00	189,750.00	749,750.00
2027	585,000.00	161,750.00	746,750.00
2028	620,000.00	132,500.00	752,500.00
2029	640,000.00	101,500.00	741,500.00
2030	680,000.00	69,500.00	749,500.00
2031	710,000.00	35,500.00	745,500.00
Total	$7,535,000.00	$2,266,751.39	$9,801,751.39

The following table shows the combined annual debt service schedule with respect to the Bonds and the District's other outstanding general obligation bonds, assuming no optional redemption.

VENTURA UNIFIED SCHOOL DISTRICT
Annual General Obligation Bonds Debt Service

Year Ending (August 1)	2010 Refunding Bonds*	2012 Refunding Bonds	2014 Refunding Bonds	2015 Refunding Bonds	The Bonds	Aggregate General Obligation Bonds Debt Service
2019	$908,731.25	$733,412.50	$1,175,903.13	$917,525.00	--	$3,735,571.88
2020	944,606.25	992,825.00	1,530,306.26	1,132,250.00	$190,001.39	4,789,988.90
2021	--	990,550.00	1,531,306.26	1,131,500.00	1,071,750.00	4,725,106.26
2022	--	984,800.00	1,535,056.26	1,124,000.00	1,071,750.00	4,715,606.26
2023	--	998,050.00	1,541,306.26	1,125,000.00	1,075,000.00	4,739,356.26
2024	--	994,300.00	1,544,806.26	1,129,000.00	1,156,250.00	4,824,356.26
2025	--	1,409,300.00	1,546,406.26	1,125,750.00	751,500.00	4,832,956.26
2026	--	1,407,050.00	1,554,906.26	1,125,500.00	749,750.00	4,837,206.26
2027	--	1,407,300.00	1,565,156.26	1,123,000.00	746,750.00	4,842,206.26
2028	--	1,149,800.00	1,186,906.26	1,128,250.00	752,500.00	4,217,456.26
2029	--	1,146,800.00	1,194,406.26	540,750.00	741,500.00	3,623,456.26
2030	--	917,400.00	1,429,156.26	0.00	749,500.00	3,096,056.26
2031	--	915,600.00	634,656.26	0.00	745,500.00	2,295,756.26
2032	--	917,600.00	629,356.26	0.00	--	1,546,956.26
2033	--	303,200.00	628,512.50	0.00	--	931,712.50
2034	--	312,000.00	291,200.00	0.00	--	603,200.00
Total	$1,853,337.50	$15,579,987.50	$19,519,347.01	$11,602,525.00	$9,801,751.39	58,356,948.40

* Assuming the refunding of the Refunded Bonds with the proceeds of the Bonds.

See "SECURITY FOR THE BONDS - *Ad Valorem* Taxes- Other Bonds Payable from *Ad Valorem* Property Taxes" below and "APPENDIX A – GENERAL AND FINANCIAL INFORMATION FOR THE VENTURA UNIFIED SCHOOL DISTRICT – DISTRICT FINANCIAL INFORMATION – Existing Debt Obligations - General Obligation Bonds" for a brief description of the District's other outstanding general obligation bonds.

SECURITY FOR THE BONDS

Ad Valorem Taxes

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

***Other Bonds Payable from* Ad Valorem *Property Taxes*.** The District has previously issued other general obligation bonds, which are payable from *ad valorem* taxes levied on property in the District. In addition, there is other debt issued by entities with jurisdiction in the District, which is payable from *ad valorem* taxes levied on parcels in the District. See "PROPERTY TAXATION – Direct and Overlapping Debt."

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

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

Statutory Lien on* Ad Valorem *Tax Revenues. Pursuant to Senate Bill 222, effective January 1, 2016, voter approved general obligation bonds which are secured by *ad valorem* tax collections, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further action.

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

Economic and other factors beyond the District's control, such as economic recession, deflation of land values, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire, drought or other natural disaster, could cause a reduction in the assessed value within the District and necessitate a corresponding increase in the annual tax rate.

Debt Service Fund

The County will establish a Debt Service Fund (the "**Debt Service Fund**") for the Bonds, which will be established as a separate fund to be maintained distinct from all other funds of the County. All taxes levied by the County for the payment of the principal of and interest and premium (if any) on the Bonds will be deposited in the Debt Service Fund by the County promptly upon the receipt. The Debt Service Fund is pledged for the payment of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The District will transfer amounts in the Debt Service Fund to the Paying Agent to the extent necessary to pay the principal of and interest and premium (if any) on the Bonds as the same becomes due and payable.

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

Not a County Obligation

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

PROPERTY TAXATION

Property Tax Collection Procedures

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

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1-1/2% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

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

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

Taxation of State-Assessed Utility Property

The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization ("**SBE**") and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as "unitary property," a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and "operating nonunitary" property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuation

Assessed Valuation History. The table below shows a recent history of the District's assessed valuation.

VENTURA UNIFIED SCHOOL DISTRICT
Assessed Valuations of All Taxable Property
Fiscal Years 2006-07 to 2018-19

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2006-07	$12,583,782,397	$2,337,138	$622,160,354	$13,208,279,889	--%
2007-08	13,523,844,655	1,138,436	649,620,624	14,174,603,715	7.3
2008-09	14,239,252,191	1,138,436	647,965,462	14,888,356,089	5.0
2009-10	13,747,687,295	1,138,436	689,583,226	14,438,408,957	(3.0)
2010-11	14,190,307,633	907,181	624,738,360	14,815,953,174	2.6
2011-12	14,197,669,739	907,181	616,138,922	14,814,715,842	0.0
2012-13	14,464,271,006	907,181	607,064,677	15,072,242,864	1.7
2013-14	15,092,528,919	907,181	591,380,071	15,684,816,171	4.1
2014-15	15,845,021,236	907,181	610,157,464	16,456,085,881	4.9
2015-16	16,110,176,589	873,306	602,908,146	16,713,958,041	1.6
2016-17	16,339,315,530	872,646	593,577,679	16,933,765,855	1.3
2017-18	17,321,595,771	872,396	582,850,800	17,905,318,967	5.7
2018-19	17,930,164,482	872,082	626,173,527	18,557,210,091	3.6

Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and natural disasters such as earthquakes, fires, floods and droughts.

In addition, wildfires have occurred in recent years in different regions of the State, and related flooding and mudslides have also occurred. The most destructive of the recent wildfires, which have burned thousands of acres and destroyed thousands of homes and structures, have originated in wildlands adjacent to urban areas, and related flooding and mudslides have also occurred. In December of 2017, the Thomas Fire burned approximately 282,000 acres in the County and in Santa Barbara County. The District estimates that over 500 residences in the District's boundaries were destroyed, and over 300 were damaged.

The District cannot predict or make any representations regarding the effects that wildfires, flooding, mudslides or any other natural disasters and related conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have had on economic activity in the District or throughout the State.

Assessed Valuation by Jurisdiction. The following table shows a breakdown of local secured property assessed value based on jurisdiction for fiscal year 2018-19.

VENTURA UNIFIED SCHOOL DISTRICT
Assessed Valuation by Jurisdiction(1)
Fiscal Year 2018-19

Jurisdiction:	Assessed Valuation in School District	% of School District	Assessed Valuation of Jurisdiction	% of Jurisdiction in School District
City of San Buenaventura	$16,070,112,739	86.60%	$16,074,546,602	99.97%
Unincorporated Ventura County	2,487,097,352	13.40	$22,621,121,143	10.99%
Total District	$18,557,210,091	100.00%		
Ventura County	$18,557,210,091	100.00%	$134,913,532,515	13.75%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table shows the land use of property in the District, as measured by assessed valuation and the number of parcels for fiscal year 2018-19. As shown, approximately 78% of the District's secured assessed valuation is represented by residential property.

VENTURA UNIFIED SCHOOL DISTRICT
Assessed Valuation and Parcels by Land Use
Fiscal Year 2018-19

Non-Residential:	2018-19 Assessed Valuation (1)	% of Total	No. of Parcels	% of Total
Agricultural	$ 421,449,670	2.35%	671	1.64%
Commercial	1,992,588,256	11.11	1,343	3.28
Vacant Commercial	52,684,667	0.29	93	0.23
Industrial	1,312,370,023	7.32	1,088	2.66
Vacant Industrial	57,190,752	0.32	103	0.25
Recreational	30,338,608	0.17	47	0.11
Government/Social/Institutional	28,780,589	0.16	821	2.00
Miscellaneous	44,107,376	0.25	674	1.65
Subtotal Non-Residential	$3,939,509,941	21.97%	4,840	11.82%
Residential:				
Single Family Residence	$10,169,114,608	56.72%	24,925	60.85%
Condominium/Townhouse	1,526,223,993	8.51	5,331	13.02
Mobile Home	194,235,654	1.08	2,942	7.18
Mobile Home Park	91,240,562	0.51	31	0.08
2-4 Residential Units	768,164,656	4.28	1,878	4.58
5+ Residential Units/Apartments	948,919,273	5.29	381	0.93
Hotel/Motel	159,076,045	0.89	34	0.08
Vacant Residential	133,679,750	0.75	598	1.46
Subtotal Residential	$13,990,654,541	78.03%	36,120	88.18%
Total	$17,930,164,482	100.00%	40,960	100.00%

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

Assessed Valuation of Single Family Residential Parcels. The following table shows a breakdown of the assessed valuations of improved single-family residential parcels in the District for fiscal year 2018-19.

VENTURA UNIFIED SCHOOL DISTRICT
Per Parcel 2018-19 Assessed Valuation of Single Family Homes

	No. of Parcels	2018-19 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	24,925	$10,169,114,608	$407,989	$363,151

2018-19 Assessed Valuation	No. of Parcels (1)	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $49,999	613	2.459%	2.459%	$ 20,874,610	0.205%	0.205%
$50,000 - $99,999	2,660	10.672	13.131	193,889,467	1.907	2.112
$100,000 - $149,999	1,325	5.316	18.447	164,181,691	1.615	3.726
$150,000 - $199,999	1,284	5.151	23.599	225,032,562	2.213	5.939
$200,000 - $249,999	1,728	6.933	30.532	393,158,763	3.866	9.806
$250,000 - $299,999	2,230	8.947	39.478	612,501,381	6.023	15.829
$300,000 - $349,999	2,128	8.538	48.016	692,377,790	6.809	22.637
$350,000 - $399,999	1,899	7.619	55.635	711,464,495	6.996	29.634
$400,000 - $449,999	1,849	7.418	63.053	785,588,105	7.725	37.359
$450,000 - $499,999	1,828	7.334	70.387	867,955,496	8.535	45.894
$500,000 - $549,999	1,627	6.528	76.915	855,219,883	8.410	54.304
$550,000 - $599,999	1,529	6.134	83.049	875,001,002	8.604	62.909
$600,000 - $649,999	962	3.860	86.909	599,654,421	5.897	68.805
$650,000 - $699,999	696	2.792	89.701	468,161,302	4.604	73.409
$700,000 - $749,999	542	2.175	91.876	391,774,498	3.853	77.262
$750,000 - $799,999	395	1.585	93.460	305,577,632	3.005	80.267
$800,000 - $849,999	279	1.119	94.580	229,818,574	2.260	82.527
$850,000 - $899,999	266	1.067	95.647	232,450,192	2.286	84.813
$900,000 - $949,999	124	0.497	96.144	114,258,821	1.124	85.936
$950,000 - $999,999	109	0.437	96.582	105,930,440	1.042	86.978
$1,000,000 and greater	852	3.418	100.000	1,324,243,483	13.022	100.000
Total	24,925	100.000%		$10,169,114,608	100.000%	

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

Appeals of Assessed Value

There are two types of appeals of assessed values that could adversely impact property tax revenues within the District.

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

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the County Assessor.

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

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

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

Tax Rates

The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in a representative tax rate area in the District (Tax Rate 5-011) during fiscal years 2014-15 through 2018-19.

VENTURA UNIFIED SCHOOL DISTRICT
Typical Tax Rates (TRA 5-011)(1)
Dollars per $100 of Assessed Valuation
Fiscal Years 2014-15 through 2018-19

	2014-15	2015-16	2016-17	2017-18	2018-19
General	$1.0000	$1.0000	$1.0000	$1.0000	$1.0000
Ventura Community College District	.0176	.0130	.0155	.0151	.0152
Ventura Unified School District	.0280	.0271	.0260	.0245	.0234
Total Tax Rate	$1.0456	$1.0401	$1.0415	$1.0396	$1.0386

(1) 2018-19 Assessed Valuation of TRA 5-011 is $5,238,519,202.
Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies; Teeter Plan

The District's total secured tax collections and delinquencies are apportioned on a County-wide basis, according to the District's designated tax rate amount. Therefore, the total secured tax levies, as well as collections and delinquencies reported, do not represent the actual secured tax levies, collections and delinquencies of taxpayers within the tax areas of the District. In addition, the District's total secured tax levy does not include special assessments, supplemental taxes or other charges which have been assessed on property within the District or other tax rate areas of the County.

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 the State Revenue and Taxation Code, which requires the County to pay 100% of secured property taxes due to local agencies in the fiscal year such taxes are due. Under these provisions, each county operating under the Teeter Plan establishes a delinquency reserve and assumes responsibility for all secured delinquencies, assuming that certain conditions are met.

Because of this method of tax collection, the K-12 districts located in counties operating under the Teeter Plan and participating in the Teeter Plan are assured of 100% collection of their secured tax levies if the conditions established under the applicable county's Teeter Plan are met. However, such districts are no longer entitled to share in any penalties due on delinquent payments or in the interest which accrues on delinquent payments.

The Teeter Plan is to remain in effect unless the 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 has received a petition for its discontinuance joined in by resolutions adopted by two thirds of the participating revenue districts in the County, in which event the Board of Supervisors is required to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year.

The Board of Supervisors may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply after holding a public hearing on the matter, discontinue the procedures under 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 rolls for that agency. In the event that the Teeter Plan was terminated, the amount of the levy of *ad valorem* taxes in the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

So long as the Teeter Plan remains in effect with respect to the District, the District's receipt of revenues with respect to the levy of *ad valorem* property taxes will not be dependent upon actual collections of the *ad valorem* property taxes by the County.

Notwithstanding operation of the Teeter Plan, the following table identifies recent secured tax charges and delinquencies in the District with respect to the one percent general fund apportionment.

VENTURA UNIFIED SCHOOL DISTRICT
Secured Tax Charges and Delinquencies
Fiscal Years 2013-14 through 2017-18

Fiscal Year	Secured Tax Charge (1)	Amt. Del. June 30	% Del. June 30
2013-14	$51,259,105	$466,498	0.91%
2014-15	53,968,130	446,247	0.83
2015-16	55,214,237	753,880	1.37
2016-17	55,776,146	452,301	0.81
2017-18	59,067,345	445,597	0.75

(1) 1% General Fund apportionment.
Source: California Municipal Statistics, Inc.

Major Taxpayers

The following table shows the 20 largest taxpayers in the District as determined by their secured assessed valuations in fiscal year 2018-19:

VENTURA UNIFIED SCHOOL DISTRICT
Largest 2018-19 Local Secured Taxpayers

	Property Owner	Primary Land Use	2018-19 Assessed Valuation	% of Total (1)
1.	Aera Energy LLC	Industrial – Oil Production	$ 224,021,382	1.25%
2.	Macerich Buenaventura Ltd.	Shopping Center	117,900,405	0.66
3.	NRFC Ventura Holdings LLC	Apartments	93,052,846	0.52
4.	MPK Vanoni Investors LLC	Apartments	88,878,155	0.50
5.	Raintree Ventura Colony LLC	Apartments	65,645,217	0.37
6.	CA Resources Petroleum Corp.	Industrial – Oil Production	65,642,255	0.37
7.	Montalvo Sq Assoc LLC, Lessor	Shopping Center	59,668,920	0.33
8.	VT Resort Apts One LLC	Apartments	57,569,853	0.32
9.	Kaiser Foundation Health Plan Inc.	Medical Building	57,135,251	0.32
10.	Ventura Retail Property LLC	Shopping Center	52,225,008	0.29
11.	ASN Ventura 1031 LLC	Apartments	45,548,784	0.25
12.	Ventura Gateway LLC	Shopping Center	42,368,881	0.24
13.	Obest LP	Hotel	40,143,770	0.22
14.	County Center Ltd.	Apartments	37,380,720	0.21
15.	MBL Golf Course LLC	Business Park	35,714,270	0.20
16.	Program 87A Ltd.	Apartments	35,637,275	0.20
17.	Ventura Beach Ventures LLC	Hotel	33,920,261	0.19
18.	Newport Beach North LLC	Apartments	32,691,567	0.18
19.	Ralston Properties	Residential Properties	30,910,716	0.17
20.	Ventura Riviera Reche	Shopping Center	30,171,600	0.17
			$1,246,227,136	6.95%

(1) 2018-19 local secured assessed valuation: $17,930,164,482.
Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the "**Debt Report**") prepared by California Municipal Statistics, Inc. for debt issued as of May 1, 2019. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

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

VENTURA UNIFIED SCHOOL DISTRICT
Statement of Direct and Overlapping Bonded Debt
(Debt Issued as of May 1, 2019)

2018-19 Assessed Valuation: $18,557,210,091

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	**% Applicable**	**Debt 5/1/19**
Ventura County Community College District	13.760%	$37,853,427
Ventura Unified School District	**100.000**	**44,755,000**[1]
Carpinteria Sanitation District Assessment District No. 2007-1	37.887	1,437,812
Casitas Municipal Water District 1915 Act Bonds	100.000	60,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$84,106,239
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Ventura County General Fund Obligations	13.755%	$44,673,489
Ventura County Superintendent of Schools Certificates of Participation	13.755	1,268,211
Ventura Unified School District Certificates of Participation	**100.000**	**805,000**
City of San Buenaventura General Fund Obligations	99.972	27,912,182
Carpinteria Sanitary District General Fund Obligations	99.972	7,177,990
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		$81,836,872
Less: Carpinteria Sanitary District supported obligations		7,177,990
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		$74,658,882
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):		$10,345,000
GROSS COMBINED TOTAL DEBT		$176,288,111[2]
NET COMBINED TOTAL DEBT		$169,110,121

Ratios to 2018-19 Assessed Valuation:
Direct Debt ($44,755,000)..0.24%
Total Direct and Overlapping Tax and Assessment Debt 0.45%
Combined Direct Debt ($45,560,000) 0.25%
Gross Combined Total Debt..0.95%
Net Combined Total Debt..0.91%

Ratios to Redevelopment Incremental Valuation ($487,763,324):
Total Overlapping Tax Increment Debt 2.12%

(1) Excludes the Bonds but includes the Refunded 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

Tax Exemption

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

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

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

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

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

State of California personal income tax and federal income tax consequences of owning such Bonds.

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

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

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

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

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

CERTAIN LEGAL MATTERS

Legality for Investment

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

Absence of Litigation

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

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

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel to the District, and Kutak Rock LLP, Denver, Colorado, as Underwriter's Counsel, is contingent upon issuance of the Bonds.

CONTINUING DISCLOSURE

The District will execute the Continuing Disclosure Certificate in connection with the issuance of the Bonds, and covenant therein, for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District to the Municipal Securities Rulemaking Board (an **"Annual Report"**) not later than nine months after the end of the District's fiscal year (which currently is June 30), commencing March 31, 2021, with the report for the 2019-20 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. Such notices will be filed by the District with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached as APPENDIX E. These covenants have been made in order to assist the Underwriter of the Bonds in complying with S.E.C. Rule 15c2-12(b)(5) (the **"Rule"**).

The District has existing disclosure undertakings that have been made pursuant to the Rule in connection with the issuance of other outstanding general obligation bonds and refunding general obligation bonds. See APPENDIX A under the heading "DISTRICT FINANCIAL INFORMATION – Existing Debt Obligations – General Obligation Bonds." During the previous five years, the District failed to timely file its Annual Report for fiscal year 2014-15 for certain of its then-outstanding certificates of participation, which had an earlier filing deadline than the District's other outstanding indebtedness.

In order to assist it in complying with its disclosure undertakings for its outstanding bonds and the Bonds, the District expects to engage Isom Advisors, a Division of Urban Futures, Inc. to serve as its dissemination agent with respect to its each of its disclosure undertakings, including the Continuing Disclosure Certificate to be executed in connection with the Bonds.

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

ESCROW VERIFICATION

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

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

RATING

Moody's Investors Services ("**Moody's**") has assigned a rating of "Aa3" to the Bonds. The District has provided certain information and materials to Moody's (some of which may not appear in this Official Statement). Such a rating reflects only the views of Moody's, and an explanation of the significance of such rating and outlook may be obtained only from Moody's. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by Moody's if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

The Bonds are being purchased by the Underwriter. The Underwriter has agreed to purchase the Bonds on the Closing Date, pursuant to the Forward Delivery Purchase Contract, at a price of $8,608,815.50 which is equal to the initial principal amount of the Bonds of $7,535,000.00, plus original issue premium of $1,134,095.50 less an Underwriter's discount of $60,280.00.

The Forward Delivery Purchase Contract relating to the Bonds provides that the Underwriter will purchase all of the Bonds (if any are purchased), and provides that the Underwriter obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel. See "DESCRIPTION OF THE FORWARD DELIVERY PURCHASE CONTRACT."

The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed by the Underwriter.

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

ADDITIONAL INFORMATION

The discussions herein about the Bond Resolution, the Escrow Agreement and the Continuing Disclosure Certificate are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and for full and complete statements of such provisions reference is made to such documents. Copies of these documents mentioned are available from the Underwriter and following delivery of the Bonds will be on file at the Superintendent's Office at 255 West Stanley Avenue, Ventura, California 93001, Telephone: (805) 641-5000.

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

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

EXECUTION

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

VENTURA UNIFIED SCHOOL DISTRICT

By: */s/ Dr. Roger RIce*
Superintendent

APPENDIX A

GENERAL AND FINANCIAL INFORMATION ABOUT VENTURA UNIFIED SCHOOL DISTRICT

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

General Information

The District was formed effective July 1, 1965 as the result of a unification election held March 16, 1965 and action of the Ventura County Board of Supervisors at the meeting of March 30, 1965. The District includes an area of approximately 165 square miles, including the City of San Buenaventura, also known as Ventura (the "**City**") and surrounding area, in the western most portion of Ventura County (the **"County"**). Enrollment in the District is approximately 16,353 students for fiscal year 2018-19.

See also APPENDIX C hereto for demographic and other statistical information regarding the City and County.

Administration

The District is governed by a five-member Board of Education (the "Board"), each member of which is elected to a four-year term. Current members of the Board of Education, together with their office and the date their term expires, are listed below.

Name	Office	Term Expires
Sabrena Rodriguez	President	December 2020
Jackie Moran	Vice President	December 2020
Matthew Almaraz	Member	December 2022
Jerry Dannenberg	Member	December 2022
Velma Lomax	Member	December 2022

Administrative Personnel. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Dr. Roger Rice is the Superintendent of the District and Betsy George is the Assistant Superintendent, Business Services.

Recent Enrollment Trends

The following table shows a recent history and projected enrollment for the District.

ANNUAL ENROLLMENT
Fiscal Years 2010-11 through 2020-21
Ventura Unified School District

Fiscal Year	Student Enrollment	% Change
2010-11	17,509	--%
2011-12	17,429	(0.5)
2012-13	17,402	(0.2)
2013-14	17,430	0.2
2014-15	17,366	(0.4)
2015-16	17,125	(1.4)
2016-17	16,981	(0.8)
2017-18	16,813	(1.0)
2018-19*	16,353	(2.7)
2019-20*	16,277	(0.5)
2020-21*	16,272	0.0

* Projected.
Source: The District.

Employee Relations

The District has 807.3 certificated full-time equivalent ("**FTE**") employees, 689.0 classified FTE employees, and 112.8 management/supervisor/confidential FTE employees.

The certificated and classified employees of the District are represented by two bargaining units, as set forth in the following table.

BARGAINING UNITS
Ventura Unified School District

Employee Group	Representation	Contract Expiration Date
Certificated	Ventrua Unified Education Association	June 30, 2021
Classified	Ventura Classified Employees Association	June 30, 2021

Source: The District.

DISTRICT FINANCIAL INFORMATION

Education Funding Generally

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

From 1973-74 to 2012-13, California school districts operated under general purpose revenue limits established by the State Legislature. In general, revenue limits were calculated for each school district by multiplying (1) the average daily attendance ("**ADA**") for such district by (2) a base revenue limit per unit of ADA. The revenue limit calculations were adjusted annually in accordance with a number of factors designated primarily to provide cost of living increases and to equalize revenues among all California school districts of the same type. Funding of the District's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Generally, the State apportionments amounted to the difference between the District's revenue limit and its local property tax revenues. Districts which had local property tax revenues which exceeded its revenue limit entitlement were deemed "Basic Aid Districts" and received full funding from local property tax revenues, and were entitled to keep those tax revenues which exceeded its revenue limit funding entitlement.

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

- A base grant for each local education agency per unit of ADA, which varies with respect to different grade spans. The base grants will be adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.

- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional concentration grant of up to 50% of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.

- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

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

Funding levels used in the LCFF target entitlement calculations, not including any supplemental or concentration grant funding entitlements, for fiscal year 2018-19 are set forth in the following table. Full implementation occurred in fiscal year 2018-19 in connection with adoption of the State Budget for said fiscal year.

Grade Span	2017-18 Base Grant Per ADA	2018-19 COLA (3.70%)	Grade Span Adjustments (K-3: 10.4%; 9-12: 2.6%)	2018-19 Base Grant/Adjusted Base Grant Per ADA
K-3	$7,193	$266	$776	$8,235
4-6	7,301	270	n/a	7,571
7-8	7,518	278	n/a	7,796
9-12	8,712	322	235	9,269

Source: California Department of Education.

The new legislation included a "hold harmless" provision which provided that a district or charter school would maintain total revenue limit and categorical funding at least equal to its 2012-13 level, unadjusted for changes in ADA or cost of living adjustments.

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

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

District Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts.

District accounting is organized on the basis of funds, with each group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30. For more information on the District's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

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

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

Financial Statements

General. The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's June 30, 2018 Audited Financial Statements were prepared by CliftonLarsonAllen LLP, Glendora, California and are attached to the Official Statement as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the Office of the Assistant Superintendent, Business Services, Ventura Unified School District, 255 West Stanley Avenue, Ventura, CA 93001. The District has not requested, and the auditor has not provided, any review or update of such Financial Statements in connection with inclusion in this Official Statement.

General Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows the audited income and expense statements for the District for the fiscal years 2013-14 through 2017-18.

GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2013-14 through 2017-18 (Audited)
Ventura Unified School District (1)

	Audited 2013-14	Audited 2014-15	Audited 2015-16	Audited 2016-17	Audited 2017-18
Revenues					
LCFF sources	$110,681,241	$120,801,888	$136,542,221	$141,419,761	$144,021,982
Federal Revenue	10,064,109	12,686,082	11,440,589	8,607,906	7,912,166
Other State Revenue	10,016,184	10,652,540	22,535,826	15,162,697	16,449,941
Other Local Revenue	14,806,672	15,036,713	14,688,819	14,556,059	15,927,841
Total Revenues	145,568,206	159,177,223	185,207,455	179,746,423	184,311,930
Expenditures					
Instruction	83,951,027	95,310,893	102,045,607	109,687,030	109,606,998
Instruction-Related Services	18,202,728	21,243,585	21,870,030	20,607,169	20,892,206
Pupil Services	11,810,687	12,884,833	14,153,107	14,802,052	14,701,943
Ancillary Services	886,238	1,173,515	1,166,688	1,095,030	1,333,252
Community Services	272,418	280,199	278,230	311,261	293,254
Enterprise Activities	2,937,512	3,033,919	2,662,482	2,357,395	2,086,631
General Administration	7,515,617	7,922,170	9,431,390	10,302,864	10,256,379
Plant services	15,305,509	17,799,983	19,462,521	19,734,670	18,931,478
Other Outgo	3,742,964	3,986,713	4,758,736	6,008,763	5,985,201
Debt Service	265,538	759,421	227,509	227,708	286,819
Total Expenditures	144,890,238	164,395,231	176,056,300	185,133,942	184,374,161
Excess (Deficiency) of Revenues over expenditures	677,968	(5,218,008)	9,151,155	(5,387,519)	(62,231)
Proceeds of installment loan	--	1,297,194	--	--	953,185
Operating Transfers in	20,287	--	48,122	76,076	713,170
Operating Transfers out	--	(759,000)	(2,003,863)	(800,000)	(893,020)
Total other financing sources (uses)	20,287	538,194	(1,955,741)	(723,924)	773,335
Net Change in Fund Balance	698,255	(4,679,814)	7,195,414	(6,111,443)	711,104
Fund Balance, July 1	17,070,848	17,769,103	13,089,289	20,284,703	14,173,260
Fund Balance, June 30	$17,769,103	$13,089,289	$20,284,703	$14,173,260	$14,884,364

Source: Ventura Unified School District Audit Reports.

District Budget and Interim Financial Reporting

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

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

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

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

A State law adopted in 1991 (**"A.B. 1200"**) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that is deemed unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

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

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

Copies of the District's budget, interim reports and certifications may be obtained upon request from the District Office at Ventura Unified School District, 255 West Stanley Avenue, Ventura, CA 93001, Telephone: (805) 641-5000. The District may impose charges for copying, mailing and handling.

District's General Fund. The following table shows the general fund figures for the District for fiscal year 2018-19 (adopted budget) and 2018-19 (second interim projections).

VENTURA UNIFIED SCHOOL DISTRICT
Revenues, Expenditures, and Changes in General Fund Balance
Fiscal Year 2018-19 (Adopted Budget and Second Interim Projections)

Revenues	**Adopted Budget 2018-19**	**Second Interim 2018-19**
Total LCFF Sources	$153,644,400	$153,694,801
Federal Revenues	9,066,447	9,165,445
Other state revenues	16,124,830	16,082,574
Other local revenues	13,853,485	13,762,017
Total Revenues	192,689,162	192,704,837
Expenditures		
Certificated Salaries	76,078,549	76,972,433
Classified Salaries	29,642,628	29,778,172
Employee Benefits	50,356,052	50,559,779
Books and Supplies	9,264,449	8,967,178
Contract Services & Operating Exp.	17,960,738	19,285,290
Capital Outlay	2,555,915	2,593,540
Other Outgo (excluding indirect costs)	5,669,597	5,669,597
Other Outgo – Transfers of Indirect Costs	(560,943)	(560,325)
Total Expenditures	190,966,985	193,265,664
Excess of Revenues Over/(Under) Expenditures	1,722,177	(560,827)
Other Financing Sources (Uses)		
Operating transfers in	30,000	30,000
Operating transfers out	(1,000,000)	(1,000,000)
Other sources	--	--
Contributions	--	--
Total Other Financing Sources (Uses)	(970,000)	(970,000)
Net change in fund balance	752,177	(1,530,827)
Fund Balance, July 1	14,884,366	14,884,366
Fund Balance, June 30	$15,636,543	$13,353,539

Source: Ventura Unified School District Adopted Budget for fiscal year 2018-19 and 2018-19 Second Interim Report.

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

In connection with legislation adopted in connection with the State's fiscal year 2014-15 Budget (**"SB 858"**), the Education Code was amended to provide that, beginning in fiscal year 2015-16, if a district's proposed budget includes a local reserve above the minimum recommended level, the governing board must provide the information for review at the annual public hearing on its proposed budget. In addition, SB 858 included a provision, which became effective upon the passage of Proposition 2 at the November 4, 2014 statewide election, which limits the amount of reserves which may be maintained at the District level. Specifically, the legislation, among other things, enacted Education Code Section 42127.01, which became operative December 15, 2014, and provides that in any fiscal year immediately after a fiscal year in which a transfer is made to the State's Public School System Stabilization Account (the Proposition 98 reserve), a school district may not adopt a budget that contains a reserve for economic uncertainties in excess of twice the applicable minimum recommended reserve for economic uncertainties established by the State Board (for school districts with ADA over 400,000, the limit is three times the amount). Exemptions can be granted by the County Superintendent under certain circumstances.

On October 11, 2017, the Governor signed new legislation ("**SB 751**") amending Section 42127.01 of the Education Code, effective January 1, 2018. SB 751 raises the reserve cap established under SB 858 to no more than 10% of a school district's combined assigned or unassigned ending general fund balance and provides that the reserve cap will be triggered only if there is a minimum balance of 3% of the Proposition 98 reserve. Basic aid school districts and small districts with 2,500 or fewer ADA are exempt from the reserve cap.

Attendance - Revenue Limit and LCFF Funding

Funding Trends under LCFF. As described herein, prior to fiscal year 2013-14, school districts in California received State funding based on a formula which considered a revenue limit per unit of ADA. With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent LCFF funding per ADA for the District for fiscal years 2013-14 through 2018-19 (budgeted).

VENTURA UNIFIED SCHOOL DISTRICT
ADA and LCFF Funding
Fiscal Years 2013-14 through 2018-19 (Budgeted)

Fiscal Year	ADA	LCFF Funding Per ADA	Unduplicated Pupil % of Free/Reduced-Price Meals
2013-14	16,761	$6,571	51.3%
2014-15	16,668	7,215	51.3
2015-16	16,412	8,320	49.9
2016-17	16,325	8,663	50.8
2017-18	15,906	9,055	53.3
2018-19 [1]	15,748	9,497	56.8

(1) Second Interim Projections.
Source: California Department of Education; Ventura Unified School District.

District's Unduplicated Student Count. Under LCFF, school districts are entitled to supplemental funding based on the unduplicated count of targeted students. The District's percentage of unduplicated students is approximately 57% for purposes of calculating supplemental and concentration grant funding under LCFF.

Revenue Sources

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

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

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

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes a district received, the less State equalization aid it is entitled to.

Under LCFF, a school district whose property tax revenues exceed its funding under the LCFF is entitled to keep its local property tax revenues which exceed its LCFF funding, maintaining its status as a Basic Aid District, now referred to as a "Community Supported District." For school districts which were Community Supported Districts, prior to implementation of the LCFF, provided that the per pupil funding targets under LCFF, including economic recovery targets, are met or exceeded by local property tax revenues, such districts are entitled to retain their status as Community Supported and keep their full local property tax revenue entitlement. The threshold for Basic Aid status under the LCFF, however, is higher than under the prior funding formula, resulting in some districts falling out of Community Supported status as the result of the implementation of the LCFF. Accountability measures contained in the LCFF must be implemented by all districts, including Community Supported Districts.

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

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

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

For additional discussion of State aid to school districts, see "-Education Funding Generally."

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

Local Revenues – Voter-Approved Parcel Tax Levy

At an election held on November 6, 2018, more than the requisite 2/3 of District voters approved the extension of an existing parcel tax in the amount of $59 per parcel. The parcel tax, authorized to be levied for an additional four years, will expire in 2021. Annual receipts from the parcel tax are approximately $2.2 million annually, and the parcel tax revenues are reflected in the District's audit under "Other Local Revenues."

District Retirement Systems

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

STRS. All full-time certificated employees participate in STRS, a cost-sharing, multiple-employer contributory public employee retirement system. STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended. The program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers and the State. The District's employer contributions to STRS for recent fiscal years are set forth in the following table.

STRS Contributions
Ventura Unified School District
Fiscal Years 2015-16 through 2018-19 (Projected)

Fiscal Year	Amount
2015-16	$7,989,196
2016-17	9,450,804
2017-18	10,906,789
2018-19 (1)	12,369,575

(1) Second Interim Projections.
Source: Ventura Unified School District.

Historically, employee, employer and State contribution rates did not vary annually to account for funding shortfalls or surpluses in the STRS plan. In recent years, the combination of investment earnings and statutory contributions were not sufficient to pay actuarially required amounts. As a result, the STRS defined benefit program showed an estimated unfunded actuarial liability of approximately $107.3 billion as of June 30, 2017 (the date of the last actuarial valuation). In connection with the State's adoption of its fiscal year 2014-15 Budget, the Governor signed into law Assembly Bill 1469 (**"AB 1469"**), which represents a legislative effort to address the unfunded liabilities of the STRS pension plan. AB 1469 addressed the funding gap by increasing contributions by employees, employers and the State. In particular, employer contribution rates are scheduled to increase through at least fiscal year 2020-21, from a contribution rate of 8.88% in fiscal year 2013-14 to 19.1% in fiscal year 2020-21. Thereafter, employer contribution rates will be determined by the STRS board to reflect the contribution required to eliminate unfunded liabilities by June 30, 2046.

The District's employer contribution rates for fiscal years 2015-16 through 2018-19 were 10.73%, 12.58%, 14.43% and 16.28%, respectively. Projected employer contribution rates for school districts (including the District) for fiscal year 2019-20 through fiscal year 2022-23are set forth in the following table. The Governor's 2019-20 Proposed Budget has projected a revision to employer contribution rates for fiscal year 2019-20 and following, which are not reflected in the table below.

EMPLOYER CONTRIBUTION RATES (STRS)
Fiscal Years 2019-20 through 2022-23

Fiscal Year	Employer Contribution Rate(1)
2019-20	18.13%
2020-21	19.10
2021-22	18.60
2022-23	18.10

(1) Expressed as a percentage of covered payroll.
Source: AB 1469

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

PERS Contributions
Ventura Unified School District
Fiscal Years 2015-16 through 2018-19 (Projected)

Fiscal Year	Amount
2015-16	$3,312,194
2016-17	4,051,427
2017-18	4,681,300
2018-19 (1)	5,024,576

(1) Second Interim Projections.
Source: Ventura Unified School District.

Like the STRS program, the PERS program has experienced an unfunded liability in recent years. The PERS unfunded liability, on a market value of assets basis, was approximately $27.2 billion as of June 30, 2018 (the date of the last actuarial valuation). To address this issue, the PERS board has taken a number of actions. In April 2013, for example, the PERS board approved changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates. In addition, in April 2014, PERS set new contribution rates, reflecting new demographic assumptions and other changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy intended to incrementally lower its discount rate (its assumed rate of investment return) in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. In December 2016, PERS voted to lower its discount rate from the current 7.5% to 7.0% over the next three years according to the following schedule.

PERS Discount Rate
Fiscal Years 2018-19 through 2020-21

Fiscal Year	Amount
2018-19	7.375%
2019-20	7.250
2020-21	7.000

Source: PERS.

The new rates and underlying assumptions, which are aimed at eliminating the unfunded liability of PERS in approximately 30 years, will be implemented for school districts beginning in fiscal year 2016-17, with the costs spread over 20 years and the increases phased in over the first five years.

The District's employer contribution rates for fiscal years 2015-16, 2016-17, 2017-18 and 2018-19 were 11.847%, 13.888%, 15.531%, and 18.062% respectively. Projected employer contribution rates for school districts (including the District) for fiscal year 2019-20 through fiscal year 2022-23, are set forth in the following table. The Governor's 2019-20 Proposed Budget has projected a revision to employer contribution rates for fiscal year 2019-20 and following, which are not reflected in the table below.

EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2019-20 through 2022-23(1)

Fiscal Year	Employer Contribution Rate(2)
2019-20	20.80%
2020-21	23.50
2021-22	24.60
2022-23	25.30

(1) The PERS board is expected to approve official employer contribution rates for each fiscal year shown during the immediately preceding fiscal year.
(2) Expressed as a percentage of covered payroll.
Source: PERS

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

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

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

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

Additional Information. Additional information regarding the District's retirement programs is available in Note 14 to the District's audited financial statements attached to the Official Statement as APPENDIX A. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811. More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Other Post-Employment Retirement Benefits

The District administers a single-employer defined benefit post-employment healthcare plan (the "**Plan**") for qualified employees. In addition, some qualified certificated employees are participants in the Medicare Premium Payment Program ("**MPP**"), a cost-sharing defined benefit program administered through the CalSTRS.

Plan Description and Eligibility. The Plan provides health, dental and vision benefits to all Certificated and Classified employees who were retired from the District as of June 30, 1993. The Plan also provides for benefits to their spouses. The Plan does not issue a separate financial report.

Funding Policy. The District currently finances benefits on a pay-as-you-go basis. The District contributes 100 percent of the cost of current year premiums for eligible retired plan members and their spouses as applicable. Classified retirees who retired with fewer than 14 years of service must contribute a portion of the cost of their coverage and all classified retirees must contribute the costs of dental and vision coverage for their dependents. For the year ended June 30, 2018, the District contributed $1,846,496 to the Plan.

Actuarial Assumptions. The District's total Plan liability of $15,336,937 was measured as of June 30, 2018 and was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: the entry age normal actuarial cost method was used, and healthcare cost trend rates 8.00%, decreading to 5.00%. The discount rate used to measeure the OPEB liability was 3.10%. The projection of cash flows used to determine the discount rate was based on the Standard & Poor spot rate of the 20 year Grade AA Municpal bonds. There are no plan assets. Mortality rates are based on the 2016 CalSTRS Retiree and Active Mortality tables for Certificated employee types as applicable and 2014 CalPERS Retiree and Active Mortality tables for Miscellaneous Employees, as applicable for Classified Employee types. CalSTRS and CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. These table incorporates mortality projection as deemed appropriate based on CalSTRS and CalPERS analysis.

The actual assumptions used in the June 30, 2018 valuation were based on the results of an actual experience study for the period July 1, 2017 to June 30, 2018.

Changes in the Plan Liability of the District. The changes in the Plan liability of the District as of June 30, 2018, is shown in the following table:

CHANGES IN TOTAL PLAN LIABILITY
Ventura Unified School District

Total Plan Liability	**2018**
Interest	$420,523
Differences between expected and actual experience	64,006
Change of Assumptions	331,403
Benefit payments, including refunds of employee contributions	(2,093,860)
Net changes	(1,277,928)
Total Plan liability-beginning	16,614,865
Total Plan liability-ending	$15,336,937

Source: Ventura Unified School District Audit Report.

Plan Expense. For the year ended June 30, 2018, the District recognized an OPEB expense of $815,932.

MPP Description and Eligibility. The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan ("**OPEB**") established pursuant to California state statute. CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund ("**THBF**"). The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible California fulltime and part-time public school teachers from pre-kindergarten through community college who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A.

The payments are made directly to the Centers for Medicare and Medicaid Services ("**CMS**") on a monthly basis. Medicare Part A premium rates for fiscal year 2016 -17 were $411 for the period July 1, 2016 through December 13, 2016 and $413 for the period January 1, 2017 through June 30, 2017. Part A and B late enrollment penalties are generally 10 percent of the respective monthly premiums rates; however, the fees charged to individual participants may be higher based on certain income thresholds.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program. For the years ending June 30, 2017 and 2016, 6,271 and 6,588 retirees participated in the MPP Program, respectively. The number of retired members who will participate in the program in the future is unknown because eligibility cannot be pre-determined.

Funding Policy. The MPP Program is funded on a pay-as-you go basis from a portion of monthly employer contributions. In accordance with California Education Code, contributions that would otherwise be credited to the CalSTRS defined benefit pension program ("**STRP**") each month are instead credited to the MPP Program to fund monthly program and administrative costs. These contributions are generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds remaining within the MPP Program as of June 30, 2017 were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program. Total aggregate employer contributions of all participating employers to the MPP Program for fiscal year 2016-17 were $29.1 million.

Because amounts credited to the MPP Program are deducted from the employer's regular STRP contributions, there are no contribution rates specific to the MPP Plan. Employer contributions to the STRP are calculated by CalSTRS based on creditable compensation for active members reported by employers. Employer contributions are accrued when required by statute, and the employer has made a formal commitment to provide the contributions. Cash remittances of contributions due are received from employers prior to their reports of creditable earnings by member. As a result, CalSTRS accrues employer contributions due monthly using current contribution rates and estimates based on historical creditable compensation. CalSTRS recognizes MPP Program expenses when due and payable.

Actuarial Assumptions. The District's total MPP Program liability of $2,692,797 was was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2016, and rolling forward the total MPP Program liability to June 30, 2017 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: the entry age normal actuarial cost method was used, the experience study was from July 1, 2010 through June 30, 2015, the investment rate of return was 3.58%, Medicare Part A premium costs trend rate was 3.70%, and the Medicare Part B premium costs trend rates was 4.10%.

In addition, assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 571 or an average of 0.32 percent of the potentially eligible population (177,763).

For the valuation as of June 30, 2017, CalSTRS changed the mortality assumptions based on the July 1, 2010, through June 30, 2015, experience study adopted by the board in February 2017. CalSTRS now uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

Discount Rate. The discount rate used to measure the total OPEB liability as of June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. The MPP Program is funded on a pay-as-you-go basis, and under the pay-as-you-go method, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 3.58% and 2.85%, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2017 and 2016, respectively, was applied to all periods of projected benefit payments to measure the total OPEB liability.

MPP Program Expense. For the year ended June 30, 2018, the District recognized an OPEB expense of $(116,400).

For further information regarding the District's OPEB plans see Note 13 of APPENDIX A.

Insurance – Joint Powers Agreement

The District participates in two joint powers agreement ("**JPA**") entities: the Ventura County Schools Self-Funding Authority (the "**Authority**") and the Gold Coast Joint Benefits Trust (the "**Trust**"). The Authority provides workers' compensation, property and liability insurance, boiler and machinery and fidelity bond coverage among other types of insurance. The member districts are subject to various deductible amounts in addition to payment of premiums assessed by the Authority. The Authority pools responsibility for claims up to certain limits and provides high level umbrella type coverage above its retention limits. The Trust arranges for health and welfare benefits for employees and retirees of participating school districts and their eligible dependents. Member districts pay a monthly premium per eligible participant.

Each JPA is independently accountable for its fiscal matters and is governed by a board consisting of representatives from each member District. Budgets are not subject to any approval other than that of the respective governing boards. Member districts share surpluses and deficits proportionately to their participation in the JPAs. Separate financial statements for each JPA may be obtained from the respective entity.

The relationships between the District and the JPAs are such that none of the JPAs is a component unit of the District for financial reporting purposes.

Parcel Tax Revenues Dependent on Voter Approval

For fiscal year 2016-17, the District received approximately $2 million of parcel tax revenue that is subject to voter approval. For more information on the District's voter-approved parcel tax, see "DISTRICT FINANCIAL INFORMATION – Local Revenues – Voter- Approved Parcel Tax Levy."

Existing Debt Obligations

General Obligation Bonds*.* Prior to the issuance of the Bonds, the District has four outstanding issuances of general obligation refunding bonds secured by *ad valorem* taxes levied and collected within the District, on a parity basis with the Bonds.

VENTURA UNIFIED SCHOOL DISTRICT
Summary of Outstanding General Obligation Bond Indebtedness

Issue Date	Issue Name	Original Principal Amount	Outstanding Principal as of April 1, 2019
11/04/2010	2010 General Obligation Refunding Bonds*	$14,510,000	$9,665,000
04/11/2012	2012 General Obligation Refunding Bonds	13,760,000	11,480,000
07/29/2014	2014 General Obligation Refunding Bonds	17,760,000	14,570,000
07/30/2015	2015 General Obligation Refunding Bonds	11,140,000	9,040,000
Total		$56,980,000	$44,755,000

* Scheduled to be refunded, in part, on August 1, 2020, with a portion of the proceeds of the Bonds described herein.
Source: Ventura Unified School District Audit Report.

The District received authorization from District voters at an election held on June 3, 1997 (the "**1997 Authorization**"), to issue up to $81,000,000 principal amount of general obligation bonds. Between 1997 and 2005, the District issued eight series of bonds. Between the years of 2004 and 2014, the eight series of bonds issued under the 1997 Authorization were refunded with general obligation refunding bonds. There is no remaining unused authorization under the 1997 Authorization.

See "DEBT SERVICE SCHEDULES" in the body of this Official Statement for the remaining debt service due on the District's outstanding general obligation bonds.

Installment Loan. On September 22, 2014, the District entered into a master installment purchase agreement for the purchase of ten buses in the amount of $1,297,194. The purchase agreement called for an initial payment totaling $427,708 with annual loan installment payments over the next four years including interest at a rate of 1.885%.

On September 13, 2017, the District entered into an installment purchase agreement for the purchase of six additional school buses in the amount of $933,781. Included in the financing arrangement is the refinancing of the original 10 bus purchase outstanding installment loan. The revised annual installment payments are due October 13, 2017 through October 13, 2022. Payments of $286,819 are due the first four years of the loan and $166,887 are due the final two years of the loan. Interest is calculated at a rate of 2.69% per annum.

Required principal and intersest payments are shown in the following table:

Year Ended June 30	Principal	Interest
2019	$256,873	$29,946
2020	263,788	23,031
2021	270,890	15,929
2022	158,251	8,636
2023	162,511	4,376
Total	$1,112,313	$81,918

Source: Ventura Unified School District Audit Report.

Certificates of Participation. The District entered into a certificate of participation agreement dated March 1, 2016. The proceeds of $1,903,000, after payment of costs, were used to refund the outstanding Certificates of Participation Series 2002.

The Ventura County Schools Public Facilities Financing Corporation acts as a purchaser and lessor of the property. Lease payments are required to be made by the District under the lease agreement each October 1 and April 1 for use and possession of the property for the period commencing October 1, 2016 and terminating April 1, 2022. Lease payments will be funded in part from the proceeds of the certificates.

Required principal and interest payments are shown in the following table:

Year Ended June 30	Principal	Interest
2019	$191,000	$9,226
2020	382,000	13,196
2021	390,000	6,054
2022	33,000	474
Total	$996,000	$28,950

Source: Ventura Unified School District Audit Report.

Investment of District Funds

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

Effect of State Budget on Revenues

Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts generally receive the majority of their operating revenues from various State sources. The primary source of funding for school districts is LCFF funding, which is derived from a combination of State funds and local property taxes (see "—Education Funding Generally" above). State funds typically make up the majority of a district's LCFF funding. School districts also receive funding from the State for some specialized programs such as special education.

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

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

State Funding of Education

General. The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. School districts in California receive operating income primarily from two sources: (1) the State funded portion which is derived from the State's general fund, and (2) a locally funded portion, being a district's share of the 1% general *ad valorem* tax levy authorized by the California Constitution (see "DISTRICT FINANCIAL INFORMATION – Education Funding Generally" above). School districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts receive an average of about 55% of their operating revenues from various State sources.

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

The following information concerning the State's budgets for the current and most recent preceding years has been compiled from publicly-available information provided by the State. None of the District, the Underwriter or the County is responsible for the information relating to the State's budgets provided in this section. Further information is available from the Public Finance Division of the State Treasurer's Office.

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

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

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

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

Recent State Budgets

Certain information about the State budgeting process and the State budget is available through several State of California sources. A convenient source of information is the State's website, where recent official statements for State bonds are posted. *The references to internet websites shown below are shown for reference and convenience only, the information contained within the websites may not be current and has not been reviewed by the District and is not incorporated herein by reference.*

- The California State Treasurer internet home page at www.treasurer.ca.gov, under the heading "Bond Information", posts various State of California Official Statements, many of which contain a summary of the current State budget, past State budgets, and the impact of those budgets on school districts in the State.

- The California State Treasurer's Office Internet home page at www.treasurer.ca.gov, under the heading "Financial Information", posts the State's audited financial statements. In addition, the Financial Information section includes the State's Rule 15c2-12 filings for State bond issues. The Financial Information section also includes the Overview of the State Economy and Government, State Finances, State Indebtedness, Litigation from the State's most current Official Statement, which discusses the State budget and its impact on school districts.

- The California Department of Finance's Internet home page at www.dof.ca.gov, under the heading "California Budget", includes the text of proposed and adopted State budgets.

- The State Legislative Analyst's Office prepares analyses of the proposed and adopted State budgets. The analyses are accessible on the Legislative Analyst's Internet home page at www.lao.ca.gov under the heading "Subject Area – Budget (State)".

Prior Years' Budgeting Techniques*.* Declining revenues and fiscal difficulties which arose in the State commencing in fiscal year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools, until a later date in the fiscal year, or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, among others, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies. Although the fiscal year 2018-19 State budget is balanced and projects a balanced budget for the foreseeable future, largely attributable to the additional revenues generated due to the passage of Proposition 55 at the November 8, 2016 statewide election, there can be no certainty that budget-cutting strategies such as those used in recent years will not be used in the future should the State budget again be stressed and if projections included in such budget do not materialize.

2018-19 State Budget

On June 27, 2018, the Governor signed the 2018-19 State budget (the "**2018-19 State Budget**") into law. The 2018-19 State Budget calls for total spending of $199.7 billion, with $137.7 billion in general fund spending. The 2018-19 State Budget provides for $78.4 billion of funding through Proposition 98, the primary source of funding for K-12 school districts and community college districts, an increase of $3.9 billion, or 5.2%, from the 2017-18 State budget. Of that $78.4 billion, $61.0 billion will be distributed to K-12 school districts through the LCFF, which will be fully funded during fiscal year 2018-19, restoring every school district in the State to at least pre-recession funding levels.

The 2018-19 State Budget continues to build State reserves, with the rainy-day fund balance projected to grow to $13.8 billion by the end of the budget year, its constitutional maximum. Additionally, revenues have been set aside in new savings funds, including a $200 million reserve for safety net programs. Other significant features of the 2018-19 State Budget include:

- $640 million in Proposition 51 State bond authority for school facilities;

- $1 billion in federal and state funds, over four years, for early childhood programs, including the addition of placement for 13,400 child-care and 2,947 preschool children, and $450 million to reduce the number of children living in deep poverty;

- one-time funding for K-12 school districts to fund various programs, including $300 million for the lowest-performing student subgroups, $125 million to address the shortage of special education teachers, and $100 million to expand facilities for kindergarten and transitional kindergarten;

- $54 million for county offices of education to support school districts needing additional assistance, as determined based on multiple performance indicators;

- $100 million for local fire response, including $32.9 million to backfill property tax revenue losses that cities, counties and districts incurred in fiscal year 2017-18 and will incur in fiscal year 2018-19 from wildfires, mudslides and other natural disasters, and a hold harmless provision allowing local education agencies to recoup revenue that has been lost due to declines in average daily attendance that are directly associated with these disasters;

- $185.4 million to multiple state agencies for the first year of implementation of a $4 billion parks and water bond measure approved by voters in 2018; and

- one-time funding of $500 million to support local governments in addressing homelessness, to be used for emergency shelters, bridge housing, motel vouchers, and supportive housing.

2019-20 Proposed State Budget

On January 10, 2019, the Governor released the proposed State budget for fiscal year 2019-20 (the **"2019-20 Proposed Budget"**). The 2019-20 Proposed Budget projected general fund revenues in fiscal year 2018-19 of approximately $149.3 billion (including a prior year balance of approximately $12.4 billion) and expenditures of approximately $144.1 billion. For fiscal year 2019-20, the 2019-20 Proposed Budget projected general fund revenues of $147.9 billion (including a prior year transfer of approximately $5.2 billion) and authorized expenditures of $144.2 billion. The 2019-20 Proposed Budget continued to build State reserves to manage the impacts of future economic downturns, with $2.3 billion in a Special Fund for Economic Uncertainties, $15.3 billion in the "Rainy Day Fund," and $900 million in a Safety Net Reserve Fund. The 2019-20 Proposed Budget noted that additional deposits to the Rainy Day Fund will be made in reliance on a recent opinion by the California Office of Legislative Counsel, which concluded that supplemental payments made in prior fiscal years do not count towards calculating the Rainy Day Fund's constitutional maximum of 10%, and projected bringing the Rainy Day Fund to $19.4 billion by 2022-23.

The 2019-20 Proposed Budget raises the Proposition 98 minimum funding guarantee for school districts and community college districts to $80.7 billion, a new all-time high, which included an additional $2 billion in Proposition 98 funding for the LCFF, reflecting a 3.26% cost-of-living adjustment, and bringing total LFCC funding to $63 billion. To address the rising costs of STRS pensions, the 2019-20 Proposed Budget also included a $3 billion one-time general fund payment to STRS on behalf of school districts, which was expected to provide immediate relief and reduce the out-year contribution rate by 0.5%. The 2019-20 Proposed State Budget also included a $750 million one-time general fund payment to fund new or retrofitted facilities for full-day kindergarten programs and other activities to reduce barriers to providing full-day kindergarten and a general fund payment of $576 million ($186 million is one-time) to support expanded special education services in school districts with a high concentration of special education students.

On May 9, 2019, the Governor released the May Revision to the 2019-20 Proposed Budget (the **"May Revision"**). The updated proposal based on the most current economic forecasts projects short-term revenues of $3.2 billion above the original budget, most of which are constitutionally committed funds, resulting in a relatively unchanged surplus. Due to the slowing economic forecast and intensified risks, the May Revision continues to save and prepare for uncertain times, allocating $15 billion to building budgetary resiliency and paying down unfunded liabilities, which is $1.4 billion higher than the 2019-20 Proposed Budget. With respect to school districts, funding for K-12 schools is expanded by providing approximately $5,000 more per pupil than eight years ago, with increases in funding for special education increase in the May Revision by over $300 million. Relative to the 2019-20 Proposed Budget, K-14 funding under Proposition 98 was increased by $389.3 million in the May Revision.

Disclaimer Regarding State Budgets. The implementation of the 2019-20 State Budget and future State budgets may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks associated with proposed spending reductions, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2019-20 Proposed Budget, or subsequent state budgets, will have on its own finances and operations. However, the Bonds are secured by *ad valorem* taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

The State has not entered into any contractual commitments with the District, the County, the Underwriter or the owners of the Bonds to provide State budget information to the District or the owners of the Bonds. Although they believe the sources of information listed below are reliable, neither the District nor the Underwriter assumes any responsibility for the accuracy of State budget information set forth or referred to or incorporated in this Official Statement.

Availability of State Budgets. The complete 2018-19 State Budget and 2019-20 Proposed Budget, including the May Revision, are available from the California Department of Finance website at www.ebudget.ca.gov. An impartial analysis of the budget is published by the Legislative Analyst Office, and is available at www.lao.ca.gov/budget. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted on these sites, and such information is not incorporated in this Official Statement by these references. The information referred to above should not be relied upon when making an investment decision with respect to the Bonds.

Uncertainty Regarding Future State Budgets. The District cannot predict what actions will be taken in future years by the State legislature or the Governor to address the State's current or future revenues and expenditures, or possible future budget deficits. Future State budgets will be affected by national and State economic conditions and other factors over which the District has no control. The District cannot predict what impact any future budget proposals will have on the financial condition of the District. To the extent that the State budget process results in reduced revenues to the District, the District will be required to make adjustments to its own budgets.

Legal Challenges to State Funding of Education

The application of Proposition 98 and other statutory regulations has been the subject of various legal challenges in the past. The District cannot predict if or when there will be changes to education funding or legal challenges which may arise relating thereto.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

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

Constitutionally Required Funding of Education

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

Article XIIIA of the California Constitution

Basic Property Tax Levy. 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) (as a result of an amendment to Article XIIIA approved by State voters on June 3, 1986) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness (which provided the authority for the issuance of the Refunded Bonds), and (iii) (as a result of an amendment to Article XIIIA approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The tax for the payment of the Bonds falls within the exception described in (ii) of the immediately preceding sentence. 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.

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

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 1979.

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

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

Article XIIIB of the California Constitution

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

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

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

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

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

Unitary Property

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

Articles XIIIC and XIIID of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID (respectively, "**Article XIIIC**" and "**Article XIIID**"), which contain a number of provisions affecting the ability of local agencies, including school districts, 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.

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

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

Proposition 98

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

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIIB surplus. The maximum amount of excess tax revenues which could be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Proposition 111

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

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

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

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

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

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

Proposition 39

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

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

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, beginning in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (i) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

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

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

Proposition 30 and Proposition 55

The Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as **"Proposition 30"**), temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax was levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over $250,000 but less than $300,000 for single filers (over $500,000 but less than $600,000 for joint filers), (ii) 2% for taxable income over $300,000 but less than $500,000 for single filers (over $600,000 but less than $1,000,000 for joint filers), and (iii) 3% for taxable income over $500,000 for single filers (over $1,000,000 for joint filers). Proposition 55 (described below) extended said increases to personal income rates through the end of 2030.

The revenues generated from the temporary tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See "Proposition 98" and "Proposition 111" above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the **"EPA"**). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to schools districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than $200 per unit of ADA and no community college district will receive less than $100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

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

California Senate Bill 222

Senate Bill 222 ("**SB 222**") was signed by the California Governor on July 13, 2015 and became effective on January 1, 2016. SB 222 amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter approved general obligation bonds which are secured by *ad valorem* tax collections such as the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect of SB 222 is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

Future Initiatives

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

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APPENDIX B

VENTURA UNIFIED SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2017-18

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VENTURA UNIFIED SCHOOL DISTRICT
VENTURA COUNTY

REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
INCLUDING REPORTS ON COMPLIANCE
June 30, 2018

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INDEPENDENT AUDITORS' REPORT

Board of Education
Ventura Unified School District
Ventura, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ventura 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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.

Board of Education
Ventura Unified School District

Opinions

In our opinion, the financial statements referred to in the aforementioned table of contents present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During fiscal year ended June 30, 2018, the District adopted the provisions of Governmental Accounting Standards Board Statement (GASB) No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. As a result of the implementation of this standard, the District reported a restatement for the change in accounting principle (see Note 17). Our auditors' opinion was not modified with respect to this restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information schedules as listed in the aforementioned 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 schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, the other supplementary schedules and the combining major and non-major fund financial statements as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Board of Education
Ventura Unified School District

The Schedule of Average Daily Attendance (ADA), Schedule of Instructional Time, Schedule of Expenditures of Federal Awards, Reconciliation of the Annual Financial and Budget Report with the Audited Financial Statements, the Notes to the Supplementary Information and the combining non-major fund financial statements are the responsibility of management and were 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, this information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The History and Organization, Schedule of Financial Trends and Analysis and Schedule of Charter Schools have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Glendora, California
December 11, 2018

VENTURA UNIFIED SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2018

The Management Discussion and Analysis section of Ventura Unified School District's financial report presents an overall review of the District's financial performance during the fiscal year that ended on June 30, 2018. Readers should also review the notes to the basic financial statements and the fund financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Total net position was $2,233,739. As a result of increasing retirement contribution rates, the District's net position decreased by $8.4 million or 78.9%.

- Total revenues were $206.3 million. General Fund revenue accounted for $184.3 million or 90.4% of total revenues.

- The District had $214.6 million in expenses; $44.5 million of these expenses were offset by program specific charges for services and grants and/or contributions.

- Outlays for capital improvements were $2.6 million, primarily for facility modernization. Facility modernization projects include installation of new flooring, lighting, roofing, shade structures, asphalt, and updates to kitchens. Additional projects include updates to new transportation building. Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of these assets is allocated over their useful lives as depreciation expense.

- Among major funds, the General Fund had $184.3 million in revenues and $184.4 million in expenditures. The District has restricted, as required by law, the $4.4 million unspent program grant funds. Over the past few years, the state has paid down nearly all backlogged mandate claims and outstanding Proposition 98 maintenance factor obligations, as a result, annual increases in state revenues are expected to diminish.

- School districts in California continue their implementation of the Local Control Funding Formula (LCFF), a comprehensive reform of how funding is allocated for K-12 schools. The LCFF was adopted by the state in 2013 to replace the Revenue Limit funding formula and the majority of state categorical programs, a structure that had been in place for 40 years. The LCFF model requires local determination of priorities for the expenditure of funds. Districts develop a Local Control Accountability Plan (LCAP) to explain programs and priorities to the community. Input from the community is required as part of the development of the plan, and it is intended to assist in promoting transparency for the districts.

- The LCFF consists of base, supplemental, and concentration funding. Base funding provides consistent per student funding rates for all students state-wide using grade level groupings. Additional funding is provided for students identified as higher need: low socio-economic, English learners, homeless, and foster youth. Supplemental funding provides an additional 20% of the base funds for the unduplicated count of students who are identified in these higher need categories. Concentration funding is provided to districts exceeding 55% of their population identified in the unduplicated pupil count. Concentration grant funding provides an additional 50% of the base funds for the percentage of students that exceed 55%. For the 2017-18 school year, Ventura Unified's unduplicated count of students was 56.97%.

- In the November 2016 election, the District was successful in extending a parcel tax that was first initiated in the 2013-14 school year. The community approved continuing the $59 per parcel per year tax through the 2020-21 school-year. Annual parcel tax receipts generate $2.1 million for the District.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts, management's discussion and analysis (this section), the basic financial statements, and the supplementary information, comprised of required and other supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *District-wide financial statements* that provide both *short-term and long-term* information about the District's overall financial status.

- The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail.

The financial statements also include *notes* that explain some of the statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the financial statements with comparison of the District's budget for the year.

District-wide Statements

The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District's assets, deferred outflows of resources, liabilities, and deferred-inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's *net position* and how they have changed. Net position— the difference between the District's assets plus deferred outflow of resources less liabilities and deferred inflows of resources—is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District property tax base and the condition of school buildings and other facilities.

In the District-wide financial statements the District's activities include:

- *Governmental activities*—Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and LCFF finance most of these activities. Other funds in the District are also included here and are described in the notes to the financial statements.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds*—not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The District has two kinds of funds:

- *Governmental funds*—Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements 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. Because this information does not encompass the additional long-term focus of the District-wide statements, we provide additional information that explains the relationship (or differences) between them.
- *Fiduciary funds*—The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's combined net position from governmental activities was $2.2 million. The $8.4 million decrease in net position was primarily due to increasing retirement contribution rates. An additional $14.4 million decrease resulted from the implementation of GASB Statement No. 75 as discussed at Note 17. Table 1 provides a summary of the District's combined net position for 2018.

Total combined assets were $226.5 million, capital assets were 77.3% ($175.2 million) of total assets and non-capital assets were 22.7% ($51.3 million) of total assets. Total liabilities were $273.2 million; 4.4% ($12.1 million) current and 95.6% ($261.1 million) long term liabilities. Of the District's *Governmental Activities* net position, $122.1 million were invested in capital assets net of related debt, $27.5 million were legally restricted, and negative <$147.4> million were unrestricted.

Table 1 (In Millions)

Summary of Statement of Net Position	2017	2018	Total Change	Total % Change
Non-capital Assets	$ 51.2	$ 51.3	$ 0.1	0.2%
Capital Assets	179.8	175.2	(4.6)	-2.6%
Total Assets	231.0	226.5	(4.5)	-1.9%
Deferred Charge on Refunding	0.8	0.8		0.0%
Deferred Outflows of Resources - OPEB	0.0	1.8	1.8	N/A
Deferred Outflows of Resources - Pensions	43.9	61.7	17.8	40.5%
Total Deferred Outflows of Resources	44.7	64.3	19.6	43.8%
Current Liabilities	15.3	12.1	(3.2)	-20.9%
Long-Term Liabilities	224.7	261.1	36.4	16.2%
Total Liabilities	240.0	273.2	33.2	13.8%
Deferred Inflows of Resources - Pensions	10.7	15.4	4.7	43.9%
Total Deferred Inflows of Resources	10.7	15.4	4.7	43.9%
Net Investment in Capital Assets	124.2	122.1	(2.1)	-1.7%
Net Position Legally Restricted	26.4	27.5	1.1	4.2%
Net Position Unrestricted	(125.6)	(147.4)	(21.8)	17.4%
Total Net Position	$ 25.0	$ 2.2	$ (22.8)	-91.2%

Significant changes include:

- Long term liabilities increased $36.4 million or 16.2% primary due to an increase in the District's reportable share of the retirement systems net pension liability and reporting requirements for non-pension related employee benefits. Deferred Outflows of Resources – OPEB increased $1.8 million related to reporting requirements for postemployment health care benefits and other non-pension related benefits. Deferred Outflows of Resources – Pensions increased $17.8 million or 40.5% due to increased contribution rates for retirement systems. The net position legally restricted for capital outlay decreased <$0.9> million or <5.50%>. The net position restricted for educational programs increased $2.3 million or 48.2% due to reserving of program grant funds to support clean energy initiatives.

Activities. Total cost of all governmental activity programs and services was $214.6 million. Instruction and pupil services made up 77% of total program cost, plant services were 9%, and general administration was 5%. Table 2 provides a summary of the District's governmental activities.

With the implementation of the LCFF, the funding received from Proposition 30 and an improved California economy, funding received from the state for education increased for the fourth consecutive year. The parcel tax, $2.1 million, that was collected for the fifth year in 2017-18, helped to maintain class sizes, purchase technology, and support the arts and music education.

Table 2 (In Millions)

Summary of Statement of Activities	2017	2018	Total Change	Total % Change
Program Revenues	$ 45.6	$ 44.5	$ (1.1)	-2.4%
General Revenues	158.5	161.7	3.2	2.0%
Total Revenues	204.1	206.2	2.1	1.0%
Expenses:				
Instruction and Instruction Related Services	141.7	142.9	1.2	0.8%
Pupil Services	22.7	22.4	(0.3)	-1.3%
General Administration	10.8	11.1	0.3	2.8%
Plant Services	19.5	19.3	(0.2)	-1.0%
Ancillary, Community and Enterprise Activities	3.8	3.7	(0.1)	-2.6%
Debt Service	2.1	2.0	(0.1)	-4.8%
Other Outgo	6.0	6.0	0.0	0.0%
Depreciation	6.6	7.2	0.6	9.1%
Total Expenses	213.2	214.6	1.4	0.7%
Change in Net Position	(9.1)	(8.4)	0.7	-7.7%
Net Position, Beginning of Year, Original	36.4	25.0	(11.4)	-31.3%
Change in Accounting Principle	(2.3)	(14.4)	(12.1)	526.1%
Net Position, Beginning of Year	34.1	10.6	(23.5)	-68.9%
Net Position, End of Year	$ 25.0	$ 2.2	$ (22.8)	-91.2%

Significant changes include:

Revenues:

- Local Control Funding Formula (LCFF) increased \$2.6 million, or 1.8% primarily due to modest Cost of Living Adjustment included in the state budget and the District's focus on capturing demographics to more accurately reflect the unduplicated student count, partially offset by declining student enrollment. LCFF implementation is at 97% of target in the 2017-18 year.

- Federal revenues decreased \$2.0 million or 15.46% due mainly to decreasing revenues in grant programs, adult education, and child nutrition services.

- State revenues increased primarily as a result of increases in grant resources including an increase of \$1.67 million in CA Clean Energy Jobs from the prior year. State mandated cost reimbursements declined offsetting some increases to state lottery revenues.

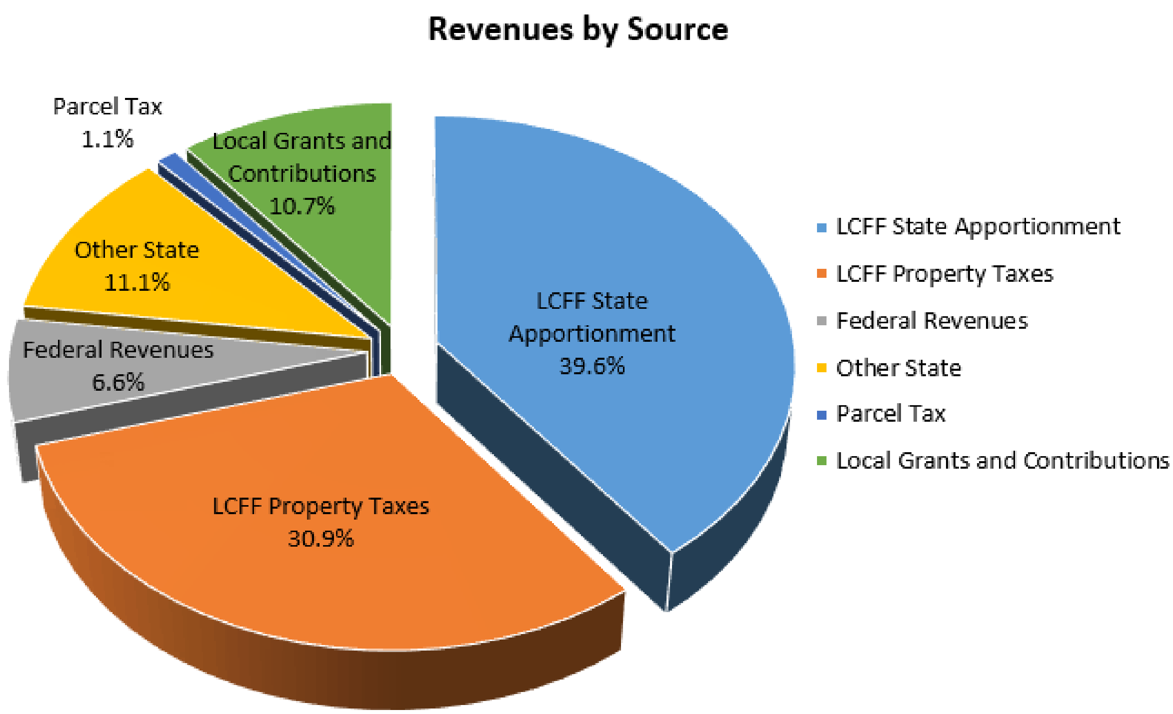
Expenses:

- The District funded a 2% increase in salaries for all employees which went into effect mid-year. In addition, the District maintained its contribution to the cost of the employee health and welfare benefit package at \$15,888 per full time employee and in 2017-18 incurred a \$2.58 million increase in retirement contribution expenditures as a result of the increasing rates in both California State Teachers Retirement System and California Public Employee Retirement System.

Governmental Activities

The District's governmental funds totaled $204.2 million. Local control funding formula (funded by property taxes and state funds) generated 70.6% of the revenues, 17.6% was from federal and state grants and contributions, 10.7% from local sources and charges for services, and 1.1% from the parcel tax. General revenues, local control funding formula and the related property taxes were received to provide for the District's basic services.

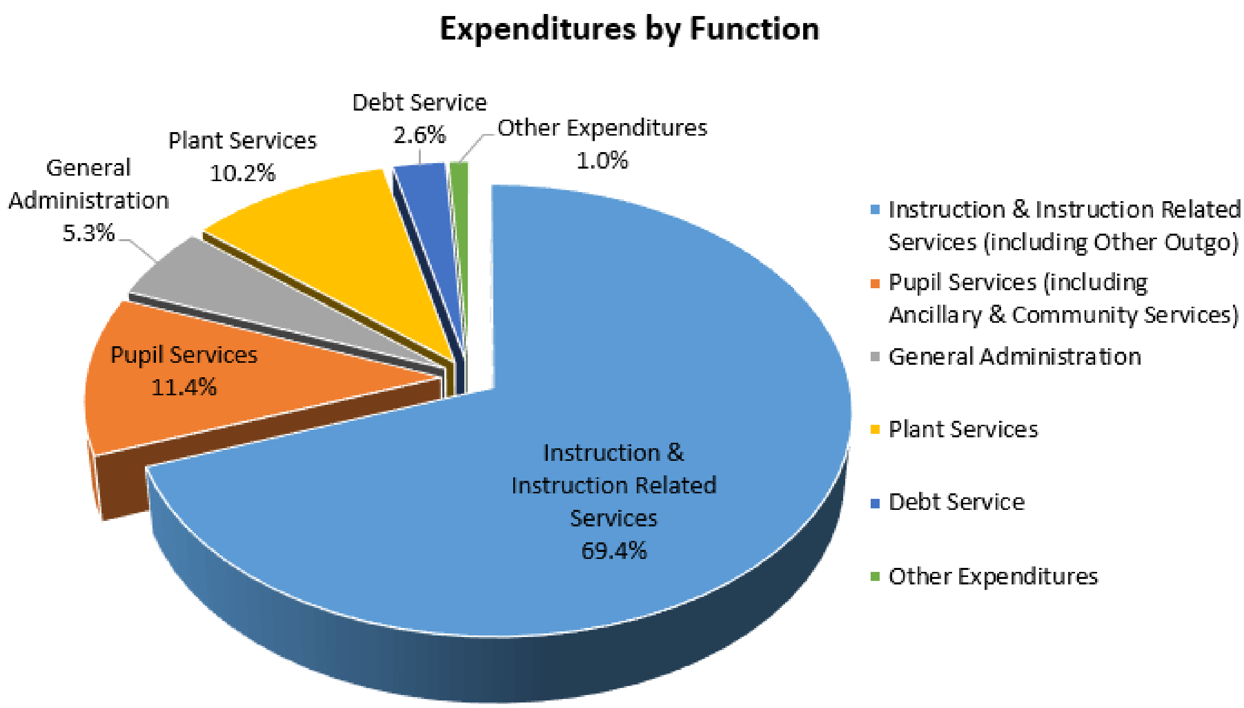
Figure 1



The cost of all the District's governmental funds: instruction, guidance, counseling, evaluation, school leadership, student transportation, administration and, maintenance and operations was $205.0 million. Instruction and instructional related services was $142.3 million (69.4%), pupil services were $23.5 million (11.4%), general administration $10.8 million (5.3%), plant services $20.9 million (10.2%), debt service $5.4 million (2.6%), and other expenditures were $2.1 million (1.0%).

Users of the District programs paid $4.1 million of the cost. The federal and state governments subsidized approximately $40.5 million in certain program costs with grants and contributions. Most of the District's expenses ($160.1 million) were paid for by District taxpayers and the taxpayers of our state.

Figure 2



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

General Fund Budgetary Highlights

Over the course of the year, the District revises its annual operating budget several times. The District is required to adopt its budget by July 1st each year, which is prior to final funding information from the state. After the state budget is adopted the District is required to present the impacts of the state budget, if significant, to the District budget, within 45 days of the Governor's signature. The District is also required by law to make two formal presentations each year on its financial condition. Budget revisions are made after the presentations to reflect current information. Budget revisions are also made throughout the year as information regarding funding and expenditures becomes available.

Actual revenues were $0.3 million more than the final budget amount. Local control funding formula was <$0.2> million less than budgeted due to declining enrollment. Federal revenues were <$0.6> million less than budgeted as program budgets were not fully expended. Other state revenues were $0.2 million more than budgeted primarily due to additional state lottery fund allocations. Local revenues were $0.9 more than budgeted.

Actual expenditures were <$1.0> million less than the final budgeted amount.

Capital Assets

The District had invested $2.7 million in capital assets during the 2017-18 school year. Overall, total capital assets decreased from $179.8 million as of July 1, 2017 to $175.2 million as of June 30, 2018. The majority of capital outlay expenditures occur in the Building Fund, Capital Facilities Fund (Residential), and General Fund. Additional information on the changes in capital assets can be found at Note 7.

Debt Administration

On June 30, 2018 the District had $47.3 million in general obligation bond long-term debt, a 4.98% ($2.5 million) decrease over last year. Additional information on the changes in long-term debt can be found at Note 9. The District's general obligation bonds are currently rated "Aa3" and "A2" on Certificates of Participation.

Average Daily Attendance

Average daily attendance reported on the second period attendance report for the regular education K-12 program decreased by 237 to 16,185 while the enrollment count decreased by 168 students, to 16,813, as measured by the California Basic Education System (CBEDS). School sites continue working diligently to reduce absences with twenty of twenty-six schools achieving 96% or greater attendance rates.

Factors bearing on the District's future

Although the District is financially stable, its financial condition is highly dependent upon the economic condition of the State of California. Continued economic growth in California is uncertain. The California Legislative Analyst's Office (LAO) is projecting state revenues under two scenarios: economic growth and moderate recession. The growth scenario would have K-12 education spending increase at an average annual rate of 2.79% 2019-20 to 2022-23, conversely, the moderate recession scenario would have K-12 education spending decline over the outlook period. At the same time, the District's General Fund expenditures are expected to rise at an average annual rate of 3.3% over the outlook period. In the recession scenario, the minimum education funding declines as state revenues decline due to the funding formulas used for K-14 education. Proposition 2 establishing a school reserve account has yet to receive any funds so no dedicated reserves are available for school districts in the case of recession. The LAO notes that if the Legislature were to address the minimum school funding state operating deficits would grow and any decline in revenues would require more reserves to cover the increased costs. The LAO expects the economy to slow over the coming years but notes that circumstances can change quickly and recommends the Legislature work towards securing funds for both the general reserves as well as the statewide school reserves.

The District continues to maintain a cautious approach, focusing on the maintenance and enhancement of programs for the current year and adjusting plans for the future in light of uncertainty.

The District currently maintains the required 3% reserve for economic uncertainties and continues to look for ways to optimize revenues while reviewing expenditures for the best value in educating the children of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact Betsy George, Assistant Superintendent of Business Services at Ventura Unified School District, 255 West Stanley Ave, Ventura California 93001.

FINANCIAL SECTION

VENTURA UNIFIED SCHOOL DISTRICT

STATEMENT OF NET POSITION
June 30, 2018

	Governmental Activities
Assets	
Cash in county treasury	$ 41,074,006
Cash and cash equivalents	51,456
Accounts receivable	8,836,911
Due from fiduciary funds	40,801
Inventories	468,133
Prepaid expenses	845,797
Land	13,454,888
Depreciable assets, net	161,721,605
Total Assets	226,493,597
Deferred Outflows of Resources	
Deferred charge on refunding	784,039
Deferred outflows - OPEB	1,846,496
Deferred outflows - pensions	61,705,589
Total Deferred Outflows of Resources	64,336,124
Liabilities	
Accounts payable	9,771,994
Accrued interest payable	923,746
Unearned revenue	1,359,723
Current portion of long-term liabilities	3,205,873
Non-current portion of long term liabilities	257,914,526
Total Liabilities	273,175,862
Deferred Inflows of Resources	
Deferred inflows - pensions	15,420,120
Total Deferred Inflows of Resources	15,420,120
Net Position	
Net investment in capital assets	122,091,423
Restricted for:	
Capital projects	15,637,896
Debt service	4,665,549
Educational programs	7,178,062
Other programs	68,656
Unrestricted	(147,407,847)
Total Net Position	$ 2,233,739

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities				
Instruction	$ 119,361,496	$ 1,836,102	$ 23,434,695	$ (94,090,699)
Instruction - related services	23,501,032	34,470	5,252,996	(18,213,566)
Pupil services	22,351,435	1,354,142	7,177,268	(13,820,025)
Ancillary services	1,371,803	1,552	46,517	(1,323,734)
Community services	309,777	17	197,762	(111,998)
Enterprise activities	2,094,340	-	-	(2,094,340)
General administration	11,094,027	50,786	868,922	(10,174,319)
Plant services	19,329,003	171,513	2,523,778	(16,633,712)
Other outgo	5,985,201	608,631	974,787	(4,401,783)
Debt service - interest	1,986,388	-	-	(1,986,388)
Depreciation (unallocated)	7,249,818	-	-	(7,249,818)
Total Governmental Activities	$ 214,634,320	$ 4,057,213	$ 40,476,725	(170,100,382)

General Revenues	
Property taxes levied for	
General purposes	63,052,704
Debt service	4,742,863
Other specific purposes	2,427,893
Federal and state aid not restricted to specific purposes	87,444,598
Interest and investment earnings	1,090,104
Miscellaneous	2,984,174
Total General Revenues	161,742,336
Change in net position	(8,358,046)
Net Position - Beginning of Year, as Originally Stated	24,990,087
Cumulative effect of change in accounting principle (See Note 17)	(14,398,302)
Net Position - Beginning of Year, after Cumulative Effect	10,591,785
Net Position - End of Year	$ 2,233,739

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets				
Cash in county treasury	$ 14,856,871	$ 12,369,082	$ 13,848,053	$ 41,074,006
Cash on hand and in banks	-	-	51,456	51,456
Accounts receivable	6,997,222	80,899	1,758,790	8,836,911
Due from other funds	2,468,841	469,670	147,700	3,086,211
Inventories	428,652	-	39,481	468,133
Prepaid expenditures	682,393	163,404	-	845,797
Total Assets	$ 25,433,979	$ 13,083,055	$ 15,845,480	$ 54,362,514
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ 9,347,088	$ 222,782	$ 202,124	$ 9,771,994
Due to other funds	157,753	1,212,623	1,675,034	3,045,410
Unearned revenue	1,044,774	20,145	294,804	1,359,723
Total Liabilities	10,549,615	1,455,550	2,171,962	14,177,127
Fund Balances				
Nonspendable	1,111,045	163,404	39,481	1,313,930
Restricted	4,376,530	11,464,101	13,002,475	28,843,106
Committed	-	-	631,562	631,562
Unassigned	9,396,789	-	-	9,396,789
Total Fund Balances	14,884,364	11,627,505	13,673,518	40,185,387
Total Liabilities and Fund Balances	$ 25,433,979	$ 13,083,055	$ 15,845,480	$ 54,362,514

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2018

Total fund balances - governmental funds		$ 40,185,387
Amounts reported for governmental funds are different than the statement of net position because:		
Capital assets used in governmental activities are not financial resource and, therefore, are not reported as assets in governmental funds. These assets consist of:		
Land	$ 13,454,888	
Depreciable assets, net	161,721,605	175,176,493
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in governmental funds. Long-term liabilities at year-end consist of:		
General obligation bonds and related bond premium	(51,946,993)	
Certificates of participation (COPS)	(1,179,000)	
Installment loan	(1,112,313)	
Compensated absences	(1,078,197)	
Postemployment healthcare benefits (OPEB)	(18,029,467)	
Net pension liability	(187,774,429)	(261,120,399)
In governmental funds, deferred outflows and inflows of resources are not reported because they are applicable to future periods. Deferred outflows and inflows of resources at year-end consis of:		
Deferred charge on refunding	784,039	
Deferred outflows - OPEB	1,846,496	
Deferred outflows - pensions	61,705,589	
Deferred inflows - pensions	(15,420,120)	48,916,004
Interest expense related to general obligation bonds, COPS and installment loan was incurred but not accrued through June 30, 2018.		(923,746)
Total net position - governmental activities		$ 2,233,739

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS For the Fiscal Year Ended June 30, 2018

	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues				
Local control funding formula sources:				
State apportionments	$ 80,969,278	$ -	$ -	$ 80,969,278
Local sources	63,052,704	-	-	63,052,704
Total local control funding formula sources	144,021,982	-	-	144,021,982
Federal sources	7,912,166	-	5,666,593	13,578,759
Other state sources	16,449,941	-	6,257,764	22,707,705
Other local sources	15,927,841	642,612	7,364,103	23,934,556
Total Revenues	184,311,930	642,612	19,288,460	204,243,002
Expenditures				
Instruction	109,606,998	-	4,390,858	113,997,856
Instruction - related services	20,892,206	-	1,455,128	22,347,334
Pupil services	14,701,943	-	7,138,879	21,840,822
Ancillary services	1,333,252	-	-	1,333,252
Community services	293,254	-	-	293,254
Enterprise activities	2,086,631	-	-	2,086,631
General administration	10,256,379	-	508,970	10,765,349
Plant services	18,931,478	1,642,510	315,707	20,889,695
Other outgo	5,985,201	-	-	5,985,201
Debt service	286,819	394,960	4,742,704	5,424,483
Total Expenditures	184,374,161	2,037,470	18,552,246	204,963,877
Excess (deficiency) of revenues over expenditures	(62,231)	(1,394,858)	736,214	(720,875)
Other Financing Sources (Uses)				
Proceeds of installment loan	953,185	-	-	953,185
Interfund transfers in	713,170	463,890	893,020	2,070,080
Interfund transfers out	(893,020)	(687,788)	(489,272)	(2,070,080)
Total Other Financing Sources (Uses)	773,335	(223,898)	403,748	953,185
Net changes in fund balance	711,104	(1,618,756)	1,139,962	232,310
Fund Balances at Beginning of Year	14,173,260	13,246,261	12,533,556	39,953,077
Fund Balances at End of Year	$ 14,884,364	$ 11,627,505	$ 13,673,518	$ 40,185,387

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

Net change in fund balances - total governmental funds		$ 232,310
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than $5,000 are capitalized and the costs is allocated over their estimated useful lives and reported as depreciation expense. In addition when capital assets are disposed their undepreciated value is written-off.		
Capital outlay	$ 2,653,721	
Depreciation expense	(7,249,818)	
Loss on disposal of capital assets	(33,326)	(4,629,423)
Issuance of long-term debt is reported as proceeds in governmental funds but increases long-term liabilities in the statement of net position.		
Installment loan		(953,185)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General obligation bond principal payments	2,480,000	
COP principal payments	368,000	
Installment loan	283,730	3,131,730
In governmental funds, pension costs are recognized when the employer contribution is made, but in the statement of activities, pension costs are recognized on the accrual basis. The difference between accrual basis pension costs and actual employer contributions was:		(7,679,047)
In governmental funds, postemployment healthcare costs are recognized when the employer payment is made, but in the statement of activities, postemployment healthcare costs are recognized on the accrual basis. The difference between accrual basis postemployment healthcare costs and actual employer payments was:		1,333,369
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:		
Decrease in accrued interest	25,163	
Decrease in deferred charge on refunding bonds	(54,043)	
Decrease in premium on general obligation bonds	335,245	
Increase in compensated absences	(100,165)	206,200
Change in net position of governmental activities		$ (8,358,046)

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	Foundation Trust Funds	Associated Student Body Funds
Assets		
Cash in county treasury	$ 706,146	$ -
Cash and cash equivalents	-	1,794,827
Accounts receivable	4,863	-
Inventories	-	84,420
Total Assets	711,009	1,879,247
Liabilities		
Accounts payable	51	8,394
Due to governmental funds	40,801	-
Funds held in trust:		
Clubs and trusts	-	1,305,814
Associated student body	-	565,039
Total Liabilities	40,852	1,879,247
Net Position		
Restricted	670,157	-
Total Net Position	$ 670,157	$ -

See accompanying notes to the financial statements.

VENTURA UNIFIED SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended June 30, 2018

	Foundation Trust Funds
Additions	
Revenue from local sources	$ 225,920
Total Additions	225,920
Deductions	
Scholarships	1,250
Other expenses	333,605
Total Deductions	334,855
Changes in net position	(108,935)
Net Position - Beginning of Year	779,092
Net Position - End of Year	$ 670,157

See accompanying notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*, updated to conform to the most current financial and reporting requirements promulgated by the California Department of Education. The accounting policies of the District conform to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The significant accounting policies applicable to the District are described below.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with GAAP as prescribed by GASB. The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the District's financial activities. The entity-wide perspective enhances the fund-group perspective previously required. Fiduciary activities are excluded from the basic financial statements and are reported separately in the fiduciary fund statements.

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position, a Statement of Activities, and fund financial statements.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities displays information about the District as a whole. These statements include the financial activities of the primary government. Fiduciary funds are excluded.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. 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. Depreciation and interest expense have not been allocated to specific functions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

The fund financial statement expenditures are presented in a function-oriented format. The following is a brief description of the functions:

Instruction: includes the activities directly dealing with the interaction between teachers and students.

Instruction-Related Services: includes supervision of instruction, instructional library, media and technology, and school site administration.

Pupil Services: includes home to school transportation, food services, and other pupil services.

Ancillary Services: includes activities that are generally designed to provide students with experiences outside the regular school day.

Community Services: includes activities that provide services to community participants other than students.

Enterprise Activities: includes activities where the stated intent is that the costs are financed or recovered primarily through user charges. This function includes activities related to the recording of retiree health benefits and deferred compensation plan expenditures.

General Administration: includes data processing services and all other general administration services.

Plant Services: includes activities of maintaining the physical plant. This also includes facilities acquisition and construction expenditures.

Other Outgo: includes transfers to other agencies.

Debt Service: includes principal and interest payments for long term debt.

Fiduciary fund expenses are presented by natural classification.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

To ensure compliance with the California Education Code, the financial resources of the District are divided into separate funds for which separate accounts are maintained for recording cash, other resources and all related liabilities, obligations, and equities.

The Statement of Revenues, Expenditures and Changes in Fund Balance are statements of financial activities of the particular fund related to the current reporting period. Expenditures of the various funds frequently include amounts for land, buildings, equipment, retirement of indebtedness, transfers to other funds, etc. Consequently, these statements do not purport to present the result of operations or the net income or loss for the period as would a statement of income for a profit-type organization. The modified accrual basis of accounting is used for all governmental funds.

Governmental Funds – Major

General Fund: used to account for all financial resources except those required to be accounted for in another fund.

Building Fund*:* the Building Fund is a consolidation of three sub-funds:

Building Fund (Fund #210): used to account for the construction and/or acquisition of major capital facilities. Income is from rental of unused sites.

Building Fund Series A (Fund #211): used to account for the proceeds of Certificates of Participation and for acquisition, retro-fitting and operation of real property.

Bond Building Fund (Fund #213): used to account for proceeds of general obligation bonds and for construction and repairs of facilities.

Governmental Funds – Non-Major

Special Revenue Funds: used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Adult Education Fund (Fund #110): used to account for resources restricted or committed to adult education programs maintained by the District.

Child Development Fund (Fund #120): used to account for resources restricted to child development programs.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cafeteria Fund (Fund #130): used to account for revenues received and expenditures made to operate the District's cafeterias.

Capital Projects Funds: used to account for the financial resources that are restricted, committed or assigned for the acquisition and/or construction of major governmental general fixed assets.

Capital Facilities Fund (Residential) (Fund #250): used to account for resources received from residential developer impact fees.

Capital Facilities Fund (Commercial) (Fund #251): used to account for resources received from commercial developer impact fees.

County School Facilities Fund (Fund #356): used to account for the School Facility Program grants award for modernization of high school and elementary sites.

Debt Service Funds: used to account for the financial resources that are restricted, committed or assigned and the accumulation of resources for, the payment of general long-term debt principal, interest, and related costs.

Bond Interest and Redemption Fund (#510): used to collect taxes and pay for debt service associated with general obligation bonds.

Fiduciary Funds

Private Purpose Trust Fund: is a consolidation of two sub-funds:

David Graham and Stella Brittingham Memorial Scholarship Fund (Fund #736): used to award scholarships to students and/or graduates of the District who have participated in aquatic sports.

Foundation Fund (Fund #730): used to account for donations of funds from private individuals and organizations.

Associated Student Body Fund: used to account for raising and expending money to promote the general welfare, morale, and educational experiences of the student body organizations. The District operates eight organized student body funds and two unorganized student body funds.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

measurement made, regardless of the measurement focus applied. Revenues in governmental fund financial statements are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash in the county treasury is recorded at cost, which approximates fair value.

Receivables

Receivables are generally recorded when the amount is earned and can be estimated. All material receivables are considered fully collectible. Per Education Code Section 33128.1, a local education agency may recognize for budgetary and financial reporting purposes any amount of state appropriations deferred from the current fiscal year and appropriated from the subsequent fiscal year for payment of current year costs as a receivable in the current year.

Inventories

Inventories are presented at the lower of cost or market on an average basis and are expensed when used. Inventory consists of expendable supplies held for consumption. At June 30, 2018, the total supply inventory is $428,652, food inventory is $39,481 and inventories maintained by student body organization totaled $84,420.

Prepaid Expenses/Expenditures

Payments made to vendors for goods or services that will benefit periods beyond June 30, 2018, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which goods or services are consumed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets

Generally, capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the Statement of Net Position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of $5,000. The District does not own any infrastructure as defined by GASB. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets except for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and improvements	20-40 years
Furniture and equipment	3-12 years
Vehicles	5-20 years

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. These amounts are reported in the government-wide statement of net position.

Deferred Charge on Refunding: The deferred charge on refunding resulted from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred Outflows – OPEB: The deferred outflows of resources related to OPEB resulted from District contributions to employee pension plans subsequent to the measurement date of the actuarial valuations for the plans and the difference between expected and actual experience. The deferred outflows – OPEB will be deferred and amortized as detailed in Note 13 to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Deferred Outflows – Pensions: The deferred outflows of resources related to pensions resulted from District contributions to employee pension plans subsequent to the measurement date of the actuarial valuations for the pension plans and the effects of actuarially-determined changes to the pension plan. The deferred outflows – pensions will be deferred and amortized as detailed in Note 14 to the financial statements.

Unearned Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent eligibility requirements have not been met.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as a liability when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Sick leave benefits are accumulated without limit for each employee. The employees do not gain a vested right to accumulated sick leave, therefore, accumulated employee sick leave benefits are not recognized as a liability of the District. The District's policy is to record sick leave as an operating expense in the period taken. However, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Long-Term Obligations

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

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. General obligation bonds are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Net Pension Liability

For purposes of measuring the net pension liability and deferred outflows/inflows of resources

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (Plans) and additions to/deductions from the Plan' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position by the District that is applicable to a future reporting period. The deferred inflows of resources related to pensions resulted from the effects of actuarially-determined changes to the pension plan. These amounts are deferred and amortized as detailed in Note 14 to the financial statements.

Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on use through external restrictions imposed by donors, grantors, laws or regulations of other governments or by enabling legislation adopted by the District. All other net position is reported as unrestricted.

Fund Balance Classification

The governmental fund financial statements present fund balance classifications that comprise a hierarchy based on the extent to which the District is bound to honor constraints on the specific purposes for which amounts can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: Amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted: Amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Committed: Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board of Education. These amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same formal action (vote or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: Amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Education, through a formal action has given authority to the Deputy Superintendent of Business Services to assign amounts for a specific purpose that is neither restricted nor committed.

Unassigned: The residual fund balance for the General Fund and all other spendable amounts.

Spending Order Policy

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted net position or fund balance is available.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District's policy considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment functions.

Minimum Fund Balance Policy

The District has adopted a minimum fund balance policy in order to protect against revenue shortfalls and unexpected one-time expenditures. The policy requires a reserve for economic uncertainties consisting of unassigned amounts which represent the minimum recommended reserve consistent with the criteria and standards for fiscal solvency adopted by the State Board of Education. The minimum recommended reserve for a district this size is 3% of budgeted General Fund expenditures and other financing uses.

State Apportionments

Certain current year apportionments from the state are based upon various financial and statistical information of the previous year. Second period to annual corrections for Local Control Funding Formula and other state apportionments (either positive or negative) are accrued at the end of the fiscal year.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1st. Taxes are payable in two installments on November 1st and February 1st. Unsecured property taxes are payable in one installment on or before August 31st.

Real and personal property tax revenues are reported in the same manner in which the county auditor records and reports actual property tax receipts to the California Department of Education. This is generally on a cash basis. A receivable has not been recognized in the General Fund for property taxes due to the fact that any receivable is offset by a payable to the state for Local Control Funding Formula purposes. Property taxes for debt service purposes cannot be estimated and have therefore not been accrued in the government-wide financial statements.

On-Behalf Payments

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers' Retirement System on behalf of all school districts in California. The amount of on-behalf payments made for the District has been recorded in the fund financial statements.

Contributed Services

Generally accepted accounting principles require that contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are to be recorded at fair value in the period received. Although the District receives numerous hours of volunteer time, it is not deemed necessary to record these hours on the books of the District based on the above guidelines. In addition, the District receives donations of immaterial equipment and supplies which are not recorded upon receipt.

Estimates

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The District is the level of government primarily accountable for activities related to public education. The governing authority consists of elected officials who, together, constitute the Board of Education.

The District considered its financial and operational relationships with potential component units under the reporting entity definition of GASB. The basic, but not the only, criterion for including another organization in the District's reporting entity for financial reports is the ability of the District's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one entity is dependent on another and a financial benefit or burden relationship is present and that the dependent unit should be reported as part of the other.

Oversight responsibility is derived from the District's power and includes, but is not limited to: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; and accountability for fiscal matters.

Due to the nature and significance of their relationship with the District, including ongoing financial support of the District or its other component units, certain organizations warrant inclusion as part of the financial reporting entity. A legally separate, tax-exempt organization should be reported as a component unit of the District if all of the following criteria are met:

- The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the District, its component units, or its constituents.
- The District, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
- The economic resources received or held by an individual organization that the District, or its component units, is entitled to, or has the ability to otherwise access, are significant to the District.

Based upon the application of the criteria listed above, the following potential component unit has been included in the District's reporting entity:

The Ventura County Schools Public Financing Corporation: The financial activity has been blended in the District's Building Fund Series A. Individually prepared financial statements are not prepared for the Corporation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following potential component units have been excluded from the District's reporting entity:

Ventura Education Partnership (VEP): VEP is a separate not-for-profit corporation. VEP is not included as a component unit because the third criterion was not met; the economic resources received and held by VEP are not significant to the District. Separate financial statements for VEP may be obtained through the District.

Various PTA, PTO and Booster Clubs: Each of these types of organizations at each of the school sites within the District were evaluated using the three criterions listed above. Each entity has been excluded as a component unit because the third criterion was not met in all cases; the economic resources received and held by the PTA, PTO and the Booster Club individually are not significant to the District.

NOTE 2: BUDGETS

By state law, the District's Governing Board must approve a budget no later than July 1, using the Single Adoption Budget process. A public hearing must be conducted to receive comments prior to adoption. The District's Governing Board satisfied these requirements. Budgets for all governmental funds were adopted on a basis consistent with GAAP.

These budgets are revised by the District's Governing Board during the year to give consideration to unanticipated income and expenditures. The original and final revised budget for the General Fund is presented in a budgetary comparison schedule in the required supplementary section.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. Expenditures cannot legally exceed appropriations by major object account.

NOTE 3: DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits, including those of fiduciary funds, may not be returned to it. The District has established a policy for custodial risk that follows requirements as set forth in Education Code 41002.5. As of June 30, 2018, $1,066,102 of the District's bank balance of $1,975,375 was exposed to credit risk as uninsured and collateral held by pledging bank's trust department not in the District's name.

NOTE 3: DEPOSITS AND INVESTMENTS

Cash in County

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Ventura County Treasury as part of the common investment pool. The District is considered an involuntary participant in the investment pool. These pooled funds are recorded at amortized cost which approximates fair value. Fair value of the pooled investments at June 30, 2018 is measured at 100.22% of amortized costs. The District's deposits in the fund are considered to be highly liquid.

The county is authorized to deposit cash and invest excess funds by California Government Code Sections 53534, 53601, 53635 and 53648. The county is restricted to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The funds maintained by the county are either secured by federal depository insurance or are collateralized. The county investment pool is not required to be rated. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The county investment pool is not registered as an investment company with the Securities and Exchange Commission (SEC) nor is it an SEC Rule 2a7-like pool. California Government Code statutes and the County Board of Supervisors set forth the various policies that the County Treasurer follow. The method used to determine the value of the participant's equity withdrawn is based on the book value, which is amortized cost, of the participant's percentage participation on the date of such withdrawals.

The pools sponsor's annual financial report may be obtained from the Ventura County Board of Supervisors, County Government Center, 800 South Victoria Avenue, Ventura, CA 93009.

NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2018 consists of the following:

Accounts Receivable	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds	Foundation Trust Funds
Federal and state	$ 5,987,102	$ -	$ 1,663,015	$ 7,650,117	$ -
Miscellaneous	1,010,120	80,899	95,775	1,186,794	4,863
Total accounts receivable	$ 6,997,222	$ 80,899	$ 1,758,790	$ 8,836,911	$ 4,863

NOTE 5: INTERFUND TRANSACTIONS

Interfund activity has been eliminated in the government-wide statements. The following balances and transactions are reported in the fund financial statements.

Interfund Receivables/Payables

Individual interfund receivable and payable balances at June 30, 2018 are temporary loans and are detailed as follows:

Fund	Interfund Receivables	Interfund Payables
General Fund	$ 2,468,841	$ 157,753
Building Fund	469,670	1,212,623
Non-Major Governmental Funds:		
Adult Education Fund	145,571	689,413
Child Development Fund	756	89,862
Cafeteria Fund	1,373	870,377
Capital Facilities Fund (Residential)	-	24,038
Capital Facilities Fund (Commercial)	-	1,344
Fiduciary Funds:		
Foundation Fund	-	40,801
Total	$ 3,086,211	$ 3,086,211

NOTE 5: INTERFUND TRANSACTIONS

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Interfund transfers for the 2017-18 fiscal year are as follows:

Transfer from the General Fund to the Cafeteria Fund to support the child nutrition program.	$ 750,000
Transfer from the General Fund to the Adult Education Fund to support the adult education programs provided to high school students for free to receive credit-recovery units to recoup credits towards graduation.	143,020
Transfer from the Adult Education Fund to the Building Fund for debt service and common area maintenance.	463,890
Transfer from the Capital Facilities Fund (Residential and Commercial) to the General Fund to pay for developer fee administration.	25,382
Transfer from the Building Fund to the General Fund to reimburse for plumbing infrastructure project at ATLAS elementary school.	687,788
Total	$ 2,070,080

NOTE 6: FUND BALANCES

The following amounts were nonspendable, restricted, committed, assigned or unassigned as shown below:

	General Fund	Building Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventories	$ 428,652	$ -	$ 39,481	$ 468,133
Prepaid expenditures	682,393	163,404	-	845,797
Total nonspendable	1,111,045	163,404	39,481	1,313,930
Restricted:				
Legally restricted programs	4,376,530	-	2,870,188	7,246,718
Capital projects	-	11,464,101	5,327,031	16,791,132
Debt service	-	-	4,805,256	4,805,256
Total restricted	4,376,530	11,464,101	13,002,475	28,843,106
Committed:				
Adult education program	-	-	631,562	631,562
Total committed	-	-	631,562	631,562
Unassigned:				
Economic uncertainties	5,508,025	-	-	5,508,025
Unassigned	3,888,764	-	-	3,888,764
Total unassigned	9,396,789	-	-	9,396,789
Total fund balance	$ 14,884,364	$ 11,627,505	$ 13,673,518	$ 40,185,387

NOTE 7: CAPITAL ASSETS AND DEPRECIATION – SCHEDULE OF CHANGES

Capital asset activity for the year ended June 30, 2018 is shown below.

	Balance July 1, 2017	Additions	Retirements	Balance June 30, 2018
Capital assets not being depreciated:				
Land	$ 13,454,888	$ -	$ -	$ 13,454,888
Total capital assets not being depreciated	13,454,888	-	-	13,454,888
Capital assets being depreciated:				
Buildings and improvements	275,841,107	1,271,111	-	277,112,218
Machinery, equipment, and vehicles	12,981,957	1,382,610	649,014	13,715,553
Total capital assets being depreciated	288,823,064	2,653,721	649,014	290,827,771
Less accumulated depreciation for:				
Buildings and improvements	113,500,439	6,310,435	-	119,810,874
Machinery, equipment, and vehicles	8,971,597	939,383	615,688	9,295,292
Total accumulated depreciation	122,472,036	7,249,818	615,688	129,106,166
Depreciable assets, net	166,351,028	(4,596,097)	33,326	161,721,605
Governmental activities capital assets, net	$ 179,805,916	$ (4,596,097)	$ 33,326	$ 175,176,493

The total land balance reported above includes $678,019 of land considered to be idle property as of June 30, 2018.

NOTE 8: TAX REVENUE ANTICIPATION NOTES

The District issued $18,270,000 of Tax Revenue Anticipation Notes dated July 6, 2017 through the California School Cash Reserve Program Authority (2017-18, Series B). The notes matured on June 29, 2018 and carried a 2.0% interest rate. The notes were sold by the District to supplement its cash flow.

Repayment requirements were that principal of $9,827,500 be set aside on January 31, 2018 and that $10,213,000 plus $578,185 of interest be set aside with the U.S. Bank National Association (the Trustee) on April 30, 2018.

The payments were transferred to and set aside in a separate fund of the Trustee in a timely manner. The monies were required to remain on deposit until the maturity date of the note, June 30, 2018, at which time they were applied to pay the principal and interest on the notes.

NOTE 9: LONG-TERM DEBT – SCHEDULE OF CHANGES

A schedule of changes in long-term debt for the year ended June 30, 2018 is shown below.

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018	Amount Due in One Year
General obligation bonds	$ 49,810,000	$ -	$ 2,480,000	$ 47,330,000	$ 2,575,000
Premium on general obligation bonds	4,952,238	-	335,245	4,616,993	-
Total general obligation bonds	54,762,238	-	2,815,245	51,946,993	2,575,000
Certificates of participation	1,547,000	-	368,000	1,179,000	374,000
Installment loan	442,858	953,185	283,730	1,112,313	256,873
Compensated absences	978,032	100,165	-	1,078,197	-
Postemployment healthcare benefits	19,610,200	-	1,580,733	18,029,467	-
Net pension liability	166,949,675	21,069,848	245,094	187,774,429	-
Total	$ 244,290,003	$ 22,123,198	$ 5,292,802	$ 261,120,399	$ 3,205,873

* The July 1, 2017 balance has been restated by $14,398,302 for the cumulative effect of the adoption of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.* This includes the District's Postemployment Medical Benefits Plan and the Medicare Premium Payment Program. See Note 17.

General obligation bond liabilities are liquidated by the tax assessments recorded in the Bond Interest and Redemption Fund. Net pension liability (asset) and compensated absences are liquidated by the fund with the related salary expenditure. Certificates of participation are liquidated by adult education fees. The installment loan and postemployment healthcare benefits are liquidated by the General Fund.

NOTE 10: GENERAL OBLIGATION BONDS

In 1997, the voters approved the issuance of bonds, not to exceed $81 million, for the purpose of raising money to finance the acquisition, construction and modernization of school facilities and paying related costs. Between 1997 and 2005, the District issued bonds Series A through Series I, totaling $81 million.

Between 2004 and 2014 Series A through Series I were re-financed and proceeds associated with the refunding were deposited into escrow accounts and as such the applicable bond series are considered in-substance defeased. The defeased debt has been fully paid by the escrow agent.

During July 2015 the outstanding 2005 General Obligation Refunding Bonds were refunded. The proceeds associated with the refunding were deposited in an escrow account and as such the applicable refunded bonds are considered in-substance defeased. The defeased debt has been fully paid by the escrow agent.

NOTE 10: GENERAL OBLIGATION BONDS

The difference between the reacquisition price and the net carrying amount on refunded debt is deferred and amortized as a component of interest expense over the life of the new debt. Payments to the refunding escrow agents exceeded the existing carrying value of the refunded debt by $1,155,418. This amount is amortized using the straight-line method. Amortization of $54,043 was recognized during the fiscal year.

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

General Obligation Bonds	Date of Issue	Date of Final Maturity	Interest Rate %	Amount of Original Issue	Outstanding June 30, 2018
2010 Refunding	11/4/2010	8/1/2031	2.0-5.0	$ 14,510,000	$ 10,320,000
2012 Refunding	4/11/2012	8/1/2034	3.0-5.0	13,760,000	11,935,000
2014 Refunding	7/29/2014	8/1/2034	2.0-5.0	17,570,000	15,365,000
2015 Refunding	7/30/2015	8/1/2029	2.0-5.0	11,140,000	9,710,000
Total				$ 56,980,000	$ 47,330,000

The annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest
2019	$ 2,575,000	$ 2,155,918
2020	2,685,000	2,039,869
2021	2,810,000	1,909,581
2022	2,985,000	1,765,944
2023	3,125,000	1,614,168
2024-2028	18,445,000	5,603,826
2029-2033	13,250,000	1,499,059
2034-2035	1,455,000	51,556
Total	$ 47,330,000	$ 16,639,923

NOTE 11: CERTIFICATES OF PARTICIPATION

The District entered into a certificate of participation agreement dated March 1, 2016. The proceeds of $1,903,000, after payment of costs, were used to refund the outstanding Certificates of Participation Series 2002.

The Ventura County Schools Public Facilities Financing Corporation acts as a purchaser and lessor of the property. Lease payments are required to be made by the District under the lease agreement each October 1st and April 1st for use and possession of the property for the period commencing October 1, 2016 and terminating April 1, 2022. Lease payments will be funded in part from the proceeds of the certificates.

NOTE 11: CERTIFICATES OF PARTICIPATION

Required principal and interest payments as follows:

Year Ending June 30,	Principal	Interest
2019	$ 374,000	$ 20,191
2020	382,000	13,196
2021	390,000	6,054
2022	33,000	474
Total	$ 1,179,000	$ 39,915

Certificates of Participation are long-term debt instruments which are tax exempt and therefore issued at an interest rate of 1.86%, which is below current market levels for taxable investments.

NOTE 12: INSTALLMENT LOAN

On September 22, 2014, the District entered into a master installment purchase agreement for the purchase of ten buses in the amount of $1,297,194. The purchase agreement called for an initial payment totaling $427,708 with annual loan installment payments over the next four years including interest at a rate of 1.885%.

On September 13, 2017, the District entered into an installment purchase agreement for the purchase of six additional school buses in the amount of $933,781. Included in the financing arrangement is the refinancing of the original 10 bus purchase outstanding installment loan. The revised annual installment payments are due October 13, 2017 through October 13, 2022. Payments of $286,819 are due the first four years of the loan and $166,887 are due the final two years of the loan. Interest is calculated at a rate of 2.69% per annum.

Required principal and interest payments as follows:

Year Ending June 30,	Principal	Interest
2019	$ 256,873	$ 29,946
2020	263,788	23,031
2021	270,890	15,929
2022	158,251	8,636
2023	162,511	4,376
Total	$ 1,112,313	$ 81,918

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

The District administers a single-employer defined benefit post employment healthcare plan (the Retiree Health Plan) for qualified employees. In addition, some qualified certificated employees are participants in the Medicare Premium Payment Program, a cost-sharing defined benefit program administered through the California State Teachers' Retirements System (CalSTRS).

As of June 30, 2018, the District's net liability for post-employment healthcare benefits consisted of the following:

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Retiree Benefits Plan	$ 15,336,937	$ 1,846,496	$ -	$ 815,932
Medicare Premium Payment Program	2,692,530	-	-	(116,400)
Total OPEB Plans	$ 18,029,467	$ 1,846,496	$ -	$ 699,532

Retiree Health Plan

Plan Description and Eligibility

The plan provides health, dental and vision benefits to all Certificated and Classified employees who were retired from the District as of June 30, 1993. The plan also provides for benefits to their spouses. The Retiree Health Plan does not issue a separate financial report.

Funding Policy

The District currently finances benefits on a pay-as-you-go basis. The District contributes 100 percent of the cost of current year premiums for eligible retired plan members and their spouses as applicable. Classified retirees who retired with fewer than 14 years of service must contribute a portion of the cost of their coverage and all classified retirees must contribute the costs of dental and vision coverage for their dependents. For the year ended June 30, 2018, the District contributed $1,846,496 to the plan.

Actuarial Methods and Assumptions

Actuarial Assumptions

The total OPEB liability was determined based on an actuarial valuation as of June 30, 2017. The following actuarial assumptions used in the June 30, 2017 valuation applied to all periods included in the measurement, unless otherwise specified:

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

Valuation Date	June 30, 2017
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal
Salary Increases	N/A
Healthcare Costs Trend Rate	8.00%, decreasing to 5.00%

Mortality assumptions are based on the 2016 CalSTRS Retiree and Active Mortality tables for Certificated employee types as applicable and 2014 CalPERS Retiree and Active Mortality tables for Miscellaneous Employees, as applicable for Classified Employee types. CalSTRS and CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. These table incorporates mortality projection as deemed appropriate based on CalSTRS and CalPERS analysis.

Discount Rate

The discount rate used to measure the OPEB liability was 3.10%. The projection of cash flows used to determine the discount rate was based on the Standard & Poor spot rate for 20 year Grade AA Municipal bonds. There are no plan assets.

Changes in the Total OPEB Liability

Total OPEB Liability - Retiree Health Plan	2018
Interest	$ 420,523
Differences between expected and actual experience	64,006
Changes of assumptions	331,403
Benefit payments, including refunds of employee contributions	(2,093,860)
Net change in total OPEB liability	(1,277,928)
Total OPEB liability - beginning	16,614,865
Total OPEB liability - ending	$ 15,336,937

Sensitivity

The following presents the District's OPEB liability calculated using the discount rate of 3.10%, as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.10%) or one percentage point higher (4.10%) than the current rate:

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

Discount rate	Total OPEB Liability
1% decrease (2.10%)	$ 16,015,172
Current discount rate (3.10%)	15,336,937
1% increase (4.10%)	14,282,845

The following presents the District's OPEB liability calculated using the healthcare cost trend rate of 8.00%, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (7.00%) or one percentage point higher (9.00%) than the current rate:

Healthcare trend rate	Total OPEB Liability
1% decrease (7.00%)	$ 14,589,353
Current healthcare trend rate (8.00%)	15,336,937
1% increase (9.00%)	16,146,350

Deferred Outflows of Resources

The deferred outflows of resources related to OPEB resulted from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB in the year ended June 30, 2019.

Medicare Premium Payment Program (MPP)

Plan Description and Eligibility

The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to California state statute. CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF). The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible California full-time and part-time public school teachers from pre-kindergarten through community college who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A.

The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis. Medicare Part A premium rates for fiscal year 2016 -17 were $411 for the period 7/1/16 through 12/13/16 and $413 for the period January 1, 2017 through June 30, 2017. Part A and B late enrollment penalties are generally 10 percent of the respective monthly premiums rates; however, the fees charged to individual participants may be higher based on certain income thresholds.

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program. For the years ending June 30, 2017 and 2016, 6,271 and 6,588 retirees participated in the MPP Program, respectively. The number of retired members who will participate in the program in the future is unknown because eligibility cannot be pre-determined.

Funding Policy

The MPP Program is funded on a pay-as-you go basis from a portion of monthly employer contributions. In accordance with California Education Code, contributions that would otherwise be credited to the CalSTRS defined benefit pension program (STRP) each month are instead credited to the MPP Program to fund monthly program and administrative costs. These contributions are generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds remaining within the MPP Program as of June 30, 2017 were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program. Total aggregate employer contributions of all participating employers to the MPP Program for fiscal year 2016-17 were $29.1 million.

Because amounts credited to the MPP Program are deducted from the employer's regular STRP contributions, there are no contribution rates specific to the MPP Plan. Employer contributions to the STRP are calculated by CalSTRS based on creditable compensation for active members reported by employers. Employer contributions are accrued when required by statute, and the employer has made a formal commitment to provide the contributions. Cash remittances of contributions due are received from employers prior to their reports of creditable earnings by member. As a result, CalSTRS accrues employer contributions due monthly using current contribution rates and estimates based on historical creditable compensation. CalSTRS recognizes MPP Program expenses when due and payable.

Net OPEB Liability

As of June 30, 2017, the District reported a net OPEB liability for its proportionate share of the MPP total OPEB liability, fiduciary net position and net OPEB liability as follows:

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

Proportionate Share of OPEB Liability	Balance June 30, 2018
Total OPEB liability	$ 2,692,797
Plan fiduciary net position	(267)
District's net OPEB liability	$ 2,692,530

Given the nature of the MPP Program, not all employers have eligible participants. The program is also closed to any members retired after July 1, 2012. As such, the District elected to calculate their proportionate share based on Schedule D of the audited proportionate share schedules of the MPP Program. This schedule presents current year Medicare Part A premiums and Medicare Part A and B surcharges paid or payable to the Centers for Medicare and Medicaid Services (CMS). Medicare premiums and surcharges paid or payable to CMS are aggregated for eligible program beneficiaries based on their last contributing employer prior to retirement to establish the basis of the proportionate share calculation. At June 30, 2017, the District's proportion was 0.640%.

Actuarial assumptions

The June 30, 2017 total OPEB liability for the MPP Program was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2016, and rolling forward the total OPEB liability to June 30, 2017 using the assumptions listed in the following table:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry age normal
Experience Study	July 1, 2010 through June 30, 2015
Investment Rate of Return	3.58%
Medicare Part A Premium Costs Trend Rate	3.70%
Medicare Part B Premium Costs Trend Rate	4.10%

In addition, assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 571 or an average of 0.32 percent of the potentially eligible population (177,763).

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

For the valuation as of June 30, 2017, CalSTRS changed the mortality assumptions based on the July 1, 2010, through June 30, 2015, experience study adopted by the board in February 2017. CalSTRS now uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (for example, Medicare premiums) and assumptions about the probability of occurrence of events far into the future (for example, mortality, disabilities and retirees eligible for the program). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective and take into account the premiums and surcharges paid after termination of employment until the death of the employee. In many cases, actuarial calculations reflect several decades of payments after termination of employment.

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2017 and 2016 was 3.58 percent and 2.85 percent, respectively. The MPP Program is funded on a pay-as-you-go basis, and under the pay-as-you-go method, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 3.58 percent and 2.85 percent, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2017 and 2016, respectively, was applied to all periods of projected benefit payments to measure the total OPEB liability.

Sensitivity

The following table presents the net OPEB liability of employers as of June 30, 2017, using the current discount rate as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate:

NOTE 13: POST EMPLOYMENT HEALTHCARE BENEFITS

Discount rate	Net OPEB Liability
1% decrease (2.58%)	$ 2,412,107
Current discount rate (3.58%)	2,692,530
1% increase (4.58%)	2,980,820

Medicare Costs Trend Rate

The June 30, 2016, valuation uses the 2017 Medicare Part A and Part B premiums as the basis for future premium calculations. Future premiums are assumed to increase with a medical trend rate that varies by year. The Part A trend is approximately equivalent to assuming a fixed 3.7 percent increase each year. The Part B trend is approximately equivalent to assuming a fixed 4.1 percent increase each year.

The following table presents as of June 30, 2017, the net OPEB liability of employers using the current Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percent lower and one percent higher than the current rate:

Healthcare trend rate	Net OPEB Liability
1% decrease (2.7% Part A, 3.1% Part B)	$ 2,433,116
Current healthcare trend rate (3.7% Part A, 4.1% Part B)	2,692,530
1% increase (4.7% Part A, 5.1% Part B)	2,949,360

Amortization of Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources are the consumption of net position by CalSTRS that is applicable to future reporting periods. As the MPP Program is a retiree only OPEB plan with no average remaining service life, other than differences between projected and actual investment earnings, deferred inflows and outflows of resources are recognized in OPEB expense in the current period. The net deferred inflows and outflows relating to differences between projected and actual earnings on plan investments are netted and amortized over a closed five-year period. As of June 30, 2017, the deferred outflows of resources and deferred inflows of resources related to the MPP Program are not material and have not been recognized in these financial statements.

MPP Program Net OPEB Liability

Detailed information about the MPP Program net OPEB liability is available in a separate financial report available on the CalSTRS website. Copies of the CalSTRS annual financial report may also be obtained from CalSTRS, 7667 Folsom Boulevard, Sacramento, CA 95826.

NOTE 14: EMPLOYEE RETIREMENT PLANS

Multi-employer Defined Benefit Plans

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

As of June 30, 2018, the District's net pension liabilities, deferred outflows of resources, deferred inflows of resources and pension expense for each of the retirement plans are as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS (STRP)	$ 131,321,600	$ 44,876,682	$ 13,816,326	$ 14,011,124
CalPERS (Schools Pool Plan)	54,739,962	16,559,826	1,567,336	9,476,985
Total	$ 186,061,562	$ 61,436,508	$ 15,383,662	$ 23,488,109

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers' Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing 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.

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.

NOTE 14: EMPLOYEE RETIREMENT PLANS

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 to the STRP Defined Benefit Program and STRP Defined Benefit Supplement 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:

Provisions and Benefits	STRP Defined Benefit Program and Supplement Program	
Hire date	On or Before December 31, 2012	On or after 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%

Contributions

Required member, District and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. The contribution rates for each plan for the year ended June 30, 2018 are presented above and the total District contributions were $10,906,789.

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:

NOTE 14: EMPLOYEE RETIREMENT PLANS

Proportionate Share of Net Pension Liability	Balance June 30, 2018
District proportionate share of net pension liability	$ 131,321,600
State's proportionate share of the net pension liability associated with the District	77,689,382
Total	$ 209,010,982

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 school districts and the state, actuarially determined. At June 30, 2017, the District's proportion was 0.1420%.

For the year ended June 30, 2018, the District recognized pension expense of $14,011,124. In addition, the District recognized revenue and corresponding expense of $7,820,182 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:

Pension Deferred Outflows and Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 10,906,789	$ -
Differences between expected and actual experience	485,640	2,290,460
Changes of assumptions	24,328,860	-
Changes in proportion	9,155,393	8,028,406
Net differences between projected and actual earnings on pension plan investments	-	3,497,460
Total	$ 44,876,682	$ 13,816,326

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 year ended June 30, 2019. The net difference between projected and actual earnings on plan investments is amortized over a five year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period and remaining amount is deferred and will be amortized over the remaining four-year period. The remaining net differences between projected and actual earnings on plan investments shown above represents the unamortized balance relating to the current measurement period and the prior measurement periods on a net basis.

All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the STRP for the June 30, 2017 measurement date is seven years. The first year of amortization is recognized in pension expense for the year the gain or loss occurs. The remaining amounts are deferred and will be amortized over the remaining periods not to exceed six years.

NOTE 14: EMPLOYEE RETIREMENT PLANS

The remaining amount will be recognized to pension expense as follows:

Year Ending June 30,	Amortization
2019	$ 1,509,184
2020	6,616,924
2021	4,734,003
2022	1,309,434
2023	2,394,156
2024	3,589,866
Total	$ 20,153,567

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:

Actuarial Methods and Assumptions	
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 a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

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 and adopted by the CalSTRS Board in February

NOTE 14: EMPLOYEE RETIREMENT PLANS

2017. The assumed asset allocation is based on board policy for target asset allocation in effect on February 2017, 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%
Real estate	13%	5.20%
Private equity	13%	9.30%
Fixed income	12%	0.30%
Absolute return/risk mitigating strategies	9%	2.90%
Inflation sensitive	4%	3.80%
Cash/liquidity	2%	-1.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. 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%) 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:

Discount rate	Net Pension Liability
1% decrease (6.10%)	$ 192,821,800
Current discount rate (7.10%)	131,321,600
1% increase (8.10%)	81,410,020

NOTE 14: EMPLOYEE RETIREMENT PLANS

Changes of Assumptions

During the fiscal year of the measurement date of June 30, 2017, CalSTRS completed an experience study for the period starting July 1, 2010 and ending June 30, 2015. The experience study was adopted by the CalSTRS Board in February 2017. As a result of the study, certain assumptions used in determining the net pension liability of the STRP changed, including the discount rate, price inflation, wage growth, mortality assumptions and the mortality tables used in the actuarial valuation of the net pension liability. The changes to the assumptions as a result of the experience study follow:

Assumptions:	As of June 30, 2017	As of June 30, 2016
Investment Rate of Return	7.10%	7.60%
Consumer Price Inflation	2.75%	3.00%
Wage Growth	3.50%	3.75%

Plan Fiduciary Net Position

Detailed information about the STRP's plan fiduciary net position is available in a separate comprehensive annual financial report for CalSTRS. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7667 Folsom Boulevard, Sacramento, CA 95826.

California Public Employees Retirement System (CalPERS)

Plan Description

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

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 5 years of service. The Basic

NOTE 14: EMPLOYEE RETIREMENT PLANS

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 52 for members hired on or after January 1, 2013), and has at least 5 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:

Provisions and Benefits	Schools Pool Plan (CalPERS)	
Hire date	On or Before December 31, 2012	On or after 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	7.00%	6.00%
Required employer contribution rate	15.531%	15.531%

Contributions

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 the July 1 following notice of a change in the rate. Total plan contributions are determined 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 contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2018 are as presented above and the total District contributions were $4,681,300.

Pension Liabilities, Pension Expense, 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 $54,739,962. 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 school districts, actuarially determined. At June 30, 2017, the District's proportion was 0.2293%.

NOTE 14: EMPLOYEE RETIREMENT PLANS

For the year ended June 30, 2018, the District recognized pension expense of $9,476,985. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Pension Deferred Outflows and Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 4,681,300	$ -
Differences between expected and actual experience	1,961,107	-
Changes of assumptions	7,995,632	644,495
Changes in proportion	28,159	922,841
Net differences between projected and actual earnings on pension plan investments	1,893,628	-
Total	$ 16,559,826	$ 1,567,336

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 year ended June 30, 2019. The net difference between projected and actual earnings on plan investments is amortized over a five year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period and remaining amount is deferred and will be amortized over the remaining four-year period. The remaining net differences between projected and actual earnings on plan investments shown above represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the CalPERS Schools Pool Plan for the June 30, 2017 measurement date is 4.0 years. The first year of amortization is recognized in pension expense for the year the gain or loss occurs. The remaining amounts are deferred and will be amortized over the remaining periods not to exceed 3.0 years.

The remaining amount will be recognized in pension expense as follows:

Year Ending June 30,	Amortization
2019	$ 2,748,966
2020	5,000,423
2021	3,598,752
2022	(1,036,951)
Total	$ 10,311,190

NOTE 14: EMPLOYEE RETIREMENT PLANS

Actuarial Methods and Assumptions

Total pension liability for the Schools Pool Plan 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:

Actuarial Methods and Assumptions	
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	7.50%
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 20 years of mortality improvements using Scale BB published by the Society of Actuaries.

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 10 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 adjusted to account for assumed administrative expenses. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 14: EMPLOYEE RETIREMENT PLANS

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return
Global equity	47%	5.38%
Fixed income	19%	2.27%
Inflation assets	6%	1.39%
Private equity	12%	6.63%
Real estate	11%	5.21%
Infrastructure and forestland	3%	5.39%
Liquidity	2%	-0.90%

Discount Rate

The discount rate used to measure the total pension liability was 7.15% and reflects the long-term expected rate of return for the Schools Pool Plan net of investment expenses and without reduction for administrative expenses. . 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 Schools Pool Plan 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:

Discount rate	Net Pension Liability
1% decrease (6.15%)	$ 80,540,025
Current discount rate (7.15%)	54,739,962
1% increase (8.15%)	33,336,649

Changes of Assumptions

During the fiscal year of the measurement date of June 30, 2017, the financial reporting discount rate for the Schools Pool Plan was lowered from 7.65% to 7.15%. Deferred outflows of resources for changes of assumptions represents the unamortized portion of this assumption change.

Plan Fiduciary Net Position

Detailed information about CalPERS Schools Pool Plan fiduciary net position is available in a

NOTE 14: EMPLOYEE RETIREMENT PLANS

separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Single-Employer Deferred Compensation Plan

As of June 30, 2018, the District's net pension liabilities, deferred outflows of resources, deferred inflows of resources and pension expense for each of the defined plan is as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Deferred compensation plan	$ 1,712,867	$ 269,081	$ 36,458	$ 88,189

Plan Description

The District's Deferred Compensation Plan, a Single-employer defined benefit pension plan administered by the District, is provided in lieu of postretirement healthcare benefits to plan members and beneficiaries. Benefit eligibility is limited to employees hired prior to April 28, 1993 who retire from the District after June 30, 1993 under either the PERS or STRS pension plan.

The benefit provides for $1,500 per year of service, and is frozen based on completed years of service at June 30, 1993 plus one, limited to a maximum of 30 years of service. Benefits are paid in five equal annual installments. Benefit provisions were established by the governing board and may not be amended. The plan does not issue a separate financial report.

Participants in the plan consisted of the following at June 30, 2018:

Plan Membership	Number of Participants
Retired members or beneficiaries currently receiving benefits	74
Active members	174
Total	248

Funding Policy

The District currently finances benefits on a pay-as-you-go basis. The District paid $239,655 in healthcare costs for eligible retirees and beneficiaries during the year ended June 30, 2018.The District contributes 100 percent of the cost of pension benefits as established by the plan provisions.

NOTE 14: EMPLOYEE RETIREMENT PLANS

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

As of June 30, 2018, the District reported total pension liabilities for its deferred compensation plan totaling $1,712,867. The total pension liability was measured as of June 30, 2017.

The changes in the total pension liability were as follows:

Total Pension Liability	June 30, 2018
Interest	$ 49,314
Changes of assumptions	(31,353)
Benefit payments	(263,055)
Net change in total pension liability	(245,094)
Total pension liability - beginning	1,957,961
Total pension liability - ending	$ 1,712,867

For the year ended June 30, 2018, the District recognized pension expense of $88,189. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Pension Deferred Outflows and Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 239,655	$ -
Differences between expected and actual experience	-	15,332
Changes of assumptions	29,426	21,126
Total	$ 269,081	$ 36,458

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 year ended June 30, 2019. All other deferred outflows of resources and deferred inflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the deferred compensation plan for the June 30, 2017 measurement date is 3.066 years. The first year of amortization is recognized in pension expense for the year the gain or loss occurs. The remaining amounts are deferred and will be amortized over the remaining period.

NOTE 14: EMPLOYEE RETIREMENT PLANS

The remaining amount will be recognized in pension expense as follows:

Year Ending June 30,	Amortization
2018	$ 3,084
2019	(9,444)
2020	(672)
Total	$ (7,032)

Actuarial Methods and Assumptions

Total pension liability for the deferred compensation plan was based on an actuarial valuation as of June 30, 2017. The valuation used the following methods and assumptions, applied to all prior periods included in the measurement:

Actuarial Methods and Assumptions	
Valuation Date	June 30, 2017
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal
Discount Rate	3.13%

Projected benefits are based on the assumption that payments are certain and will be made to the retiree's designated beneficiary if the retiree dies prior to receiving all of the payments. Retiree rates are based on CalSTRS 2016 retirement rates for Certificated employees and CalPERS School Employees retirement rates for Classified employees.

Discount Rate and Sensitivity

The discount rate used to measure the total pension liability was 3.13% based on S&P Municipal Bond 20 Year High Grade Rate Index.

The following presents the total 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:

Discount rate	Total Pension Liability
1% decrease (2.13%)	$ 1,787,453
Current discount rate (3.13%)	1,712,867
1% increase (4.13%)	1,643,859

NOTE 15: JOINT POWERS AGREEMENTS

The District participates in two joint powers agreement (JPA) entities: the Ventura County Schools Self-Funding Authority (the Authority) and the Gold Coast Joint Benefits Trust (the Trust). The Authority provides workers' compensation, property and liability insurance, boiler and machinery and fidelity bond coverage among other types of insurance. The member districts are subject to various deductible amounts in addition to payment of premiums assessed by the Authority. The Authority pools responsibility for claims up to certain limits and provides high level umbrella type coverage above its retention limits. The Trust arranges for health and welfare benefits for employees and retirees of participating school districts and their eligible dependents. Member districts pay a monthly premium per eligible participant.

Each JPA is independently accountable for its fiscal matters and is governed by a board consisting of representatives from each member District. Budgets are not subject to any approval other than that of the respective governing boards. Member districts share surpluses and deficits proportionately to their participation in the JPAs. Separate financial statements for each JPA may be obtained from the respective entity.

The relationships between the District and the JPAs are such that none of the JPAs is a component unit of the District for financial reporting purposes.

Condensed financial information for the year ended June 30, 2018 is as follows:

JPA Condensed Financial Information	The Authority (Audited) June 30, 2018	The Trust (Audited) June 30, 2017
Total assets and deferred outflows of resources	$ 118,963,325	$ 20,248,072
Total liabilities and deferred inflows of resources	49,048,669	5,449,807
Fund balance / net position	$ 69,914,656	$ 14,798,265
Total revenues	$ 28,128,576	$ 59,773,774
Total expenditures / expenses	20,805,287	54,918,520
Change in fund balance / net position	$ 7,323,289	$ 4,855,254

NOTE 16: COMMITMENTS AND CONTINGENCIES

Litigation

The District is involved in claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the District's financial statements.

NOTE 16: COMMITMENTS AND CONTINGENCIES

State and Federal Allowances, Awards, and Grants

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

County School Facilities Funds

The District has completed several construction and modernization projects funded through the Office of Public School Construction. These projects are subject to future audits by the state, which may result in other adjustments to the fund.

Joint Use Project

In June 2002, the District entered into an agreement with the City of San Buenaventura (the City) and the Redevelopment Agency of the City of San Buenaventura (the Agency) on a joint use project. The terms of the agreement include the commitment of the District to appropriate up to $3,600,000 in proceeds from the disposition of the Hails site for construction of a City/District community swimming pool and amenities. In addition, the City and Agency agree to share with the District the tax increment generated from the future redevelopment of the Santa Clara site. The City, Agency and District jointly marketed the sale of the property. The City will be reimbursed up to $100,000 for actual cost of staffing a project development team for the Santa Clara site.

NOTE 17: CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

The beginning net position of the basic financial statements has been restated by a reduction of $14,398,302 in the Statement of Activities to recognize the beginning balance of the OPEB liability resulting from the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.*

NOTE 18: SUBSEQUENT EVENTS

Tax Revenue Anticipation Notes

The District issued $19,785,000 of Tax Revenue Anticipation Notes dated July 12, 2018 through the California School Boards Association Finance Corporation's Cash Reserve Program 2018-19 (Series B). The notes were sold by the District to supplement its cash flow.

The notes mature on June 28, 2019 and are issued at an interest rate of 3.00%. Repayment requirements are that 50% of the principal balance and the remaining principal balance and interest be deposited with the administrator, U.S. Bank National Association, by January 31, 2019 and April 30, 2019, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF BUDGETARY COMPARISON FOR THE GENERAL FUND
For the Fiscal Year Ended June 30, 2018

	Budgetary Amounts		Actual Amounts
	Original	Final (a)	
Revenues			
Local control funding formula sources:			
State apportionments	$ 88,630,500	$ 84,075,438	$ 80,969,278
Local sources	55,051,077	60,150,135	63,052,704
Total local control funding formula sources:	143,681,577	144,225,573	144,021,982
Federal sources	8,433,118	8,478,245	7,912,166
Other state sources	12,230,871	16,208,389	16,449,941
Other local sources	12,719,781	15,016,149	15,927,841
Total Revenues	177,065,347	183,928,356	184,311,930
Expenditures			
Certificated salaries	73,415,154	75,616,090	75,436,003
Classified salaries	27,467,239	29,260,135	29,199,650
Employee benefits	48,865,698	48,448,251	48,074,828
Books and supplies	9,786,399	9,759,649	8,118,906
Services and other operating expenditures	15,284,772	16,287,877	16,966,535
Capital outlay	1,309,026	1,156,055	1,443,029
Tuition	5,040,479	5,179,137	5,357,361
Direct support - indirect cost	(526,924)	(570,350)	(508,970)
Debt service	-	286,819	286,819
Total Expenditures	180,641,843	185,423,663	184,374,161
Deficiency of revenues over expenditures	(3,576,496)	(1,495,307)	(62,231)
Other Financing Sources (Uses)			
Proceeds of installment loan	-	953,185	953,185
Interfund transfers in	-	717,500	713,170
Interfund transfers out	(900,000)	(900,000)	(893,020)
Total Other Financing Sources (Uses)	(900,000)	770,685	773,335
Net changes in fund balance	$ (4,476,496)	$ (724,622)	711,104
Fund Balance - Beginning of Year			14,173,260
Fund Balance - End of Year			$ 14,884,364

(a) Amounts have been revised to reflect the recording of the proceeds of installment loan of $953,185.

See the accompanying notes to the required supplementary information.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS – RETIREE BENEFITS PLAN
For the Fiscal Year Ended June 30, 2018

Total OPEB Liability - Retiree Health Plan	2018
Interest	$ 420,523
Differences between expected and actual experience	64,006
Changes of assumptions	331,403
Benefit payments, including refunds of employee contributions	(2,093,860)
Net change in total OPEB liability	(1,277,928)
Total OPEB liability - beginning	16,614,865
Total OPEB liability - ending	$ 15,336,937
Covered payroll	N/A (a)
Total OPEB liability as a percentage of covered payroll	N/A (a)

(a) Since the plan is limited to individual who retired as of June 30, 1993 and there are no active members eligible no active members, there is no applicable covered payroll amount.

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS – MEDICARE PREMIUM PAYMENT PLAN
For the Fiscal Year Ended June 30, 2018

Net OPEB Liability - Medicare Premium Payment Program	2018
District's proportion of the net OPEB liability	0.640%
District's proportionate share of the net OPEB liability	$ 2,692,530
Covered payroll	N/A (a)
Net OPEB liability as a precentage of covered payroll	N/A (a)
Plan fiduciary net position as a percentage of the total OPEB liability	0.01%

(a) Plan participants are limited to retirees, therefore covered payroll is not applicable

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

See the accompanying notes to the required supplementary information.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY AND PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL DEFERRED COMPENSATION PLAN
For the Fiscal Year Ended June 30, 2018

Total Pension Liability - Deferred Compensation Plan	2017	2018
Interest	$ 74,878	$ 49,314
Differences between expected and actual experience	(44,286)	-
Changes of assumptions	85,002	(31,353)
Benefit payments, including refunds of employee contributions	(362,712)	(263,055)
Net change in total pension liability	(247,118)	(245,094)
Total pension liability - beginning	2,205,079	1,957,961
Total pension liability - ending	$ 1,957,961	$ 1,712,867
Covered payroll	N/A (a)	N/A (a)
Total OPEB liability as a percentage of covered payroll	N/A (a)	N/A (a)

(a) The covered payroll data is not readily available.

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Fiscal Year Ended June 30, 2018

State Teachers' Retirement Plan	2015	2016	2017	2018
District's proportion of the net pension liability	0.1340%	0.1560%	0.1470%	0.1420%
District's proportionate share of the net pension liability	$ 78,305,580	$ 105,025,440	$ 118,895,070	$ 131,321,600
State's proportionate share of the net pension liability associated with the District	47,284,765	55,546,731	67,694,808	77,689,382
Total	$ 125,590,345	$ 160,572,171	$ 186,589,878	$ 209,010,982
District's covered payroll	$ 66,700,000	$ 70,710,000	$ 74,460,000	$ 75,125,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	117%	149%	160%	175%
Plan fiduciary net position as a percentage of the total pension liability	77%	74%	70%	69%

California Public Employees' Retirement Plan	2015	2016	2017	2018
District's proportion of the net pension liability	0.2382%	0.2390%	0.2334%	0.2293%
District's proportionate share of the net pension liability	$ 27,041,500	$ 35,228,836	$ 46,096,644	$ 54,739,962
District's covered payroll	$ 25,000,000	$ 26,450,000	$ 27,950,000	$ 29,175,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	108%	133%	165%	188%
Plan fiduciary net position as a percentage of the total pension liability	83%	79%	74%	72%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

The amounts are reported as of the previous fiscal year to align with the measurement date of the net pension liability.

See the accompanying notes to the required supplementary information.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2018

State Teachers' Retirement Plan	2015	2016	2017	2018
Contractually required contribution	$ 6,278,689	$ 7,989,196	$ 9,450,804	$ 10,906,789
Contributions in relation to the contractually required contributions	6,278,689	7,989,196	9,450,804	10,906,789
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 70,710,000	$ 74,460,000	$ 75,125,000	$ 75,585,000
Contributions as a percentage of its covered payroll	8.88%	10.73%	12.58%	14.43%

California Public Employees' Retirement Plan	2015	2016	2017	2018
Contractually required contribution	$ 3,113,265	$ 3,312,194	$ 4,051,427	$ 4,681,300
Contributions in relation to the contractually required contributions	3,113,265	3,312,194	4,051,427	4,681,300
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 26,450,000	$ 27,950,000	$ 29,175,000	$ 30,145,000
Contributions as a percentage of its covered payroll	11.77%	11.85%	13.89%	15.53%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not presented retroactively. Years will be added to this schedule as future data becomes available.

See the accompanying notes to the required supplementary information.

NOTE 1: PURPOSE OF SCHEDULES

Schedule of Budgetary Comparison For The General Fund

A budgetary comparison is presented for the general fund. This schedule presents the budget as originally adopted, the revised budget as of the fiscal year end, actual amounts at fiscal year-end, and any adjustments needed to present the amounts in accordance with generally accepted accounting principles (GAAP).

Schedule of Changes in the Total Pension Liability and Related Ratios – Retiree Benefits Plan

The schedule is intended to show trends about the changes in the District's actuarially determined liability for postemployment benefits other than pension associated with the District's retiree benefits plan.

Benefit changes – None.

Changes of Assumptions – The discount rate changed from 2.7% to 3.1%, the healthcare trend rate increased and revised mortality tables were utilized.

Schedule of Changes in the Net Pension Liability and Related Ratios – Medicare Premium Payment Plan

The schedule is intended to show trends about the changes in the District's actuarially determined proportionate share of the liability for postemployment benefits other than pension associated with the Medicare Premium Payment plan.

Schedule of Changes in the Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll – Deferred Compensation Plan

The schedule presents information on the changes in the District's total pension liability for the Deferred Compensation plan and the total pension liability as a percentage of covered payroll. In the future, as data becomes available, 10 years of information will be presented.

Schedules of District's Proportionate Share of the Net Pension Liability – CalSTRS (STRP) and CalPERS (Schools Pool Plan)

The schedule presents information on the District's proportionate share of the net pension liability, the plans' fiduciary net position and, when applicable, the state's proportionate share of the net pension liability associated with the District. In the future, as data becomes available, 10 years of information will be presented.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2018

NOTE 1: PURPOSE OF SCHEDULES

Schedules of District Contributions – CalSTRS (STRP) and CalPERS (Schools Pool Plan)

The schedule presents information on the District's required contribution, the amounts actually contributed and any excess or deficiency related to the required contribution. In the future, as data becomes available, 10 years of information will be presented.

NOTE 2: EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Excesses of expenditures over appropriations, by major object accounts, in the General Fund occurred as follows:

Major Object	Amount
Services and other operating expenditures	$ 678,658
Capital outlay	286,974
Other outgo	239,604

SUPPLEMENTARY INFORMATION

VENTURA UNIFIED SCHOOL DISTRICT

HISTORY AND ORGANIZATION
For the Fiscal Year Ended June 30, 2018

The Ventura Unified School District was formed effective July 1, 1966 as the result of a unification election held March 16, 1966 and action of the Ventura County Board of Supervisors at the meeting held March 30, 1966. The unified district encompasses the former Ventura Union High School District and its former component elementary districts, namely the Avenue, Mill Union, Mount, Buena Ventura School Districts and the Arnaz portion of the Nordhoff Union School District. The District includes an area of approximately 165 square miles, including the City of Ventura and surrounding area, in the western most portion of Ventura County.

The District operates six pre-schools, sixteen elementary schools, one K-8 school, four middle schools, three comprehensive high schools, one continuation high schools, one independent study school, one opportunity school, one homestead school, one adult education school and one community day school.

The Board of Education and the District Administrators for the fiscal year ended June 30, 2018 were as follows:

BOARD OF EDUCATION

Member	Office	Term Expires
Mr. John Walker	President	December 2018
Mrs. Mary Haffner	Vice President	December 2018
Mrs. Velma Lomax	Member	December 2018
Ms. Sabrena Rodriguez	Member	December 2020
Ms. Jackie Moran	Member	December 2020

DISTRICT ADMINISTRATORS

Mr. David Creswell	Superintendent
Mr. Joseph Richards, Jr.	Deputy Superintendent, Business Services
Dr. Matty Zamora	Assistant Superintendent, Educational Services
Dr. Jeff Davis	Assistant Superintendent, Certificated Human Resources
Mrs. Betsy George	Director, Budget and Finance

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
For the Fiscal Year Ended June 30, 2018

The requirements governing ADA, admission of pupils, types of schools, recording and reporting of pupil attendance, and similar matters are controlled by provisions of the Education Code and by regulations of the California Department of Education.

ADA statistics reported to the state for the fiscal year ended June 30, 2018 are as follows:

	Revised Second Period	Annual
Grades transitional kindergarten through third:		
Regular ADA	4,659	4,651
Extended year special education	8	8
Total grades transitional kindergarten through third ADA	4,667	4,659
Grades four through six:		
Regular ADA	3,716	3,706
Extended year special education	6	6
Special education - nonpublic, nonsectarian schools	2	3
Total grades four through six ADA	3,724	3,715
Grades seven and eight:		
Regular ADA	2,564	2,559
Extended year special education	2	2
Special education - nonpublic, nonsectarian schools	6	6
Extended year special education - nonpublic, nonsectarian schools	1	1
Total grades seven and eight ADA	2,573	2,568
Grades nine through twelve:		
Regular ADA	5,207	5,163
Extended year special education	6	6
Special education - nonpublic, nonsectarian schools	7	7
Extended year special education - nonpublic, nonsectarian schools	1	1
Total grades nine through twelve ADA	5,221	5,177
Total ADA	16,185	16,119

See the accompanying notes to the supplementary information.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF INSTRUCTIONAL TIME
For the Fiscal Year Ended June 30, 2018

Grade Level	Minute Requirement	Actual Minutes	Number of Days Traditional Calendar	Status
Kindergarten	36,000	37,380	180	In Compliance
Grade 1	50,400	50,440	180	In Compliance
Grade 2	50,400	50,440	180	In Compliance
Grade 3	50,400	50,440	180	In Compliance
Grade 4	54,000	54,000	180	In Compliance
Grade 5	54,000	54,000	180	In Compliance
Grade 6	54,000	54,000	180	In Compliance
Grade 7	54,000	54,000	180	In Compliance
Grade 8	54,000	54,000	180	In Compliance
Grade 9	64,800	65,012	180	In Compliance
Grade 10	64,800	65,012	180	In Compliance
Grade 11	64,800	65,012	180	In Compliance
Grade 12	64,800	65,012	180	In Compliance

See the accompanying notes to the supplementary information.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2018

Program Name	Federal Catalog Number	Pass-Through Entity Identifying Number	Total Program Expenditures
United States Department of Agriculture			
Pass-Through Programs From California Department of Education:			
Child Nutrition Cluster:			
Child Nutrition Program-Especially Needy Breakfast	10.553	13526	$ 1,162,801
Child Nutrition Program-Lunch	10.555	13396	2,969,163
Child Nutrition Program-Commodities	10.555	13396	338,300
Child Nutrition Program-Meal Supplements	10.555	13396	68,273
Summer Food Service Program	10.559	13004	102,760
Subtotal: Child Nutrition Cluster			4,641,297
Other Programs:			
Specialty Crop	10.170	(1)	42,634
Nutrition Network	10.561	(1)	21,007
Total: United States Department of Agriculture			4,704,938
United States Department of Interior			
Direct Programs:			
Conservation Activities by Youth Organizations	15.931	(1)	3,377
Total: United States Department of Interior			3,377
United States Department of Education			
Direct Programs:			
Student Financial Aid Cluster:			
Federal Direct Student Loans	84.268	(1)	155,386
Federal Pell Grant	84.063	(1)	451,892
Subtotal: Student Financial Aid Cluster			607,278
Other Programs:			
Indian Education Grants	84.060	(1)	67,315
Magnet Schools Assistance	84.165A	(1)	115,847
Subtotal: Direct Programs			183,162
Pass-Through Programs From California Department of Education:			
Special Education Cluster:			
Grants to States (IDEA, Part B)	84.027	13379	2,762,042
Federal Preschool Grant	84.173	13430	246,762
Preschool Local Entitlement	84.027A	13682	72,518
Subtotal: Special Education Cluster			3,081,322
Adult Education:			
Adult Education - Institutionalized Adults	84.002	13971	93,668
Adult Education - Adult Secondary Education	84.002	13978	115,467
Adult Education - English Literacy and Civics	84.002	14109	61,188
Adult Education - Adult Basic Education and ESL	84.002A	14508	147,696
Total Adult Education			418,019

See the accompanying notes to the supplementary information.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2018

Program Name	Federal Catalog Number	Pass-Through Entity Identifying Number	Total Program Expenditures
United States Department of Education (continued)			
Pass-Through Programs From California Department of Education (continued)			
Title I, Part C, Migrant Ed:			
Title I, Part C, Migrant Ed (Regular and Summer Program)	84.011	14326	67,007
Title I - Migrant Ed Summer Program	84.011	10005	38,387
Title I, Part C, Even Start Migrant Education (MEES)	84.011	14768	15,946
Total Title I, Part C, Migrant Ed			121,340
Other Programs:			
Title I, Part A - Low Income and Neglected	84.010	14329	1,858,049
Title I, Part G - Advanced Placement Test Fee Reimbursement Program	84.330B	14831	3,233
Title II, Part A - Improving Teacher Quality	84.367	14341	422,810
Title III - Limited English Proficiency	84.365	14346	223,833
Title IV, Part B - 21st Century Community Learning Centers	84.287	13439	492,504
Carl D. Perkins Career and Technical Education: Secondary, Section 131	84.048	14894	82,264
Workability II, Transition Partnership	84.158	10006	347,459
Subtotal: Pass-Through Programs			6,632,814
Total: United States Department of Education			7,841,273
United States Department of Health and Human Services			
Pass-Through Program From California Department of Education:			
Medi-Cal Billing Option	93.778	10013	444,312
Total: United States Department of Health and Human Services			444,312
Total Federal Programs			$ 12,993,900
Reconciliation to Federal Revenue			
Total Federal Program Expenditures			$ 12,993,900
Revenues in excess of expenditures related to Federal Entitlements:			
Medi-Cal Billing Option			584,859
Total Federal Program Revenue			$ 13,578,759

(1) Pass-Through Entity Identifying Number not readily available or not applicable.

The District is the recipient of a federal program that does not result in cash receipts or disbursements. The District was granted $338,300 of commodities under the National School Lunch Program (CFDA 10.555).

See the accompanying notes to the supplementary information.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS – GENERAL FUND
For the Fiscal Year Ended June 30, 2018

	2019 (Budgeted)	2018	2017	2016
Revenue				
Local control funding formula sources	$ 151,173,749	$ 144,021,982	$ 141,419,761	$ 136,542,221
Federal sources	8,188,213	7,912,166	8,607,906	11,440,589
Other state sources	15,957,043	16,449,941	15,162,697	22,535,826
Other local sources	13,169,170	15,927,841	14,556,059	14,688,361
Proceeds of installment loan	-	953,185	-	-
Interfund transfers in	30,000	713,170	76,076	51,543
Total revenue	188,518,175	185,978,285	179,822,499	185,258,540
Expenditures				
Certificated salaries	75,091,522	75,436,003	75,084,081	74,620,780
Classified salaries	29,979,698	29,199,650	28,293,408	27,354,004
Employee benefits	50,525,565	48,074,828	45,611,949	43,736,620
Books and supplies	7,192,324	8,118,906	12,354,077	6,972,605
Services and other operating expenditures	16,281,919	16,966,535	15,988,532	15,431,084
Capital outlay	2,498,801	1,443,029	2,419,621	3,039,940
Other outgo	5,352,576	5,357,361	5,657,573	4,758,736
Direct support - indirect cost	(560,556)	(508,970)	(503,007)	(558,008)
Debt service	286,825	286,819	227,708	227,509
Interfund transfers out	950,000	893,020	800,000	2,003,863
Total expenditures	187,598,674	185,267,181	185,933,942	177,587,133
Net changes in fund balance	$ 919,501	$ 711,104	$ (6,111,443)	$ 7,671,407
Ending fund balance	$ 15,803,865	$ 14,884,364	$ 14,173,260	$ 20,284,703
Available reserve	$ 6,997,650	$ 9,396,789	$ 8,690,673	$ 12,884,963
Available reserve %	3.7%	5.1%	4.7%	7.3%
ADA	15,946	16,185	16,370	16,462
Total long term debt	$ 257,914,526	$ 261,120,399	$ 244,290,003	$ 203,629,299

Available reserves are those amounts reserved for economic uncertainty and any other remaining unassigned fund balance from the General Fund. For a District this size, the state recommends a 3% reserve of total General Fund expenditures, transfers out and other uses. For the year ended June 30, 2018, the District has met this requirement.

The 2019 budget is the original budget adopted on June 26, 2018.

In 2018, the District adopted GASB Statement No. 75 which resulted in the recognition of additional other postemployment healthcare benefits (OPEB). Only 2017 was restated to reflect this change.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF CHARTER SCHOOLS
For the Fiscal Year Ended June 30, 2018

The District is not the granting agency for any Charter Schools.

See the accompanying notes to the supplementary information.

RECONCILIATION OF THE ANNUAL FINANCIAL AND BUDGET REPORT WITH THE AUDITED FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2018

There were no differences between the fund balances reported on the June 30, 2018 Annual Financial and Budget Report for the governmental funds and the audited financial statements.

See the accompanying notes to the supplementary information.

NOTE 1: PURPOSE OF SCHEDULES

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

The District has not met or exceeded its target funding and has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. 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 46206.

Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal governmental for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District did not use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTES TO THE SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2018

NOTE 1: PURPOSE OF SCHEDULES

Schedule of Financial Trends and Analysis

The *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* requires that this schedule be prepared showing financial trends of the general fund over the past three fiscal years as well as the current year budget. This report is intended to identify if the District faces potential fiscal problems and if they have met the recommended available reserve percentages.

Schedule of Charter Schools

The *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* requires that this schedule list all charter schools chartered by the District and inform the users whether or not the charter school information is included in the District's financial statements.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the annual Financial and Budget Report form to the audited financial statements.

OPTIONAL SUPPLEMENTARY INFORMATION

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING BALANCE SHEET
MAJOR BUILDING SUB-FUNDS
June 30, 2018

	Building Fund	Building Fund (Series A)	Bond Building Fund	Eliminating Intrafund Activity	Total Building Fund
Assets					
Cash in county treasury	$ 11,619,517	$ 694,410	$ 55,155	$ -	$ 12,369,082
Accounts receivable	76,096	4,458	345	-	80,899
Due from other funds	47,018	422,652	-	-	469,670
Due from other sub-funds	21,589	-	-	(21,589)	-
Prepaid expenditures	163,404	-	-	-	163,404
Total Assets	$ 11,927,624	$ 1,121,520	$ 55,500	$ (21,589)	$ 13,083,055
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 220,587	$ -	$ 2,195	$ -	$ 222,782
Due to other funds	1,212,623	-	-	-	1,212,623
Due to other sub-funds	-	21,589	-	(21,589)	-
Unearned revenue	20,145	-	-	-	20,145
Total Liabilities	1,453,355	21,589	2,195	(21,589)	1,455,550
Fund Balances					
Nonspendable	163,404	-	-	-	163,404
Restricted	10,310,865	1,099,931	53,305	-	11,464,101
Total Fund Balances	10,474,269	1,099,931	53,305	-	11,627,505
Total Liabilities and Fund Balances	$ 11,927,624	$ 1,121,520	$ 55,500	$ (21,589)	$ 13,083,055

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MAJOR BUILDING SUB-FUNDS
For the Fiscal Year Ended June 30, 2018

	Building Fund	Building Fund (Series A)	Bond Building Fund	Eliminating Intrafund Activity	Total Building Fund
Revenues					
Local sources	$ 630,755	$ 11,078	$ 779	$ -	$ 642,612
Total Revenues	630,755	11,078	779	-	642,612
Expenditures					
Plant services	1,610,206	21,589	10,715	-	1,642,510
Debt service	-	394,960	-	-	394,960
Total Expenditures	1,610,206	416,549	10,715	-	2,037,470
Deficiency of revenues over expenditures	(979,451)	(405,471)	(9,936)	-	(1,394,858)
Other Financing Sources (Uses)					
Interfund transfers in	41,238	422,652	-	-	463,890
Interfund transfers out	(687,788)	-	-	-	(687,788)
Total Other Financing Sources (Uses)	(646,550)	422,652	-	-	(223,898)
Net changes in fund balance	(1,626,001)	17,181	(9,936)	-	(1,618,756)
Fund Balances at Beginning of Year	12,100,270	1,082,750	63,241	-	13,246,261
Fund Balances at End of Year	$ 10,474,269	$ 1,099,931	$ 53,305	$ -	$ 11,627,505

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Adult Education Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund (Residential)	Capital Facilities Fund (Commercial)	County Schools Facilities Fund	Bond Interest and Redemption Fund	Total Non-Major Governmental Funds
Assets								
Cash in county treasury	$ 3,410,244	$ 194,194	$ 140,043	$ 4,311,059	$ 1,010,338	$ 378	$ 4,781,797	$ 13,848,053
Cash on hand and in banks	-	-	51,456	-	-	-	-	51,456
Accounts receivable	570,499	208,054	925,942	24,825	6,011	-	23,459	1,758,790
Due from other funds	145,571	756	1,373	-	-	-	-	147,700
Inventories	-	-	39,481	-	-	-	-	39,481
Total Assets	$ 4,126,314	$ 403,004	$ 1,158,295	$ 4,335,884	$ 1,016,349	$ 378	$ 4,805,256	$ 15,845,480
Liabilities and Fund Balances								
Liabilities								
Accounts payable	$ 62,359	$ 29,819	$ 109,748	$ 198	$ -	$ -	$ -	$ 202,124
Due to other funds	689,413	89,862	870,377	24,038	1,344	-	-	1,675,034
Unearned revenue	-	224,771	70,033	-	-	-	-	294,804
Total Liabilities	751,772	344,452	1,050,158	24,236	1,344	-	-	2,171,962
Fund Balances								
Nonspendable	-	-	39,481	-	-	-	-	39,481
Restricted	2,742,980	58,552	68,656	4,311,648	1,015,005	378	4,805,256	13,002,475
Committed	631,562	-	-	-	-	-	-	631,562
Total Fund Balances	3,374,542	58,552	108,137	4,311,648	1,015,005	378	4,805,256	13,673,518
Total Liabilities and Fund Balances	$ 4,126,314	$ 403,004	$ 1,158,295	$ 4,335,884	$ 1,016,349	$ 378	$ 4,805,256	$ 15,845,480

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2018

	Adult Education Fund	Child Development Fund	Cafeteria Fund	Capital Facilities Fund (Residential)	Capital Facilities Fund (Commercial)	County Schools Facilities Fund	Bond Interest and Redemption Fund	Total Non-Major Governmental Funds
Revenues								
Federal sources	$ 1,025,297	$ -	$ 4,641,296	$ -	$ -	$ -	$ -	$ 5,666,593
State sources	4,213,606	1,702,007	306,686	-	-	-	35,465	6,257,764
Local sources	357,362	5,941	1,337,977	852,497	57,579	-	4,752,747	7,364,103
Total Revenues	5,596,265	1,707,948	6,285,959	852,497	57,579	-	4,788,212	19,288,460
Expenditures								
Instruction	3,065,498	1,325,360	-	-	-	-	-	4,390,858
Instruction - related services	1,266,196	188,932	-	-	-	-	-	1,455,128
Pupil services	-	57,888	7,080,991	-	-	-	-	7,138,879
General administration	225,234	88,978	194,758	-	-	-	-	508,970
Plant services	280,321	29,130	-	6,256	-	-	-	315,707
Debt service	-	-	-	-	-	-	4,742,704	4,742,704
Total Expenditures	4,837,249	1,690,288	7,275,749	6,256	-	-	4,742,704	18,552,246
Excess (deficiency) of revenues over expenditures	759,016	17,660	(989,790)	846,241	57,579	-	45,508	736,214
Other Financing Sources (Uses)								
Interfund transfers in	143,020	-	750,000	-	-	-	-	893,020
Interfund transfers out	(463,890)	-	-	(24,038)	(1,344)	-	-	(489,272)
Total Other Financing Sources (Uses)	(320,870)	-	750,000	(24,038)	(1,344)	-	-	403,748
Net changes in fund balance	438,146	17,660	(239,790)	822,203	56,235	-	45,508	1,139,962
Fund Balances at Beginning of Year	2,936,396	40,892	347,927	3,489,445	958,770	378	4,759,748	12,533,556
Fund Balances at End of Year	$ 3,374,542	$ 58,552	$ 108,137	$ 4,311,648	$ 1,015,005	$ 378	$ 4,805,256	$ 13,673,518

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
June 30, 2018

	David Graham Scholarship Fund	Foundation Fund	Total Private Purpose Trust Funds
Assets			
Cash in county treasury	$ 53,327	$ 652,819	$ 706,146
Accounts receivable	324	4,539	4,863
Total Assets	53,651	657,358	711,009
Liabilities			
Accounts payable	-	51	51
Due to governmental funds	-	40,801	40,801
Total Liabilities	-	40,852	40,852
Net Position			
Restricted	53,651	616,506	670,157
Total Net Position	$ 53,651	$ 616,506	$ 670,157

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
For the Fiscal Year Ended June 30, 2018

	David Graham Scholarship Fund	Foundation Fund	Total Private Purpose Trust Funds
Additions			
Revenue from local sources:	$ 703	$ 225,217	$ 225,920
Total Additions	703	225,217	225,920
Deductions			
Scholarships	1,250	-	1,250
Other expenses	-	333,605	333,605
Total Deductions	1,250	333,605	334,855
Changes in net position	(547)	(108,388)	(108,935)
Net Position - Beginning of Year	54,198	724,894	779,092
Net Position - End of Year	$ 53,651	$ 616,506	$ 670,157

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ASSOCIATED STUDENT BODY FUNDS
June 30, 2018

	Anacapa Middle School	Balboa Middle School	Cabrillo Middle School	DeAnza (DATA) Middle School	Buena High School	Ventura High School
Assets						
Cash and cash equivalents	$ 69,289	$ 78,097	$ 121,708	$ 89,082	$ 608,488	$ 464,247
Inventories	-	-	5,607	-	18,715	57,598
Total Assets	69,289	78,097	127,315	89,082	627,203	521,845
Liabilities						
Accounts payable	-	-	-	-	8,394	-
Funds held in trust:						
Clubs and trusts	13,395	11,997	20,160	79,216	544,320	464,060
Associated student body	55,894	66,100	107,155	9,866	74,489	57,785
Total Liabilities	$ 69,289	$ 78,097	$ 127,315	$ 89,082	$ 627,203	$ 521,845

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ASSOCIATED STUDENT BODY FUNDS
June 30, 2018

	Foothill High High School	El Camino Continuation High School	Pacific Continuation High School	Adult Education	Total Associated Student Body Funds
Assets					
Cash and cash equivalents	$ 332,232	$ 7,149	$ 3,601	$ 20,934	$ 1,794,827
Inventories	2,500	-	-	-	84,420
Total Assets	334,732	7,149	3,601	20,934	1,879,247
Liabilities					
Accounts payable	-	-	-	-	8,394
Funds held in trust:					
Clubs and trusts	154,855	-	-	17,811	1,305,814
Associated student body	179,877	7,149	3,601	3,123	565,039
Total Liabilities	$ 334,732	$ 7,149	$ 3,601	$ 20,934	$ 1,879,247

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ACTIVITY
ASSOCIATED STUDENT BODY FUNDS
For the Fiscal Year Ended June 30, 2018

	Anacapa Middle School	Balboa Middle School	Cabrillo Middle School	DeAnza (DATA) Middle School	Buena High School	Ventura High School
Additions						
Revenue from local sources	$ 62,901	$ 119,987	$ 19,548	$ 51,877	$ 851,419	$ 75,758
Total Additions	62,901	119,987	19,548	51,877	851,419	75,758
Deductions						
Other expenses	37,655	133,438	17,479	52,679	822,878	90,301
Total Deductions	37,655	133,438	17,479	52,679	822,878	90,301
Net changes	25,246	(13,451)	2,069	(802)	28,541	(14,543)
Fund Balance - Beginning of Year	30,648	79,551	105,086	10,668	45,948	72,328
Fund Balance - End of Year	$ 55,894	$ 66,100	$ 107,155	$ 9,866	$ 74,489	$ 57,785

See the accompanying notes to the optional supplementary information

VENTURA UNIFIED SCHOOL DISTRICT

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ACTIVITY
ASSOCIATED STUDENT BODY FUNDS
For the Fiscal Year Ended June 30, 2018

	Foothill High High School	El Camino Continuation High School	Pacific Continuation High School	Adult Education	Total Associated Student Body Funds
Additions					
Revenue from local sources	$ 247,304	$ 2,221	$ 1,475	$ 10,113	$ 1,442,603
Total Additions	247,304	2,221	1,475	10,113	1,442,603
Deductions					
Other expenses	196,025	1,830	1,069	9,623	1,362,977
Total Deductions	196,025	1,830	1,069	9,623	1,362,977
Changes in net position	51,279	391	406	490	79,626
Net Position - Beginning of Year	128,598	6,758	3,195	2,633	485,413
Net Position - End of Year	$ 179,877	$ 7,149	$ 3,601	$ 3,123	$ 565,039

NOTES TO THE OPTIONAL SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2018

NOTE 1: PURPOSE OF SCHEDULES

Combining and Individual Fund Financial Statements/Schedule

The combining fund balance sheets and statements of revenues, expenditures and changes in fund balance for the building fund and the non-major governmental funds, the combining statement of fiduciary net position and the combining schedule of changes in activity for the fiduciary funds have been presented to provide additional information to the users of these financial statements. These statements/schedule have been prepared using the basis of accounting described in the notes to the financial statements.

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*

Board of Education
Ventura Unified School District
Ventura, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ventura 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, and have issued our report thereon dated December 11, 2018.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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*

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 non-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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Glendora, California
December 11, 2018

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

Board of Education
Ventura Unified School District
Ventura, California

Report on Compliance for Each Major Federal Program

We have audited Ventura Unified School District's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *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 auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' 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 the 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.

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

Opinion on Each Major Federal Program

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Glendora, California
December 11, 2018

CliftonLarsonAllen

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Education
Ventura Unified School District
Ventura, California

We have audited the Ventura 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*, published by the Education Audit Appeals Panel for the year ended June 30, 2018. The District's state compliance requirements are identified in the table provided.

Management's Responsibility

Management is responsible for compliance with the state laws and regulations as identified below.

Auditors' Responsibility

Our responsibility is to express an opinion on the District's compliance based on our audit of the types of compliance requirements referred to below. 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 *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 noncompliance with the specific areas listed below has 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 state compliance. However, our audit does not provide a legal determination of the District's compliance.

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Compliance Requirements Tested

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

Description	Procedures Performed
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	Yes
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratio 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 Instructions	Not Applicable
Educator Effectiveness	Yes
California Clean Energy Act	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not applicable
Charter Schools:	
Attendance	No[1]
Mode of Instruction	No[1]
Nonclassroom Based Instruction/Independent Study	No[1]
Determination of Funding for Nonclassroom Based Instruction	No[1]
Annual Instructional Minutes – Classroom Based	No[1]
Charter School Facility Grant Program	No[1]

[1]The District is not the granting agency for any Charter Schools

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Opinion on State Compliance

In our opinion, the District complied with the laws and regulations of the state programs referred to above in all material respects for the year ended June 30, 2018.

Purpose of this Report

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the *2017-18 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Glendora, California
December 11, 2018

FINDINGS AND QUESTIONED COSTS

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR RESULTS
June 30, 2018

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:				*Unmodified*
Internal control over financial reporting:				
Material weakness(es) identified?		*Yes*	X	*No*
Significant deficiency(ies) identified?		*Yes*	X	*None Reported*
Noncompliance material to financial statements noted?		*Yes*	X	*No*

Federal Awards

Internal control over major federal awards:				
Material weakness(es) identified?		*Yes*	X	*No*
Significant deficiency(ies) identified?		*Yes*	X	*None Reported*
Type of auditors' report issued on compliance for major federal programs:				*Unmodified*
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		*Yes*	X	*No*

Identification of Major Federal Programs:

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

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee?	X	*Yes*		*No*

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
RELATED TO THE FINANCIAL STATEMENTS
June 30, 2018

All audit findings must be identified as one or more of the following categories:

Five Digit Code	Finding Types
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

There were no findings and questioned costs related to the basic financial statements for the fiscal year ended June 30, 2018.

VENTURA UNIFIED SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS June 30, 2018

There were no findings and questioned costs related to federal awards for the fiscal year ended June 30, 2018.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED TO STATE AWARDS June 30, 2018

There were no findings and questioned costs related to state awards for the fiscal year ended June 30, 2018.

VENTURA UNIFIED SCHOOL DISTRICT

STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
June 30, 2018

There were no findings and questioned costs related to the basic financial statements, federal awards or state awards for the prior year.

APPENDIX C

GENERAL INFORMATION ABOUT THE CITY OF VENTURA AND VENTURA COUNTY

The following information concerning the City and the County of Ventura is included only for the purpose of supplying general information regarding the area of the District. The Bonds are not a debt of the City, the County, the State or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.

General

The District is located in the the City of San Buenaventura, also known as Ventura (the "**City**") in Ventura County ("the **County**").

The City. The District encompasses the entire City along Highway 33, or the Ojai Freeway. The City is located north of the Santa Clara River and along the Pacific Ocean by way of Pierpont Bay. The City is known for its beach culture with popular surfing and windsurfing locations for locals and tourists.

The County. The County is situated on the southern California Coast. The County covers an area of approximately 1,843 square miles and ranks 26th in size among California's 58 counties. The County is bordered by the Pacific Ocean to the south and west, Santa Barbara County to the west, Kern County to the north, and Los Angeles County to the east. The County's major population centers are the City (the County seat), Oxnard, Thousand Oaks, Simi Valley, and Camarillo. All are within approximately 60 miles of downtown Los Angeles.

Most of the northern half of the County is within the Los Padres National Forest. Mountain ranges created fertile valleys and broad alluvial basins, primarily in the southern half of the County. The high soil fertility and good drainage of the alluvial basins have helped the County become a leading agricultural producer.

Population

The table below shows population estimates for the City of Ventura, the County of Ventura and the State of California for the last five years.

CITY OF VENTURA, VENTURA COUNTY
AND STATE OF CALIFORNIA
Population Estimates

Calendar Year	City of Ventura	County of Ventura	State of California
2015	110,752	851,426	38,912,464
2016	110,870	853,961	39,179,627
2017	111,085	855,910	39,500,973
2018	110,125	857,415	39,740,508
2019	108,170	856,598	39,927,315

Source: State Department of Finance estimates.

Employment and Industry

The District is located in the Oxnard-Thousand Oaks-Ventura Metropolitan Statistical Area ("**MSA**"), which is coterminous with Ventura County and, therefore, includes the City of Ventura. The unemployment rate in the County was 4.0% in March 2019, unchanged from a revised 4.0% in February 2019, and above from the year-ago estimate of 3.8%. This compares with an unadjusted unemployment rate of 4.6% for California and 3.9% for the nation during the same period.

The following tables show civilian labor force and wage and salary employment data for the County, for the past five calendar years.

OXNARD-THOUSAND OAKS-VENTURA MSA
Civilian Labor Force[(1)], Employment and Unemployment by Industry
(Annual Averages)
(March 2018 Benchmark)

	2014	**2015**	**2016**	**2017**	**2018**
Civilian Labor Force	430,100	427,600	425,700	424,700	425,700
Employment	401,500	403,500	403,400	405,600	409,700
Unemployment	28,600	24,100	22,200	19,100	16,100
Unemployment Rate	6.6%	5.6%	5.2%	4.5%	3.8%
Wage and Salary Employment: (2)					
Agriculture	26,500	26,300	25,200	23,800	24,400
Mining and Logging	1,300	1,000	900	900	900
Construction	13,700	14,200	14,600	15,700	16,800
Manufacturing	25,000	25,900	25,700	25,600	26,200
Wholesale Trade	12,700	12,600	13,000	13,200	13,200
Retail Trade	39,200	39,900	40,000	40,100	39,600
Trans., Warehousing and Utilities	6,000	6,000	6,000	6,100	6,400
Information	5,300	5,100	5,000	5,000	5,000
Finance and Insurance	14,200	13,500	13,200	12,700	12,400
Real Estate and Rental and Leasing	4,500	4,300	4,300	4,200	4,100
Professional and Business Services	41,500	40,500	40,900	42,200	42,900
Educational and Health Services	41,600	42,900	44,400	45,900	47,600
Leisure and Hospitality	34,800	35,700	36,400	37,200	37,700
Other Services	9,800	9,700	9,600	9,600	9,400
Federal Government	6,900	7,100	7,400	7,300	7,200
State Government	2,800	2,900	2,900	3,000	3,000
Local Government	34,400	35,400	36,300	36,600	36,600
Total, All Industries (3)	320,200	322,800	325,700	329,200	333,300

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Totals may not add due to rounding.
Source: State of California Employment Development Department.

Major Employers

The following table lists the major employers within the County as of May 2019, in alphabetical order without regard to the number of employees.

COUNTY OF VENTURA
Major Employers
As of May 2019
Listed Alphabetically

Employer Name	Location	Industry
Amgen Inc	Newbury Park	Biological Specimens-Manufacturers
Baxter Healthcare	Westlake Village	Physicians & Surgeons Equip & Supls-Mfrs
City of Simi Valley	Simi Valley	City Hall
Community Memorial Health Syst	Ventura	Health Care Management
Haas Automation Inc	Oxnard	Computers-Electronic-Manufacturers
Harbor Freight Tools USA Inc	Camarillo	Tools-New & Used
Kaiser Permanente Ventura 888	Ventura	Medical Centers
Los Robles Hospital & Med Ctr	Thousand Oaks	Hospitals
Moorpark College	Moorpark	Junior-Community College-Tech Institutes
Nancy Reagan Breast Ctr	Simi Valley	Diagnostic Imaging Centers
National Guard	Port Hueneme	Government Offices-State
Naval Base Ventura County	Point Mugu Nawc	Military Bases
Ojai Valley Inn & Spa	Ojai	Hotels & Motels
Oxnard College	Oxnard	Junior-Community College-Tech Institutes
Pentair Aquatic Systems	Moorpark	Swimming Pool Equipment & Supls-Retail
Port Hueneme Div Naval	Port Hueneme Cbc	Military Bases
Rancho Simi Recreation Prk Dst	Simi Valley	Swimming Pools-Public
Santa Paula Sch Superintendent	Santa Paula	Schools
Sheriff's Department-Jails	Ventura	Government Offices-County
Simi Valley City Manager	Simi Valley	Government Offices-City/Village & Twp
Simi Valley Hospital	Simi Valley	Hospitals
St John's Regional Medical Ctr	Oxnard	Hospitals
Sullstar Technologies	Simi Valley	Telephone Equipment & Supplies
Ventura County Medical Ctr	Ventura	Hospitals
Ventura County Office of Edu	Camarillo	Schools

Source: *Employment Development Department. This list of major employers from the America's Labor Market Information System (SLMIS) Employer Database, 2019 2nd Edition.*

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total and median household effective buying income for the City, the County, the State and the United States for the period 2015 through 2019.

VENTURA COUNTY
Effective Buying Income and Median Household Effective Buying Income
Calendar Years 2015 through 2019

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2015	City of Ventura	$2,702,763	$53,469
	Ventura County	21,468,990	60,911
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2016	City of Ventura	$3,011,698	$57,952
	Ventura County	24,412,090	67,179
	California	981,231,666	53,589
	United States	7,757,960,399	46,738
2017	City of Ventura	$2,971,744	$57,779
	Ventura County	23,874,399	65,193
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043
2018	City of Ventura	$3,257,511	$63,341
	Ventura County	26,565,506	71,934
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2019	City of Ventura	$3,246,550	$63,419
	Ventura County	26,149,018	70,618
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841

Source: The Nielsen Company (US), Inc for years 2015 through 2018; Claritas, LLC for 2019

Commercial Activity

Total taxable sales during the first quarter of calendar year 2018 in the City were reported to be $539.0 million, a 4.04% increase from the total taxable sales of $518.0 million reported during the first quarter of calendar year 2017. Annual figures are not yet available for 2018.

CITY OF VENTURA
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2013	3,656	$1,661,655	5,187	$2,019,722
2014	3,885	1,731,911	5,439	2,129,830
2015 (1)	4,273	1,805,033	6,423	2,210,762
2016	4,254	1,805,630	6,405	2,206,984
2017	4,303	1,828,911	6,442	2,256,481

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.
Source: State Board of Equalization. Taxable Sales in California (Sales & Use Tax) for years 2013-2016. State Department of Tax and Fee Administration for year 2017.

Total taxable sales during the first quarter of calendar year 2018 in the County were reported to be $3.312 billion, an 3.63% increase from the total taxable sales of $3.196 billion reported during the first quarter of calendar year 2017. Annual figures are not yet available for 2018.

VENTURA COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2013	14,285	$9,101,436	22,234	$12,824,296
2014	14,903	9,401,053	22,851	13,366,628
2015 (1)	10,453	9,615,370	25,826	13,784,346
2016	15,595	9,774,880	26,161	13,745,950
2017	15,751	10,102,010	26,392	13,901,215

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.
Source: State Board of Equalization. Taxable Sales in California (Sales & Use Tax) for years 2013-2016. State Department of Tax and Fee Administration for year 2017.

Construction Activity

The following tables show a five-year summary of the valuation of building permits issued in the City and the County.

CITY OF VENTURA
Building Permit Valuation
(Valuation in Thousands of Dollars)

	2013	2014	2015	2016	2017
Permit Valuation					
New Single-family	$347.5	$7,685.4	$5,312.5	$8,183.4	$43,028.3
New Multi-family	0.0	11,400.1	31,371.9	23,206.0	91,783.2
Res. Alterations/Additions	3,537.8	5,516.1	8,112.7	10,965.6	6,663.5
Total Residential	3,885.3	24,601.6	44,797.1	42,355.0	141,475.0
New Commercial	520.6	957.8	55,505.3	15,797.5	17,832.2
New Industrial	0.0	0.0	4,404.9	0.0	0.0
New Other	315.8	2,188.5	37,412.3	14,713.4	2,893.0
Com. Alterations/Additions	1,293.5	2,182.5	92,613.9	7,708.8	10,000.9
Total Nonresidential	2,129.9	5328.8	189,936.4	38,219.7	30,726.1
New Dwelling Units					
Single Family	4	43	30	62	231
Multiple Family	0	69	244	183	554
TOTAL	4	112	274	245	785

Source: Construction Industry Research Board, Building Permit Summary.

VENTURA COUNTY
Building Permit Valuation
(Valuation in Thousands of Dollars)

	2013	2014	2015	2016	2017
Permit Valuation					
New Single-family	$139,009.7	$169,065.9	$238,295.5	$236,652.9	$266,346.8
New Multi-family	121,304.6	102,514.6	69,260.2	147,122.8	231,822.5
Res. Alterations/Additions	53,255.4	72,971.1	66,458.2	64,655.7	200,617.4
Total Residential	313,569.7	344,551.6	374,013.9	448,431.4	698,787.0
New Commercial	64,645.0	21,358.7	55,505.3	52,600.3	71,967.3
New Industrial	336.6	17,938.6	4,404.9	4,647.4	35,700.0
New Other	9,813.5	30,893.9	37,412.3	57,210.5	31,579.7
Com. Alterations/Additions	79,728.1	79,948.9	92,613.9	88,289.8	91,036.8
Total Nonresidential	154,523.2	150,140.1	189,936.4	202,748.0	230,283.8
New Dwelling Units					
Single Family	360	450	615	652	851
Multiple Family	688	632	394	1,011	1,638
TOTAL	1,048	1,082	1,009	1,663	2,489

Source: Construction Industry Research Board, Building Permit Summary.

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APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

May 5, 2020

Board of Education
Ventura Unified School District
255 West Stanley Avenue
Ventura, California 93001

OPINION: $7,535,000 Ventura Unified School District (Ventura County, California) General Obligation Refunding Bonds, Series 2020 (Forward Delivery)

Members of the Board of Education:

We have acted as bond counsel to the Ventura Unified School District (the "District") in connection with the issuance by the District of $7,535,000 principal amount of Ventura Unified School District (Ventura County, California) General Obligation Refunding Bonds, Series 2020 (Forward Delievery), dated the date hereof (the "Bonds"), under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution of the Board of Education adopted on April 23, 2019 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Resolution and in the certified proceedings and other certifications furnished to us, without undertaking to verify such facts by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly created and validly existing as a school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution and the Bonds.

2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the Board enforceable against the Board in accordance with its terms.

3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the County of Ventura is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject

to taxation by the District, without limitation as to rate or amount (except for certain personal property that is taxable at limited rates).

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

Jones Hall,
A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$7,535,000
VENTURA UNIFIED SCHOOL DISTRICT
(Ventura County, California)
General Obligation Refunding Bonds, Series 2020
(Forward Delivery)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "**Disclosure Certificate**") is executed and delivered by the Ventura Unified School District (the "**District**") in connection with the execution and delivery of the captioned bonds (the "**Bonds**"). The Bonds are being executed and delivered pursuant to a resolution adopted by the Board of Trustees of the District on April 23, 2019 (the "**Resolution**"). U.S. Bank National Association is initially acting as paying agent for the Bonds (the "**Paying Agent**").

The District hereby covenants and agrees as follows:

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

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

"*Annual Report*" means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

"*Annual Report Date*" means the date not later than nine months after the end of each fiscal year of the District (currently being March 31 based on a fiscal year ending June 30).

"*Dissemination Agent*" means, initially, Isom Advisors, a Division of Urban Futures, Inc. or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

"*Listed Events*" means any of the events listed in Section 5(a).

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"*Official Statement*" means the final official statement executed by the District in connection with the issuance of the Bonds.

"*Paying Agent*" means U.S. Bank National Association, Los Angeles, California, or any successor thereto.

"*Participating Underwriter*" means RBC Capital Markets LLC, the original Underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2021 with the report for the 2019-20 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) to the MSRB in a timely manner, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A, with a copy to the Paying Agent and Participating Underwriter.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

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

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

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

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the District for the preceding fiscal year or, if available at the time of the filing of the Annual Report for the current fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

(i) A summary of the District's approved annual budget;

(ii) Assessed value of taxable property in the District as shown on the most recent equalized assessment roll;

(iii) Property tax levies, collections and delinquencies for the District; and

(iv) Top ten property owners in the District, as measured by secured assessed valuation, the amount of their respective taxable value, and their percentage of total secured assessed value, if material.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the District shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. 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 Listed Events with respect to the Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modifications to rights of security holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the District.

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

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier “if material” and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc. Any Dissemination Agent may resign by providing 30 days' written notice to the District and the Paying Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Resolution for amendments to the Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: May 5, 2020

VENTURA UNIFIED SCHOOL DISTRICT

By: ______________________________
Name:_____________________________
Title:______________________________

ACCEPTANCE OF DUTIES
AS DISSEMINATION AGENT

ISOM ADVISORS,
A DIVISION OF URBAN FUTURES, INC.

By: ________________________________
Name:_______________________________
Title:________________________________

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Ventura Unified School District (the "District")
Name of Bond Issue:	Ventura Unified School District General Obligation Refunding Bonds, Series 2020 (Forward Delivery)
Date of Issuance:	May 5, 2020

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate, dated as of May 5, 2020. The District anticipates that the Annual Report will be filed by _____________.

Dated:__________________

DISSEMINATION AGENT:

By: __________________________
Its: __________________________

cc: Paying Agent and Participating Underwriter

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent takes any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (in this Appendix, the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

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

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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APPENDIX G

COUNTY INVESTMENT POLICY AND INVESTMENT REPORT

VENTURA COUNTY

STATEMENT OF INVESTMENT POLICY

AS APPROVED DECEMBER 4, 2018

BOARD OF SUPERVISORS

SUPERVISOR PETER C. FOY, DISTRICT 4, CHAIR
SUPERVISOR STEVE BENNETT, DISTRICT 1
SUPERVISOR LINDA PARKS, DISTRICT 2,
SUPERVISOR KELLY LONG, DISTRICT 3
SUPERVISOR JOHN C. ZARAGOZA, DISTRICT 5

Judge Steven Hintz
Treasurer-Tax Collector

Sue Horgan
Assistant Treasurer-Tax Collector

Ventura County Treasurer-Tax Collector's Office
800 South Victoria Avenue, L#1290
Ventura, CA 93009-1290
E-mail helpinghand@ventura.org
Website: www.ventura.org/ttc

Table of Contents

STATEMENT OF INVESTMENT POLICY

This Statement of Investment Policy ("Policy") provides the guidelines for prudent investment of public funds in a manner which will provide the highest investment return with optimal security and liquidity. The Policy and practices of the County Treasurer are based on prudent money management principles and California State Law, specifically Government Code Sections 27000 - 27000.5; 27130 - 27137; and 53600 - 53686. Furthermore, it outlines the policies essential to ensuring the safety and financial strength of the County's investment portfolio.

This Policy is based on the principles of prudent money management and conforms to all applicable Federal and State laws governing the investment of public funds. In instances in which the Policy is more restrictive than Federal or State law, the Policy will supersede.

The Policy shall be reviewed annually and any modifications made thereto must be approved by the Board of Supervisors.

Introduction

The Treasurer-Tax Collector of Ventura County manages pooled cash under the prudent investor rule. This rule states that:

> "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

This rule allows the County the option to operate over a broad spectrum of investment opportunity defined within Section 53601 *et seq* of the California Government Code. Therefore, the County's portfolio will be made up of a selection of investments that ensure diversification and meet the liquidity needs of the organization. The major overriding premise underlying the County's investment objective is always to ensure that funds are available when needed.

Investment Objective

It is the policy of the County to invest public funds in a manner which will provide for the preservation of capital while meeting the daily cash flow requirements of the County and other participants, while attaining a market average yield within an acceptable and defined level of risk.

The Policy has three primary objectives, in order of priority:

1) The safety of principal.

2) Maintenance of liquidity to meet cash flow needs.

3) To earn a competitive rate of return (i.e., yield) within the confines of the California Government Code, this policy, and procedural structure.

In order to accomplish the objectives of safety, liquidity, and yield, the economy and various financial markets are monitored daily in order to assess the probable course of interest rates and thus maximize yield on the County's temporarily idle funds. In a market with increasing interest rates, the Treasury will attempt to invest in securities with shorter maturities. This strategy allows funds to be available for other investments when interest rates are at higher levels. Conversely, when interest rates appear to be near a plateau, the Treasury will attempt to lock in a higher rate of return. The length of term for all investments shall be commensurate with the short, medium, and long-term cash flow needs of the County and other investment pool participants.

Investment and the Notion of Risk

In order to accomplish the investment philosophy outlined above, the concept of risk must be clearly defined as it relates to the investment of public funds. This concept of risk finds its ultimate translation into a structured and well-diversified portfolio.

The County shall ensure the safety of its idle funds by limiting credit and interest rate risk. These are the two types of risk that can clearly damage a public sector portfolio.

Credit risk is defined as the risk of loss due to the failure of the issuer of a security and shall be mitigated by:

1) Pre-qualifying financial institutions with which it will do business through the utilization of Moody's Investors Service, Standard and Poor's Ratings Services, and Fitch Ratings.

2) Diversifying the portfolio so that the failure of any one issuer or backer will not place any undue financial burden on the County.

3) Monitor all County investments on a daily basis to anticipate and respond appropriately to a significant reduction in the credit worthiness of a depository.

Interest rate risk is defined as the risk that the market value of portfolio securities will fall due to an increase in interest rates. This risk shall be mitigated by:

1) Structuring the portfolio so that securities mature at times to meet the ongoing cash needs of the County.

2) Restructure of the portfolio to minimize the loss of market value or cash flow.

3) Limit the weighted average maturity of the portfolio holdings to 375 days.

The investment program of Ventura County shall be managed with a degree of professionalism that is worthy of the public trust and adheres to the tenets of modern portfolio theory.

The Treasury is very cognizant of past losses of public funds by local agencies throughout California. Those losses resulted in a loss of confidence by the public in public sector investment expertise. This policy seeks to ensure that proper controls are maintained by the Treasurer-Tax Collector and subordinate staff.

There are times when it becomes necessary for losses to be taken:

A) Interest rates appear to be rising and the funds can be invested shorter term at higher rates.

B) When opportunities arise that will result in an increase in overall interest income to the County.

C) When cash needs are greater than expected.

Therefore, in order to mitigate these event risks to the County's portfolio all investment losses shall be approved by the Treasurer-Tax Collector, exclusively. This authority shall not be delegated.

Liquidity

The County's portfolio will be structured so that securities will mature at or about the same time as cash is needed to meet demand and in accordance with the economic projections mentioned above.

The Treasury will construct a portfolio that will consist of securities with active secondary and resale markets. Any investments for which no secondary market exists, such as time deposits, shall not exceed 375 days and no investment will have a maturity of more than 1150 days.

Yield

The Treasurer-Tax Collector shall always attempt to obtain a competitive rate of return on any investment type consistent with the required safety, liquidity, and other parameters of this policy, departmental procedures, and the laws of the State of California.

INTERNAL CONTROLS

The Treasurer-Tax Collector shall establish a system of internal controls, which shall be documented in writing. The controls will be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, and unanticipated changes in financial markets.

Except for declared emergencies, the County Treasurer-Tax Collector's Office shall observe the following procedures on a daily basis:

- All investment transactions shall be entered into the accounting system.
- County investments shall be transacted, confirmed, accounted for, and audited by different people.

Safekeeping of Securities
To protect against potential losses caused by the collapse of individual securities dealers, all securities owned by the County, including collateral on repurchase agreements, shall be held in safekeeping by a third party bank trust department, acting as agent for the County under the terms of a custody agreement executed by the bank and the Treasurer-Tax Collector. All trades executed between the County and a dealer will settle on a delivery vs. payment basis with a custodial bank. All security transactions engaged in by the Treasurer-Tax Collector shall be countersigned by another authorized treasury department employee.

Security Custody & Deliveries
All securities purchased shall be deposited for safekeeping with the custodial bank that has contracted to provide the County Treasurer with custodial security clearance services.

All security holdings shall be reconciled monthly by the County Treasurer-Tax Collector's Office and audited at least quarterly by the Auditor-Controller's Office.

All security transactions are to be conducted on a "delivery-versus-payment basis". Confirmation receipts on all investments are to be reviewed immediately for conformity with County transaction documentation. Confirmations resulting from securities purchased under repurchase agreements should clearly state the exact and complete nomenclature of the underlying securities purchased, that these securities have been sold to the County under a repurchase agreement, and the stipulated date and amount of the resale by the County back to the seller of the securities.

SECURITY INSTRUMENTS

Qualifications of Brokers, Dealers, and Financial Institutions
The Treasurer-Tax Collector will maintain a list of approved financial institutions authorized to provide investment services. Additionally, the Treasurer-Tax Collector shall transact business only with approved direct issuers; security brokers/dealers selected by credit worthiness that licensed by the State of California and licensed by the Financial Industry Regulatory Authority (FINRA); National or State chartered bank or savings institutions; and primary government dealers designated by the Federal Reserve.

Any broker/dealer interested in conducting business with the County must have an office within the State of California and is required to fill out an extensive questionnaire maintained by the Treasurer-Tax Collector. This questionnaire is then reviewed by the Treasurer-Tax Collector and upon acceptance permits the County to deal with the broker/dealer.

The Treasurer-Tax Collector views the relationship of the firm and its representatives to the County as being a long-term mutually beneficial business relationship. The Treasurer-Tax Collector expects the firm and its staff to act with integrity and trust. The firm must ensure that its staff is aware of the County Treasurer's Investment Policy as well as California Government Code sections 53601 and 53635 that govern the securities transactions of the County. The firm will be required to annually issue written acknowledgment that it has read and will comply with the County's Investment Policy.

No broker/dealer may have made political contributions greater than the limits expressed in Rule G-37 of the Municipal Securities Rule Making Body to the Treasurer-Tax Collector, Board of Supervisors, or candidate for those offices, or Treasury Oversight Committee members.

The Treasury staff shall investigate dealers with which it will conduct business in order to determine: if the firm is adequately capitalized and meets the Federal Reserve's minimum capital requirements for broker/dealer operations, makes markets in securities appropriate to the County's investment policy, the individual covering the account has a minimum of three years dealing with large institutional accounts, and receives three favorable recommendations from other short term cash portfolio managers.

Upon application, all firms will provide a copy of their most recent published annual report; quarterly reports issued since the last annual report; Financial and Operational Combined Uniform Single (FOCUS) Report; organization chart; and any financial information regarding credit lines and debt support provided by the parent firm.

Furthermore, no later than July 31 of each calendar year, in addition to the required annual written acknowledgment of the Investment Policy compliance, only as requested by the Treasurer-Tax Collector, all firms will provide a copy of their most recent published annual report; FOCUS Report; organization chart; and any financial information regarding credit lines and debt support provided by the parent firm.

Ratings

With the exception of LAIF, insured deposits, and U.S. Treasury and Government Agency issues, investments shall be placed only in those instruments and institutions rated favorably as determined by the Treasurer-Tax Collector in accordance with this Statement and with the assistance of Moody’s Investors Service, Standard and Poor’s Ratings Services, and Fitch Ratings.

If the rating of any security drops below the minimum acceptable rating for that security class, the investment will be sold if no significant loss of principal is involved or matured at the earliest possible convenience. These sales must be individually approved by the Treasurer-Tax Collector. A rating of “NR” by one rating service is not a split rating and does not bar the purchase of the security.

U.S. Agencies

The purchase of U.S. agency securities shall be limited to issues of the Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corp. (Freddie Mac/FHLMC), the Federal National Mortgage Corporation (Fannie Mae/FNMA), Federal Agricultural Mortgage Corporation (Farmer Mac/FAMCA), or in obligations, participations, or other instruments of, or issued by, a federal agency or a United States government-sponsored or backed entity. The fund’s holdings of any one federal agency security shall not exceed 25% of the total fund at the time of purchase. The maximum maturity of any one agency investment shall not exceed three years or 1150 days.

U. S. Government
United States Treasury Bills, Notes, and Bonds are backed by the full faith and credit of the United States Government. There shall be no limitation as to the percentage of the portfolio which can be invested in this category. The maturity of a security is limited to a maximum of three years or 1150 days.

Commercial Paper
Commercial Paper is a short term unsecured promissory note issued to finance short term credit needs. Commercial Paper eligible for investment must be of "prime" quality of the highest ranking or of the highest short-term letter and numerical rating as provided for by Standard and Poor's Ratings Services, Moody's Investors Service, and Fitch Ratings (S&P A-1+, A-1; Moody's P-1; Fitch F1+, F1). Eligible paper is further limited to issuing corporations that are organized and operating within the United States and have total assets in excess of $500 million and an "A" or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by S&P (A or higher), Moody's (A2 or higher) and Fitch (A or higher). Purchases of eligible Commercial Paper may not exceed 270 days to maturity. Purchases of Commercial Paper may not exceed 40 percent of the investment portfolio at the time of the purchase. No more than 10 percent of the total assets of the pool at the time of the purchase may be invested in the outstanding paper of any single issuing corporation. The Treasurer-Tax Collector shall establish a list of approved Commercial Paper issuers in which investments may be made.

Medium-Term Notes and Deposit Notes
Medium-Term Notes eligible for investment must be rated in the same categories described in **Commercial Paper**, above, to wit: Short-term ratings by S&P A-1 or higher; Moody's P-1; and Fitch F1 or higher; and long-term ratings of S&P A or higher, Moody's A2 or higher, and Fitch A or higher. Medium-Term Notes may not exceed 20 percent of the investment portfolio at the time of the purchase and may not have a maturity of longer than 2 years or 735 days.

Municipal Notes, Bonds and Other Obligations
Municipal notes, bonds, and other obligations eligible for investment are registered securities issued by the State of California and local California government agencies as well as registered securities issued by any of the other 49 states to finance capital and operating expenses. The characteristics of a municipal bond or note often are similar to the characteristics of corporate bonds and notes or the U.S. government and federal agency bonds and notes. Municipal notes normally have a specific maturity date, and bear interest that is scheduled to be paid at specific intervals. Municipal notes, bonds and other obligations may not exceed 30 percent of the investment portfolio at the time of purchase and the maturity may not exceed three years or 1150 days. Municipal notes must meet the minimum debt rating described above in Medium Term Notes and Deposit Notes.

Bankers Acceptances
A Bankers Acceptance is a draft or bill of exchange accepted by a bank or trust company and brokered to investors in the secondary market. Bankers Acceptances may be purchased for a period of up to 180 days and in an amount not to exceed 40 percent of the investment portfolio at the time of the purchase, with no more than 30 percent of the investment portfolio at the time of the purchase in the Bankers Acceptances of any one commercial bank. The Treasurer-

Tax Collector shall establish a list of those banks deemed most credit worthy for the investment in Bankers Acceptances, limited to those institutions rated as noted in **Commercial Paper** and **Medium-Term Notes**, above.

Negotiable Certificates of Deposit and Yankee Certificates of Deposit
Negotiable Certificates of Deposit (NCD) are issued by commercial banks, foreign banks, and thrift institutions against funds deposited for a specified period of time and earn specified or variable rates of interest. The Treasurer-Tax Collector may invest up to 30 percent of the investment portfolio at the time of the purchase in NCD's. Negotiable certificates of deposit shall be limited to those institutions rated as noted in **Commercial Paper** and **Medium-Term Notes**, above.

NCD's differ from other Certificates of Deposit in that they are illiquid instruments which are traded in secondary markets. The maximum term to maturity of any NCD shall be one year or 365 days. The Treasurer-Tax Collector shall establish a list of eligible domestic commercial banks, thrifts and state licensed foreign banks (Yankee Certificates of Deposit) which will be eligible for investment.

Yankee Certificates of Deposit (YCD) are issued in the United States by a branch or agency of a foreign bank. They are negotiable instruments, and most have a minimum face value of $100,000, making them appropriate for large investors. The maximum term to maturity of any YCD shall be one year or 365 days.

Certificates of Deposit
Certificates of Deposit are deposits by the Treasurer-Tax Collector in commercial banks or savings and loan associations within the State of California and shall be limited to those institutions rated as noted above in **Negotiable Certificates of Deposit**. Local institutions shall receive preference for deposits up to $250,000 if competitive rates are offered. These investments are non-negotiable. The maximum term to maturity shall not exceed one year or 365 days and shall be fully insured by the FDIC.

Repurchase Agreements
The County may invest in repurchase agreements with banks and dealers of primary dealer status recognized by the Federal Reserve with which the County has entered into a repurchase contract which specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored daily by the Treasurer-Tax Collector and will not be allowed to fall below 102% of the value borrowed against those funds. The value is adjusted quarterly based on the value of the repurchase agreement.

In order to conform with provisions of the Federal Bankruptcy Code which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible bankers' acceptances, or securities that are direct obligations of, or that are fully guaranteed as to principal and interest by the United States or any agency of the United States. Furthermore, this collateral shall not exceed three years or 1150 days to maturity.

There shall be a $75 million limitation in repurchase agreements entered into with any one institution.

Securities Lending

Securities Lending is permissible as an agreement to lend securities to a borrower who provides collateral to the local agency. The local agency retains ownership and continues to receive all interest, dividends, and capital appreciation. Both securities and collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

Local Agency Investment Fund

The Treasurer-Tax Collector may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

CalTrust and California Asset Management Program (CAMP)

The Treasurer-Tax Collector may invest in The Investment Trust of California, doing business as CalTRUST, and in California Asset Management Program (CAMP), California joint powers authorities in which local agencies may invest funds pursuant to Government Code section 53601(p). The combined investment in CalTrust and CAMP shall not exceed $25,000,000 at the time of the purchase. The Treasurer-Tax Collector shall withdraw its entire investment in a program if the S&P rating falls below AAf/S-1+ for CalTrust or AAAm for CAMP.

Local Agency Debt and State Warrants

The Treasurer-Tax Collector may invest in bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

The Treasurer-Tax Collector may invest in registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state, or by a department, board, agency, or authority of the state.

Supranationals

The Treasurer-Tax Collector may invest surplus funds to include United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB).

These instruments must have a maximum remaining maturity of three years (1150 days) or less, be eligible for purchase and sale within the United States, be S&P rated "AAA" and shall not exceed 30% of the investment pool.

Prohibited Transactions and Asset-Backed Securities

At the time of purchase, all permitted investments shall conform in all respects with this Investment Policy Statement and with applicable provisions of the California Government Code.

The Treasurer-Tax Collector may not invest in asset backed securities such as Collateralized Mortgage Obligations.

Apportionment of Interest and Costs

Interest shall be apportioned to all pool participants quarterly, based upon the ratio of the average daily balance of each individual fund to the average daily balance of all funds in the Investment Pool. The amount of interest apportioned shall be determined using the accrual method of accounting, whereby interest will be apportioned for the quarter in which it was actually earned. The Treasurer-Tax Collector may deduct from the gross interest earnings those administrative costs relating to the management of the Treasury, including salaries and other compensation, banking costs, equipment costs, supplies, the cost of information services, cashiering, accounting, reporting remittance processing, depositing of public funds, audit, and any other costs as provided by Section 27013, 27133(f), and 27135.

AUTHORITY AND RESPONSIBILITIES OF THE TREASURER-TAX COLLECTOR

Delegation to Authority to Invest

The Treasurer-Tax Collector's authority to invest is delegated by the Board of Supervisors in accordance with the California Government Code Sections 27000.1 and 53607. Statutory authority for the investment and safekeeping functions are found in Sections 53600 et seq., and 53630 et seq., of the California Government Code.

The Treasurer-Tax Collector has the authority to react to unstable market conditions in order to preserve the safety, liquidity or yield of the portfolio. The Treasurer-Tax Collector's reaction may temporarily change the investment parameters or investment practices of the County until the market has stabilized or until the Board of Supervisors has approved a revised Investment Policy.

The Treasurer-Tax Collector shall immediately notify the Treasury Oversight Committee members and the Board of Supervisors at their next scheduled meeting of any changes to the investment parameters or practices that were precipitated by the unstable market conditions.

Authority to Execute Investment Transactions

The authority to execute investment transactions on a daily basis is limited to the Treasurer-Tax Collector. This function may be delegated to the Assistant Treasurer-Tax Collector and/or other Treasury personnel at the discretion of the Treasurer-Tax Collector.

Competitive Bidding

All purchase/sales shall be made only after a process of competitive bidding, unless information provided on electronic market quotation services, faxes, or email transmissions show current market rates. A minimum of three offer/bids should be obtained before an investment is purchased or sold. Exceptions to the above would involve transactions in U.S. Treasury or agency obligations, repurchase agreements, securities possessing unique characteristics which would make competitive bidding impractical, or market circumstances in which competitive bidding could be adverse to the best interest of the Treasurer-Tax Collector's investment program.

Place and Time for Conducting Business

Investment transactions shall not be conducted from any place other than the office of the Treasurer-Tax Collector during normal business hours established for Treasury operations. Exceptions must have the approval of the Treasurer-Tax Collector.

Conflict of Interest

No agency employee nor Treasury Oversight Committee member may directly or indirectly accept or solicit from any persons, corporations, or group having a business relationship with this Agency anything of economic value as a gift, gratuity, or favor which would be in conflict with the County Administrative Policy.

No agency employee nor Treasury Oversight Committee member shall, outside of regular working hours, engage in any profession, trade, business, or occupation which is incompatible or involves a conflict of interest with his duties as a county officer or employee, or which in any way may reflect unfavorably on this Agency, the appointing authority, or his fellow employees.

Portfolio Reporting

The Treasurer-Tax Collector shall prepare a monthly Investment Report to be presented at a regularly scheduled meeting of the Board of Supervisors, including a succinct management summary that provides a clear picture of the status of the current investment portfolio, market conditions and strategy for the coming months. The report will also include a listing of all investments by type, name of issuer, date of maturity, par and dollars amount invested in each security, investment, and the money within the Treasury. There will be a separate statement advising the Board of the longest maturity of a security in the portfolio. The report will contain a statement assuring the Board that the anticipated cash flow needs of the participants will be met. The report will also include a statement that the investment practices and portfolio holdings are in compliance with the investment policy or an explanation as to why there is a condition which exists outside of the investment policy. The Treasurer-Tax Collector will also provide a copy of the Investment Report to the Treasury Oversight Committee members at scheduled meetings.

Disaster Recovery Program

The Treasurer-Tax Collector's Disaster Plan includes critical phone numbers and addresses of key Treasury and investment personnel, as well as, currently approved bankers and broker/dealers. The plan provides for an offsite location to be communicated at the time of readiness if the Treasurer-Tax Collector's offices are uninhabitable. In the event the Treasurer or authorized staff is unable to invest the portfolio, the Treasurer has an agreement with the custodian for a daily sweep of all uninvested cash with the custody bank into an interest-bearing account.

Until normal operations of the Treasurer's office have been restored, the limitations on the size of an Individual issuer and the percentage restrictions by investment type would be allowed to exceed those approved in this Investment Policy Statement and would be required to be reported to the Board of Supervisors and Pool Participants in a timely manner.

Extraordinary Withdrawals

The Treasurer-Tax Collector will maintain a schedule of seasonal deposits into and withdrawals from the investment pool by participating districts. Constant contact with the pool participants will be maintained to ascertain any cash needs beyond the anticipated cash-flow patterns. Our investment strategy is based upon the known cash-flow patterns, which allow the Treasurer-Tax Collector to maximize interest earnings for the County and other pool participants.

Extraordinary withdrawals could create a liquidity problem and negatively impact the earnings of the remaining pool participants if the Treasurer-Tax Collector is forced to liquidate securities before their scheduled maturity date. A pool participant who wishes to withdraw from the pool or make an extraordinary withdrawal, will be encouraged to work with the Treasury to arrange a withdrawal schedule that would prevent losses to the withdrawing district or the remaining pool participants. Losses experienced by the County investment pool, which were precipitated by the unnoticed extraordinary withdrawal of funds, will be borne by the district who caused such losses to occur. The Treasurer-Tax Collector reserves the right to choose which securities to liquidate and could choose to sell the securities that have the lowest earnings.

Terms and Conditions that a Local Agency May Participate in the Pool

Local agencies may, by resolution of their governing bodies and the approval of the Treasurer-Tax Collector, deposit excess funds in the County Treasury for the purpose of investment by the Treasurer-Tax Collector. The procedures for this process are contained in the Treasury Procedural Manual.

INVESTMENT GLOSSARY

Accrued Interest – Interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

Agency Issues – Securities issued by federal agencies, those chartered by the federal government or Government Sponsored Enterprises that are considered to be backed by the federal government. See also Government Sponsored Enterprises.

Amortized Cost – The original cost of the principal adjusted for the periodic reduction of any discount or premium from the purchase date until a specific date (also called "Book Value").

Bankers Acceptance – Money market instrument created from transactions involving foreign trade. In its simplest and most traditional form, a bankers' acceptance is merely a check, drawn on a bank by an importer or exporter of goods.

Basis Point – A unit of measurement equal to 1/100 of 1 percent. As an example, the difference between a security yielding 3.25% and one yielding 3.20% is five basis points.

Benchmark – An index or security used to compare the performance of a portfolio.

Bond – A long-term debt instrument of a government or corporation promising payment of the original investment plus interest by a specified future date.

Bullet – A colloquial term for a bond that cannot be redeemed, or called, prior to maturity.

Callable Bond – A bond in which all or a portion of its outstanding principal may be redeemed prior to maturity by the issuer under specified conditions.

Collateralization – Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralized Certificate of Deposit – An instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is collateralized by the bank with securities at a minimum of 110% of the deposit amount.

Commercial Paper – Money Market instrument representing an unsecured short-term promissory note of a corporation at a specified rate of return for a specified period of time.

Coupon – The stated interest rate on a debt security that an issuer promises to pay.

Credit Quality – An indication of risk that an issuer of a security will fulfill its obligation, as rated by a rating agency.

<u>Credit Rating</u> – A standardized assessment, expressed in alphanumeric characters, of a company's creditworthiness.

<u>Credit Risk</u> – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

<u>Derivatives</u> – Securities which derive their value from that of another security or an underlying index, currency or other measure. Floating rate notes (also "floaters") are not considered derivatives.

<u>Discount Instruments</u> – Securities that are sold at a discount to face value.

<u>Diversification</u> – The practice or concept of investing in a range of securities by sector, maturity, asset class or credit quality in order to reduce and spread financial risk.

<u>Dollar Weighted Average Maturity</u> – The sum of the amount of each security investment multiplied by the number of days to maturity, divided by the total amount of security investments.

<u>Duration</u> – Is a measure of the price volatility of a portfolio and reflects an estimate of the projected increase or decrease in the value of that portfolio based upon a decrease or increase in the interest rates. A duration of 1.0 means that for every one percent increase in interest rates, the market value of the Portfolio would decrease by 1.0 percent.

<u>Earnings Apportionment</u> – Is the quarterly interest distribution to the Pool Participants where the actual investment costs incurred by the Treasurer are deducted from the interest earnings of the Pool.

<u>Government Obligations</u> – Securities issued by the U.S. Treasury and Federal Agencies. U.S. Treasuries are direct obligations of the Federal Government. Agencies are not direct obligations of the Federal Government, but involve Federal sponsorship or guarantees.

<u>Government Sponsored Enterprises (GSE'S)</u> – Private, shareholder-owned companies with a relationship with government agencies. These agencies generally are viewed to have an implied guarantee of the U.S. government.

<u>Highly Liquid</u> – The most eminent type of security that is easily converted to cash because there are many interested buyers and sellers to trade large quantities at a reasonable price.

<u>Illiquid</u> – A security that is difficult to buy or sell or has a wide spread between the bid price and offer price in the secondary market. There are few buyers and sellers willing to trade large quantities at a reasonable price.

<u>Interest Rate Risk</u> – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. Also called "Market Risk".

<u>Liquid</u> – A security that is easily bought and sold because of the willingness of interested buyers and sellers to trade large quantities at a reasonable price.

<u>Local Agency Obligation</u> – An indebtedness issued by a local agency, department, board, or authority within the State of California.

<u>Long-Term</u> – The term used to describe a security when the maturity is greater than one year.

<u>Market Value</u> – An estimate of the value of a security at which the principal would be sold from a willing seller to a willing buyer at the date of pricing.

<u>Medium-Term Notes</u> – These are Corporate Notes and Bank Notes that are debt obligations of banks, corporations, and insurance companies. They are issued at a specific rate of return for a specific period of time.

<u>Money Market Mutual Fund</u> – A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty.

<u>Municipal Notes, Bonds and Other</u> Obligations - Municipal notes, bonds, and other obligations are securities issued by state and local government agencies to finance capital and operating expenses. The characteristics of a municipal bond or note often are similar to the characteristics of corporate bonds and notes or the U.S. government and federal agency bonds and notes. Municipal notes normally have a specific maturity date, and bear interest that is scheduled to be paid at specific intervals. Municipal notes, bonds and other obligations may not exceed a maximum of three years or 1150 days. Municipal notes must meet the minimum debt rating described above in Medium Term Notes and Deposit Notes.

<u>Negotiable Certificate of Deposit</u> – A Money Market instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is traded in secondary markets.

<u>Par</u> – The stated maturity value, or face value, of a security.

<u>Pass-Through Securities</u> – A debt instrument that reflects an interest in a mortgage pool, consumer receivables pool and equipment lease-backed pool that serves as collateral for a bond.

<u>Pool</u> – In this context, the pooled monies of different government agencies administered by the County Treasurer. Each pool member owns a fractional interest in the securities held in the Pool.

<u>Portfolio Value</u> – The total book value amount of all the securities held in the Treasurer's Pooled Money Fund.

<u>Primary Dealer</u> – A group of dealers and banks that can buy and sell securities directly with the Federal Reserve Bank of New York.

Private Placements – Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

Range Notes – Notes which pay interest only if the underlying index upon which it is benchmarked, falls within a certain range.

Repurchase Agreement – A repurchase agreement consists of two simultaneous transactions. One is the purchase of securities by an investor (i.e., the County), the other is the commitment by the seller (i.e. a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed future date.

Reverse Repurchase Agreement – The mirror image of Repurchase Agreements. In this instance the County Pool is the seller of securities to an investor (i.e. brokers).

Safekeeping – A custodian bank's action to store and protect an investor's securities by segregating and identifying the securities.

Securities Lending – A transaction wherein the Treasurer's Pool transfers its securities to broker/dealers and other entities for collateral which may be cash or securities and simultaneously agrees to return the collateral for the same securities in the future.

Short-Term – The term used to describe a security when the maturity is one year or less.

Supranationals – Senior unsecured unsubordinated obligations that are issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. They are eligible for purchase and sale within the United States and approved for investments by local agencies in California as of January 1, 2015.

Total Return – The sum of all investment income plus changes in the capital value of a portfolio for a given period.

Voluntary Participants – Local agencies that are not required to deposit their funds with the County Treasurer.

Weighted Average Maturity – The remaining average maturity of all securities held in a portfolio.

Yankee Certificates of Deposit - Yankee Certificates of Deposit (YCD) are issued in the United States by a branch or agency of a foreign bank. They are negotiable instruments, and most have a minimum face value of $100,000, making them appropriate for large investors.

Yield – The gain, expressed as a percentage that an investor derives from a financial asset.

Yield to Maturity – The percentage rate of return paid if the security is held to its maturity date. The calculation is based on the coupon rate, length of time to maturity, and market price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate.

APPENDIX A: INVESTMENT INSTRUMENTS

Investment Instruments	Maximum Maturity	Maximum Specified Percentage of Portfolio	Approved Selected Agencies
U.S. Agencies	3 years or 1150 days	N/A	Yes
Commercial Paper (CP)	270 days	40%	Yes
Medium Term Notes (MTN)	2 years or 735 days	20%	Yes
Supranationals	3 years (1150 days) or less	30%	Yes
U.S. Government Treasury Bills, Notes, and Bonds	3 years or 1150 days	N/A	
Yankee Certificates of Deposit (YCD)	1 year or 365 days	30%	Yes
Negotiable Certificates of Deposit (NCD)	1 year or 365 days	30%	Yes
Certificates of Deposits (CD)	1 year or 365 days	30%	Yes
Local Agency Investment Fund (LAIF)	N/A	Maximum As Permitted by State Law	
CalTrust/CAMP		$25 MM	
Munis	3 years or 1150 days	30%	

TREASURER-TAX COLLECTOR
VENTURA COUNTY

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Sue Horgan
Assistant Treasurer-Tax Collector

April 9, 2019

Ventura County Board of Supervisors
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Receive and File Report of Investments, Including Market Values for Investments for the Month Ending February 28, 2019.

RECOMMENDATION: Receive and File

FISCAL/MANDATES IMPACT: None

DISCUSSION:
This report covers the one-month period ending February 28, 2019. The report reflects continuing positive trends in the investment portfolio results.

The **average daily portfolio balance** for February was $2.634 Billion, which exceeds the highest prior February balance ever, by $174 Million. It also reflects the predicted small decline of $53 Million from January. The balance will continue to decline slightly until the April tax collection period.

The **annualized percentage yield** for February was 2.669%, an increase of 0.094% over January. As I write this report in mid-March, I believe the pool's annualized percentage yield will remain steady in the 2.50% - 2.70% range through April.

Going forward, if the current pool investments were all held to maturity, the pool's **approximate yield to maturity** is 2.62%.

The **total net earnings** for February were $5.393 Million. February is a short month; even two days can make a difference. March is a long month. Actual earnings will be higher in March.

The **weighted average days to maturity** fell to 135 days. The interest-rate sensitivity measure of **effective duration** fell to 0.360. Both of these numbers remain within the 12-month range, reflecting the pool's very low sensitivity to interest rate changes.

The **three largest sectors**, by percentage, were: Commercial Paper (29.69%), Yankee Certificates of Deposit (28.94%), and Supranationals (13.55%.) The **three largest individual issuers**, by percentage, were: J.P. Morgan Securities LLC (6.95%), International Finance Corporation (6.88%), and Toronto Dominion (6.39%).

The portfolio has been managed with the stated objectives of safety, liquidity, and earning a competitive return, as outlined in the Statement of Investment Policy. In striving to maintain **the primary objective, safety of principal**, the County portfolio has for several years received a rating of AAAf/S1+ by Standard & Poor's, the highest rating given by that agency, re-affirmed on January 16, 2019. The rating reflects S&P's opinion that the pool is well-managed, credit-worthy, well-diversified, and has a low sensitivity to interest rate variations. Regarding **the secondary objective of maintaining sufficient liquidity** to meet cash flow needs, the portfolio maintains significant cash reserves in the County's bank, as well as significant holdings in LAIF and CalTrust. The pool has the ability to meet its participants' expenditure requirements for the next six months, pursuant to a daily study of projected cash flows. All of the pool's assets have a well-developed resale market, although of course it is our policy not to sell. **Earning a competitive rate of return** is reflected by our performance against our benchmarks, even though they each have less restrictive investment policies than ours.

The portfolio will be managed on the assumption that interest rates within our investment policy horizon will not change significantly over the next few months. The portfolio is well-positioned to respond, whether rates rise, drop, or hold steady. We will continue to focus our new investments on issues with maturity dates of one year, or less, for at least the next three months.

This letter has been reviewed and approved as to form by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

Please contact me at 805-654-3726 if you have any questions or require further information regarding this item.

Sincerely,

STEVEN HINTZ
Treasurer-Tax Collector

Exhibit 1 – Wells Fargo Market/Cost Value Comparison Report – Month End 02/28/2019
Exhibit 2 – Monthly Transactions Report – February 2019
Exhibit 3 – Portfolio Average Monthly Balance Graph – February 2017-2019
Exhibit 4 – Average Maturity Graph – February 2017-2019
Exhibit 5 – Yield Comparison Graph – February 2018-2019
Exhibit 6 – Rolling 2-Year % Yield Graph – February 2017-2019 (Ventura)
Exhibit 7 – Rolling 2-Year $ Yield Graph – February 2017-2019
Exhibit 8 – Portfolio Holdings by Class Graph – February 2019

WELLS FARGO
Market/Cost Value Comparison Report
By Account By Industry Class
COUNTY OF VENTURA

General Reporting
From Month End With Pricing 02/28/2019
03/07/2019 07:22:03 AM PST

ACCOUNT: All Accounts Selected
* = Trade or Other Activity Pending

Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
ACCOUNT: 11435100 COUNTY OF VENTURA										
NET CASH										
NET CASH										
	.0000		$.00	$.00	$.00	.00			.0000	.00
U.S. DOLLARS										
SUBTOTAL	**.0000**		**$.00**	**$.00**	**$.00**	**.00**			**.0000**	**.00**
US GOVERNMENT SHORT-TERM										
US TREASURY BILLS										
912796QC6	5,000,000.0000	04/25/2019	$4,981,750.00	$4,893,694.44	$88,055.56	1.80	N/A	N/A	.0000	.00
US TREASURY BILL DTD 04/26/18 04/25/2019										
912796QM4	10,000,000.0000	06/20/2019	$9,926,100.00	$9,783,194.44	$142,905.56	1.46	N/A	N/A	.0000	.00
US TREASURY BILL DTD 06/21/18 06/20/2019										
GOVERNMENT AGENCY DISCOUNT										
313312CU2	5,000,000.0000	03/08/2019	$4,997,700.00	$4,896,866.50	$100,833.50	2.06	N/A	N/A	.0000	.00
FED FARM CREDIT BK DISC NOTE DTD 03/08/18 03/08/2019										
313384EM7	10,000,000.0000	04/18/2019	$9,967,900.00	$9,782,611.11	$185,288.89	1.89	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 04/18/18 04/18/2019										
313384EZ8	10,000,000.0000	04/30/2019	$9,959,800.00	$9,936,666.67	$23,133.33	.23	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 04/30/18 04/30/2019										
313384FC8	10,000,000.0000	05/03/2019	$9,957,700.00	$9,822,155.56	$135,544.44	1.38	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 05/03/18 05/03/2019										
313384GL7	5,000,000.0000	06/04/2019	$4,967,800.00	$4,919,683.33	$48,116.67	.98	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 06/04/18 06/04/2019										
313384HP7	5,000,000.0000	07/01/2019	$4,958,150.00	$4,922,879.17	$35,270.83	.72	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 07/02/18 07/01/2019										
313384LF4	5,000,000.0000	09/03/2019	$4,935,700.00	$4,913,887.50	$21,812.50	.44	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 09/04/18 09/03/2019										
313384LQ0	20,000,000.0000	09/12/2019	$19,730,200.00	$19,578,863.50	$151,336.50	.77	N/A	N/A	.0000	.00
FED HOME LN BK DISC NOTE DTD 09/12/18 09/12/2019										
313396HK2	5,000,000.0000	06/27/2019	$4,960,000.00	$4,924,222.22	$35,777.78	.73	N/A	N/A	.0000	.00
FED HOME LN MTG CORP DISC NOTE DTD 06/27/18 06/27/2019										
313396JX2	20,000,000.0000	08/02/2019	$19,787,000.00	$19,652,111.11	$134,888.89	.69	N/A	N/A	.0000	.00

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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
		FED HOME LN MTG CORP DISC NOTE DTD 08/02/18 08/02/2019								
313396PL1	10,000,000.0000	11/19/2019	$9,817,400.00	$9,820,819.44	($3,419.44)	(.03)	N/A	N/A	.0000	.00
		FED HOME LN MTG CORP DISC NOTE DTD 11/19/18 11/19/2019								
SUBTOTAL	**120,000,000.0000**		**$118,947,200.00**	**$117,847,654.99**	**$1,099,545.01**	**.93**			**.0000**	**.00**
SAVINGS & CERTIFICATES OF DEPOSIT										
MARKETABLE CERTIFICATES OF DEPOSIT										
05971XLA7	10,000,000.0000	08/30/2019	$10,004,500.00	$10,001,202.02	$3,297.98	.03	N/A	N/A	.0000	.00
		BANCO DEL ESTA DE CHLE CERT OF DEPOSIT								
48668MZA4	10,000,000.0000	06/05/2019	$10,002,500.00	$10,002,000.00	$500.00	.00	N/A	N/A	.0000	.00
		KOOKMIN BANK NY BRCH CERT OF DEPOSIT								
48668MZP1	10,000,000.0000	07/18/2019	$10,009,300.00	$10,001,480.57	$7,819.43	.08	N/A	N/A	.0000	.00
		KOOKMIN BANK NY BRCH CERT OF DEPOSIT								
48668MZQ9	20,000,000.0000	07/18/2019	$20,017,800.00	$20,002,358.24	$15,441.76	.08	N/A	N/A	.0000	.00
		KOOKMIN BANK NY BRCH CERT OF DEPOSIT								
48668MZR7	10,000,000.0000	07/19/2019	$10,007,900.00	$10,001,624.00	$6,276.00	.06	N/A	N/A	.0000	.00
		KOOKMIN BANK NY BRCH CERT OF DEPOSIT								
50066BNK3	10,000,000.0000	03/29/2019	$10,000,400.00	$10,003,242.66	($2,842.66)	(.03)	N/A	N/A	.0000	.00
		KOREA DEVELOPMENT BK CERT OF DEPOSIT								
50066BPR6	20,000,000.0000	06/24/2019	$20,000,220.00	$20,003,602.60	($3,382.60)	(.02)			.0000	.00
		KOREA DEVELOPMENT BK CERT OF DEPOSIT								
50066BPS4	10,000,000.0000	06/24/2019	$10,008,200.00	$10,001,184.70	$7,015.30	.07	N/A	N/A	.0000	.00
		KOREA DEVELOPMENT BK CERT OF DEPOSIT								
50066BPT2	10,000,000.0000	06/27/2019	$10,008,200.00	$10,001,200.00	$7,000.00	.07	N/A	N/A	.0000	.00
		KOREA DEVELOPMENT BK CERT OF DEPOSIT								
50066BPW5	20,000,000.0000	10/07/2019	$20,016,600.00	$20,003,571.36	$13,028.64	.07	N/A	N/A	.0000	.00
		KOREA DEVELOPMENT BK CERT OF DEPOSIT								
63375PJ75	10,000,000.0000	03/07/2019	$10,000,400.00	$10,001,944.78	($1,544.78)	(.02)	N/A	N/A	.0000	.00
		NATIONAL BANK OF KUWAI CERT OF DEPOSIT								
63375PK32	10,000,000.0000	03/15/2019	$10,000,600.00	$10,001,951.59	($1,351.59)	(.01)	N/A	N/A	.0000	.00
		NATIONAL BANK OF KUWAI CERT OF DEPOSIT								
63375PQ93	20,000,000.0000	03/01/2019	$20,000,200.00	$20,002,570.80	($2,370.80)	(.01)	N/A	N/A	.0000	.00

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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PR76	10,000,000.0000	06/03/2019	$10,000,700.00	$10,001,324.96	($624.96)	(.01)	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PS59	20,000,000.0000	07/03/2019	$20,006,800.00	$20,002,808.68	$3,991.32	.02	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PT66	10,000,000.0000	08/06/2019	$10,012,200.00	$10,002,199.52	$10,000.48	.10	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PU98	15,000,000.0000	07/18/2019	$15,015,900.00	$15,001,775.69	$14,124.31	.09	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PV22	20,000,000.0000	07/18/2019	$20,021,200.00	$20,002,356.87	$18,843.13	.09	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PV30	10,000,000.0000	09/03/2019	$10,013,200.00	$10,001,402.67	$11,797.33	.12	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PV89	10,000,000.0000	04/18/2019	$10,004,300.00	$10,000,291.92	$4,008.08	.04	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
63375PW62	10,000,000.0000	08/30/2019	$10,008,400.00	$10,000,619.00	$7,781.00	.08	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUW CERT OF DEPOSIT									
63375PW96	10,000,000.0000	08/01/2019	$10,005,900.00	$10,000,533.23	$5,366.77	.05	N/A	N/A	.0000	.00
	NATIONAL BANK OF KUWAI CERT OF DEPOSIT									
65590AUG9	10,000,000.0000	03/28/2019	$9,999,300.00	$10,000,000.00	($700.00)	(.01)			.0000	.00
	NORDEA BK AB (PUBL) NY CERT OF DEPOSIT									
65590AUW4	10,000,000.0000	04/09/2019	$9,999,200.00	$10,000,000.00	($800.00)	(.01)			.0000	.00
	NORDEA BK AB (PUBL) NY CERT OF DEPOSIT									
65590AWW2	20,000,000.0000	05/10/2019	$19,994,800.00	$20,003,757.76	($8,957.76)	(.04)	N/A	N/A	.0000	.00
	NORDEA BK AB (PUBL) NY CERT OF DEPOSIT									
69033L6E4	10,000,000.0000	06/07/2019	$10,002,300.00	$10,002,906.45	($606.45)	(.01)	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MEN3	20,000,000.0000	10/11/2019	$20,020,600.00	$20,003,011.96	$17,588.04	.09	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MEQ6	10,000,000.0000	08/30/2019	$10,009,900.00	$10,001,271.16	$8,628.84	.09	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									

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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
69033MER4	20,000,000.0000	08/30/2019	$20,019,800.00	$20,003,797.64	$16,002.36	.08	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MES2	10,000,000.0000	01/10/2020	$10,013,400.00	$10,001,964.42	$11,435.58	.11	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MET0	10,000,000.0000	09/23/2019	$10,008,300.00	$10,001,373.08	$6,926.92	.07	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MEU7	10,000,000.0000	09/17/2019	$10,008,400.00	$10,001,335.65	$7,064.35	.07	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MFD4	15,000,000.0000	04/29/2019	$15,002,400.00	$15,000,731.85	$1,668.15	.01	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MFN2	10,000,000.0000	05/29/2019	$10,000,400.00	$10,000,589.97	($189.97)	.00	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MFR3	10,000,000.0000	05/29/2019	$10,000,400.00	$10,000,573.55	($173.55)	.00	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANKING CERT OF DEPOSIT									
69033MFS1	10,000,000.0000	05/20/2019	$10,000,400.00	$10,000,496.85	($96.85)	.00	N/A	N/A	.0000	.00
	OVERSEA-CHINESE BANK CERT OF DEPOSIT									
78012UCJ2	10,000,000.0000	03/28/2019	$10,000,900.00	$10,000,000.00	$900.00	.01	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UEA9	10,000,000.0000	03/28/2019	$10,000,700.00	$10,000,000.00	$700.00	.01	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UER2	10,000,000.0000	07/05/2019	$10,002,900.00	$10,000,000.00	$2,900.00	.03	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UET8	10,000,000.0000	06/04/2019	$10,000,900.00	$10,000,000.00	$900.00	.01	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UJJ5	25,000,000.0000	06/03/2019	$25,006,000.00	$25,000,000.00	$6,000.00	.02	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UJM8	20,000,000.0000	07/12/2019	$20,019,000.00	$20,000,000.00	$19,000.00	.10	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UKC8	10,000,000.0000	07/25/2019	$10,014,200.00	$10,000,000.00	$14,200.00	.14	N/A	N/A	.0000	.00
	ROYAL BK OF CANADA CERT OF DEPOSIT									
78012UKY0	10,000,000.0000	12/10/2019	$10,027,900.00	$10,000,000.00	$27,900.00	.28	N/A	N/A	.0000	.00

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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
		ROYAL BK OF CANADA CERT OF DEPOSIT								
85325TS97	15,000,000.0000	07/22/2019	$15,019,800.00	$15,002,201.10	$17,598.90	.12	N/A	N/A	.0000	.00
		STANDARD CHRTRD BNK NY CERT OF DEPOSIT								
85325TT96	10,000,000.0000	11/06/2019	$10,029,400.00	$10,001,473.40	$27,926.60	.28	N/A	N/A	.0000	.00
		STANDARD CHRTRD BNK NY CERT OF DEPOSIT								
85325TZ57	10,000,000.0000	09/06/2019	$10,008,900.00	$10,001,251.44	$7,648.56	.08	N/A	N/A	.0000	.00
		STANDARD CHRTRD BNK NY CERT OF DEPOSIT								
89113X5R1	10,000,000.0000	07/05/2019	$10,003,200.00	$10,001,974.91	$1,225.09	.01	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XC93	10,000,000.0000	03/28/2019	$10,001,200.00	$10,002,963.00	($1,763.00)	(.02)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XY81	20,000,000.0000	03/05/2019	$20,000,000.00	$20,003,052.94	($3,052.94)	(.02)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MFW2	10,000,000.0000	09/25/2019	$10,010,800.00	$10,002,958.28	$7,841.72	.08	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MMF1	10,000,000.0000	06/27/2019	$10,013,100.00	$10,001,801.30	$11,298.70	.11	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MMQ7	10,000,000.0000	07/02/2019	$10,013,200.00	$10,000,611.12	$12,588.88	.13	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MPV3	25,000,000.0000	12/02/2019	$25,083,000.00	$25,007,219.85	$75,780.15	.30	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MQB6	5,000,000.0000	12/11/2019	$5,016,650.00	$5,001,475.50	$15,174.50	.30	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MSB4	10,000,000.0000	01/02/2020	$10,030,600.00	$10,001,968.30	$28,631.70	.29	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MSV0	10,000,000.0000	08/30/2019	$10,010,500.00	$10,000,633.06	$9,866.94	.10	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MTY3	10,000,000.0000	05/30/2019	$10,001,900.00	$10,000,650.00	$1,250.00	.01	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89114MUK1	10,000,000.0000	05/30/2019	$10,001,400.00	$10,000,611.89	$788.11	.01	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								

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89114MUS4	10,000,000.0000	05/28/2019	$10,001,400.00	$10,000,286.78	$1,113.22	.01	N/A	N/A	.0000	.00
	TORONTO-DOMINION CERT OF DEPOSIT									
89114MVD6	10,000,000.0000	05/29/2019	$10,006,200.00	$10,000,568.11	$5,631.89	.06	N/A	N/A	.0000	.00
	TORONTO-DOMINION CERT OF DEPOSIT									
89114MVQ7	10,000,000.0000	05/28/2019	$10,001,000.00	$10,000,262.15	$737.85	.01	N/A	N/A	.0000	.00
	TORONTO-DOMINION CERT OF DEPOSIT									
SUBTOTAL	**770,000,000.0000**		**$770,569,770.00**	**$770,095,019.33**	**$474,750.67**	**.06**			**.0000**	**.00**
COMMERCIAL PAPER										
COMMERCIAL PAPER DISCOUNT										
22533UQ89	10,000,000.0000	03/08/2019	$9,995,300.00	$9,816,808.30	$178,491.70	1.82			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 06/14/18 03/08/2019									
22533URJ4	25,000,000.0000	04/18/2019	$24,915,750.00	$24,786,889.00	$128,861.00	.52			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 12/27/18 04/18/2019									
22533US61	10,000,000.0000	05/06/2019	$9,953,300.00	$9,859,961.11	$93,338.89	.95			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 10/05/18 05/06/2019									
22533UUF8	10,000,000.0000	07/15/2019	$9,902,500.00	$9,799,333.33	$103,166.67	1.05			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 10/30/18 07/15/2019									
22533UV18	10,000,000.0000	08/01/2019	$9,889,500.00	$9,785,722.20	$103,777.80	1.06			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 11/08/18 08/01/2019									
22533UVU4	10,000,000.0000	08/28/2019	$9,870,000.00	$9,830,891.67	$39,108.33	.40			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 12/28/18 08/28/2019									
22533UVW0	10,000,000.0000	08/30/2019	$9,868,100.00	$9,835,611.11	$32,488.89	.33			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 12/06/18 08/30/2019									
22533UW33	15,000,000.0000	09/03/2019	$14,797,800.00	$14,705,350.05	$92,449.95	.63			.0000	.00
	CREDIT AGRICOLE CRP&IN CPDN DTD 12/28/18 09/03/2019									
2254EBS85	20,000,000.0000	05/08/2019	$19,903,600.00	$19,682,327.78	$221,272.22	1.12			.0000	.00
	CREDIT SUISSE AG CPDN DTD 10/09/18 05/08/2019									
2254EBT50	20,000,000.0000	06/05/2019	$19,863,400.00	$19,644,027.80	$219,372.20	1.12			.0000	.00
	CREDIT SUISSE AG CPDN DTD 10/15/18 06/05/2019									
2254EBTT8	20,000,000.0000	06/27/2019	$19,832,200.00	$19,713,416.60	$118,783.40	.60			.0000	.00
	CREDIT SUISSE AG CPDN DTD 12/28/18 06/27/2019									

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COUNTY OF VENTURA

General Reporting
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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
2254EBUJ8	10,000,000.0000	07/18/2019	$9,900,400.00	$9,827,800.00	$72,600.00	.74			.0000	.00
	CREDIT SUISSE AG CPDN DTD 12/14/18 07/18/2019									
2254EBV16	25,000,000.0000	08/01/2019	$24,723,750.00	$24,572,027.75	$151,722.25	.62			.0000	.00
	CREDIT SUISSE AG CPDN DTD 12/27/18 08/01/2019									
2254EBV99	25,000,000.0000	08/09/2019	$24,709,250.00	$24,445,081.75	$264,168.25	1.08			.0000	.00
	CREDIT SUISSE AG CPDN DTD 11/13/18 08/09/2019									
25213MBP5	25,000,000.0000	07/15/2019	$24,756,250.00	$24,548,250.00	$208,000.00	.85			.0000	.00
	DEXIA CREDIT LOCAL CPDN DTD 11/23/18 07/15/2019									
25214PMY6	10,000,000.0000	08/01/2019	$9,889,500.00	$9,806,516.67	$82,983.33	.85			.0000	.00
	DEXIA CREDIT LOCAL CPDN DTD 11/27/18 08/01/2019									
30229BQV2	10,000,000.0000	03/29/2019	$9,981,000.00	$9,965,188.89	$15,811.11	.16			.0000	.00
	EXXON MOBIL CORP CPDN DTD 12/11/18 03/29/2019									
30229BSN8	5,000,000.0000	05/22/2019	$4,970,950.00	$4,969,715.30	$1,234.70	.02			.0000	.00
	EXXON MOBIL CORP CPDN DTD 02/20/19 05/22/2019									
30229BSU2	10,000,000.0000	05/28/2019	$9,937,700.00	$9,934,555.56	$3,144.44	.03			.0000	.00
	EXXON MOBIL CORP CPDN DTD 02/06/19 05/28/2019									
30229BSV0	30,000,000.0000	05/29/2019	$29,811,000.00	$29,811,319.50	($319.50)	.00			.0000	.00
	EXXON MOBIL CORP CPDN DTD 02/21/19 05/29/2019									
46640QQC8	10,000,000.0000	03/12/2019	$9,992,600.00	$9,808,750.00	$183,850.00	1.87			.0000	.00
	J.P. MORGAN SECURITIES CPDN DTD 06/15/18 03/12/2019									
46640QQF1	10,000,000.0000	03/15/2019	$9,990,600.00	$9,808,000.00	$182,600.00	1.86			.0000	.00
	J.P. MORGAN SECURITIES CPDN DTD 06/18/18 03/15/2019									
46640QR11	10,000,000.0000	04/01/2019	$9,978,300.00	$9,807,250.00	$171,050.00	1.74			.0000	.00
	J.P. MORGAN SECURITIES CPDN DTD 07/05/18 04/01/2019									
46640QS10	10,000,000.0000	05/01/2019	$9,956,800.00	$9,858,719.44	$98,080.56	.99			.0000	.00
	J.P. MORGAN SECURITIES CPDN DTD 08/14/18 05/01/2019									
46640QS36	20,000,000.0000	05/03/2019	$19,910,800.00	$19,688,744.40	$222,055.60	1.13			.0000	.00
	J.P. MORGAN SECURITIES CPDN DTD 08/06/18 05/03/2019									
46640QS69	10,000,000.0000	05/06/2019	$9,953,300.00	$9,857,938.90	$95,361.10	.97			.0000	.00
	J.P. MORGAN SECURITIES CPDN DTD 08/09/18 05/06/2019									
46640QSD4	10,000,000.0000	05/13/2019	$9,948,300.00	$9,828,583.33	$119,716.67	1.22			.0000	.00

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J.P. MORGAN SECURITIES CPDN DTD 08/16/18 05/13/2019										
46640QT50	20,000,000.0000	06/05/2019	$19,863,400.00	$19,643,936.10	$219,463.90	1.12			.0000	.00
J.P. MORGAN SECURITIES CPDN DTD 10/11/18 06/05/2019										
46640QT76	10,000,000.0000	06/07/2019	$9,930,300.00	$9,805,700.00	$124,600.00	1.27			.0000	.00
J.P. MORGAN SECURITIES CPDN DTD 09/10/18 06/07/2019										
46640QTE1	10,000,000.0000	06/14/2019	$9,925,300.00	$9,818,666.67	$106,633.33	1.09			.0000	.00
J.P. MORGAN SECURITIES CPDN DTD 09/17/18 06/14/2019										
46640QUK5	25,000,000.0000	07/19/2019	$24,749,250.00	$24,520,077.73	$229,172.27	.93			.0000	.00
J.P. MORGAN SECURITIES CPDN DTD 10/22/18 07/19/2019										
46640QUN9	10,000,000.0000	07/22/2019	$9,897,500.00	$9,784,000.00	$113,500.00	1.16			.0000	.00
J.P. MORGAN SECURITIES CPDN DTD 10/25/18 07/22/2019										
46640QW31	30,000,000.0000	09/03/2019	$29,595,600.00	$29,408,700.00	$186,900.00	.64			.0000	.00
J.P. MORGAN SECURITIES CPDN DTD 12/07/18 09/03/2019										
48306BR98	10,000,000.0000	04/09/2019	$9,972,700.00	$9,957,638.89	$15,061.11	.15			.0000	.00
KAISER FOUNDATION CPDN DTD 02/06/19 04/09/2019										
5006E1Q56	10,000,000.0000	03/05/2019	$9,997,300.00	$9,813,100.00	$184,200.00	1.88			.0000	.00
KOREA DEVELOPMENT BK CPDN DTD 06/11/18 03/05/2019										
5006E1QF4	20,000,000.0000	03/15/2019	$19,981,200.00	$19,616,000.00	$365,200.00	1.86			.0000	.00
KOREA DEVELOPMENT BK CPDN DTD 06/18/18 03/15/2019										
5006E1SV7	20,000,000.0000	05/29/2019	$19,874,000.00	$19,615,777.80	$258,222.20	1.32			.0000	.00
KOREA DEVELOPMENT BANK CPDN DTD 09/04/18 05/29/2019										
5006E1UJ1	10,000,000.0000	07/18/2019	$9,900,400.00	$9,825,600.00	$74,800.00	.76			.0000	.00
KOREA DEVELOPMENT BK CPDN DTD 12/12/18 07/18/2019										
62479MS12	10,000,000.0000	05/01/2019	$9,956,800.00	$9,860,730.56	$96,069.44	.97			.0000	.00
MUFG BANK LTD NY BRAN CPDN DTD 10/31/18 05/01/2019										
62479MV18	10,000,000.0000	08/01/2019	$9,889,500.00	$9,786,461.11	$103,038.89	1.05			.0000	.00
MUFG BANK LTD NY BRAN CPDN DTD 11/08/18 08/01/2019										
89233HQ80	15,000,000.0000	03/08/2019	$14,992,950.00	$14,719,875.00	$273,075.00	1.86			.0000	.00
TOYOTA MOTOR CREDIT CO CPDN DTD 06/11/18 03/08/2019										
89233HQC1	20,000,000.0000	03/12/2019	$19,985,200.00	$19,626,500.00	$358,700.00	1.83			.0000	.00
TOYOTA MOTOR CREDIT CO CPDN DTD 06/15/18 03/12/2019										

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89233HQE7	10,000,000.0000	03/14/2019	$9,991,200.00	$9,813,941.67	$177,258.33	1.81			.0000	.00
	TOYOTA MOTOR CREDIT CO CPDN DTD 06/18/18 03/14/2019									
89233HUJ1	10,000,000.0000	07/18/2019	$9,900,400.00	$9,827,841.67	$72,558.33	.74			.0000	.00
	TOYOTA MOTOR CREDIT CO CPDN DTD 12/11/18 07/18/2019									
89233HW91	20,000,000.0000	09/09/2019	$19,721,600.00	$19,612,500.00	$109,100.00	.56			.0000	.00
	TOYOTA MOTOR CREDIT CO CPDN DTD 12/14/18 09/09/2019									
89233HY81	10,000,000.0000	11/08/2019	$9,814,500.00	$9,820,083.33	($5,583.33)	(.06)			.0000	.00
	TOYOTA MOTOR CREDIT CO CPDN DTD 02/13/19 11/08/2019									
89233HYN8	10,000,000.0000	11/22/2019	$9,804,200.00	$9,808,711.11	($4,511.11)	(.05)			.0000	.00
	TOYOTA MOTOR CREDIT CO CPDN DTD 02/26/19 11/22/2019									
8923A1QU8	10,000,000.0000	03/28/2019	$9,981,700.00	$9,961,958.33	$19,741.67	.20			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 02/01/19 03/28/2019									
8923A1SQ5	10,000,000.0000	05/24/2019	$9,940,500.00	$9,932,488.89	$8,011.11	.08			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 08/29/18 05/24/2019									
8923A1SU6	10,000,000.0000	05/28/2019	$9,937,700.00	$9,812,322.22	$125,377.78	1.28			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 09/04/18 05/28/2019									
8923A1UF6	25,000,000.0000	07/15/2019	$24,756,250.00	$24,476,875.00	$279,375.00	1.14			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 10/18/18 07/15/2019									
8923A1UJ8	10,000,000.0000	07/18/2019	$9,900,400.00	$9,827,800.00	$72,600.00	.74			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 12/14/18 07/18/2019									
8923A1V16	20,000,000.0000	08/01/2019	$19,779,000.00	$19,606,750.00	$172,250.00	.88			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 11/26/18 08/01/2019									
8923A1V99	15,000,000.0000	08/09/2019	$14,825,550.00	$14,679,516.67	$146,033.33	.99			.0000	.00
	TOYOTA CDT DE PR COR CPDN DTD 11/14/18 08/09/2019									
8923A1W49	10,000,000.0000	09/04/2019	$9,864,400.00	$9,818,411.11	$45,988.89	.47			.0000	.00
	TOYOTA CDT DE PR CORP CPDN DTD 01/11/19 09/04/2019									
SUBTOTAL	**790,000,000.0000**		**$783,930,750.00**	**$776,800,744.30**	**$7,130,005.70**	**.92**			**.0000**	**.00**
CORPORATE BONDS										
CORPORATE BONDS										
02665WBE0	1,095,000.0000	07/12/2019	$1,089,251.25	$1,083,075.45	$6,175.80	.57	A	A2	.0000	.00
	AMERICAN HONDA FINANCE MED TERM NOTE									

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037833AQ3	4,827,000.0000	05/06/2019	$4,823,234.94	$4,815,822.75	$7,412.19	.15	AA+	AA1	.0000	.00
	APPLE INC DTD 05/06/14 2.100 05/06/2019									
037833CZ1	7,840,000.0000	09/12/2019	$7,794,449.60	$7,807,132.14	($12,682.54)	(.16)	AA+	AA1	.0000	.00
	APPLE INC DTD 09/12/17 1.500 09/12/2019									
05253JAN1	110,000.0000	07/15/2019	$109,553.40	$109,041.35	$512.05	.47	AA-	AA3	.0000	.00
	AUST & NZ BANKING GROUP DTD 07/15/16 1.600 07/15/2019									
06406HCW7	18,266,000.0000	09/11/2019	$18,230,929.28	$18,217,958.88	$12,970.40	.07	A	A1	.0000	.00
	BANK OF NEW YORK MELLON MED TERM NOTE									
084664CG4	1,700,000.0000	03/15/2019	$1,699,592.00	$1,690,667.00	$8,925.00	.53	AA	AA2	.0000	.00
	BERKSHIRE HATHAWAY FIN DTD 03/15/16 1.700 03/15/2019									
084664CK5	14,697,000.0000	08/15/2019	$14,605,878.60	$14,530,598.63	$75,279.97	.52	AA	AA2	.0000	.00
	BERKSHIRE HATHAWAY FIN DTD 08/15/16 1.300 08/15/2019									
166764AG5	1,000,000.0000	06/24/2020	$997,100.00	$995,450.00	$1,650.00	.17	AA	AA2	.0000	.00
	CHEVRON CORP DTD 06/24/13 2.427 06/24/2020									
166764BH2	20,000,000.0000	05/16/2019	$19,960,200.00	$19,824,890.00	$135,310.00	.68	AA	AA2	.0000	.00
	CHEVRON CORP DTD 05/16/16 1.561 05/16/2019									
17275RBG6	14,890,000.0000	09/20/2019	$14,786,961.20	$14,712,340.00	$74,621.20	.51	AA-	A1	.0000	.00
	CISCO SYSTEMS INC DTD 09/20/16 1.400 09/20/2019									
19416QEF3	2,000,000.0000	03/15/2019	$1,999,680.00	$1,989,660.00	$10,020.00	.50	AA-	AA3	.0000	.00
	COLGATE-PALMOLIVE CO MED TERM NOTE									
24422ETJ8	5,250,000.0000	10/09/2019	$5,206,897.50	$5,171,040.00	$35,857.50	.69	A	A2	.0000	.00
	JOHN DEERE CAPITAL CORP MED TERM NOTE									
25468PCK0	1,958,000.0000	03/15/2019	$1,958,744.04	$2,014,879.90	($56,135.86)	(2.79)	A+	A2	.0000	.00
	WALT DISNEY COMPANY DTD 03/16/09 5.500 03/15/2019									
25468PDA1	3,455,000.0000	05/30/2019	$3,448,850.10	$3,442,710.57	$6,139.53	.18	A+	A2	.0000	.00
	WALT DISNEY COMPANY/THE MED TERM NOTE									
30231GAP7	6,420,000.0000	03/01/2019	$6,420,000.00	$6,387,001.20	$32,998.80	.52	AA+	AAA	.0000	.00
	EXXON MOBIL CORPORATION DTD 03/03/16 1.708 03/01/2019									
458182DX7	3,219,000.0000	05/13/2019	$3,208,731.39	$3,195,147.21	$13,584.18	.43	AAA	AAA	.0000	.00
	INTER-AMERICAN DEVEL BK DTD 04/12/16 1.000 05/13/2019									
4581X0BG2	8,428,000.0000	09/17/2019	$8,486,827.44	$8,525,815.37	($38,987.93)	(.46)	N/A	AAA	.0000	.00

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	INTER-AMERICAN DEVEL BK DTD 09/17/09 3.875 09/17/2019									
4581X0BL1	2,763,000.0000	02/14/2020	$2,794,470.57	$2,796,545.58	($2,075.01)	(.07)	AAA	AAA	.0000	.00
	INTER-AMERICAN DEVEL BK DTD 02/17/10 3.875 02/14/2020									
4581X0CR7	38,173,000.0000	10/15/2019	$37,850,056.42	$37,600,189.03	$249,867.39	.66	AAA	AAA	.0000	.00
	INTER-AMERICAN DEVEL BK DTD 10/15/15 1.250 10/15/2019									
4581X0CX4	9,510,000.0000	05/12/2020	$9,399,779.10	$9,380,293.11	$19,485.99	.21	AAA	AAA	.0000	.00
	INTER-AMERICAN DEVEL BK DTD 04/12/17 1.625 05/12/2020									
459058DW0	5,000,000.0000	10/07/2019	$4,976,750.00	$4,958,500.00	$18,250.00	.37	AAA	AAA	.0000	.00
	INTL BK RECON & DEVELOP DTD 10/07/14 1.875 10/07/2019									
459058EV1	6,500,000.0000	07/26/2019	$6,465,745.00	$6,463,795.00	$1,950.00	.03	AAA	AAA	.0000	.00
	INTL BK RECON & DEVELOP DTD 01/28/16 1.250 07/26/2019									
459058FB4	5,000,000.0000	04/26/2019	$4,991,050.00	$5,000,000.00	($8,950.00)	(.18)	N/A	N/A	.0000	.00
	INTL BK RECON & DEVELOP DTD 04/26/16 1.300 04/26/2019									
459058FC2	20,000,000.0000	04/26/2019	$19,960,200.00	$19,961,950.00	($1,750.00)	(.01)	AAA	AAA	.0000	.00
	INTL BK RECON & DEVELOP DTD 04/26/16 1.250 04/26/2019									
459058FK4	25,000,000.0000	08/15/2019	$24,806,250.00	$24,679,950.00	$126,300.00	.51	AAA	AAA	.0000	.00
	INTL BK RECON & DEVELOP DTD 07/13/16 0.875 08/15/2019									
459058FS7	10,000,000.0000	11/27/2019	$9,885,600.00	$9,845,000.00	$40,600.00	.41	AAA	AAA	.0000	.00
	INTL BK RECON & DEVELOP DTD 10/27/16 1.125 11/27/2019									
45905UZT4	13,925,000.0000	11/22/2021	$13,603,889.50	$13,590,521.50	$13,368.00	.10	AAA	AAA	.0000	.00
	INTL BK RECON & DEVELOP DTD 11/22/16 1.750 11/22/2021									
459200JE2	29,775,000.0000	05/17/2019	$29,726,466.75	$29,602,165.22	$124,301.53	.42	A	A1	.0000	.00
	IBM CORP DTD 02/19/16 1.800 05/17/2019									
45950VMZ6	10,000,000.0000	01/25/2020	$9,993,500.00	$10,000,000.00	($6,500.00)	(.07)	N/A	N/A	.0000	.00
	INTL FINANCE CORP DTD 01/25/19 2.630 01/25/2020									
594918BN3	28,338,000.0000	08/08/2019	$28,167,688.62	$28,041,951.34	$125,737.28	.45	AAA	AAA	.0000	.00
	MICROSOFT CORP DTD 08/08/16 1.100 08/08/2019									
594918BV5	34,771,000.0000	02/06/2020	$34,516,476.28	$34,528,239.24	($11,762.96)	(.03)	AAA	AAA	.0000	.00
	MICROSOFT CORP DTD 02/06/17 1.850 02/06/2020									
717081DL4	1,455,000.0000	05/15/2019	$1,453,937.85	$1,450,635.00	$3,302.85	.23	AA	A1	.0000	.00
	PFIZER INC DTD 05/15/14 2.100 05/15/2019									

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89236TDE2	337,000.0000	05/20/2019	$336,248.49	$333,754.69	$2,493.80	.75	AA-	AA3	.0000	.00
TOYOTA MOTOR CREDIT CORP DTD 05/20/16 1.400 05/20/2019										
90331HML4	14,950,000.0000	10/28/2019	$14,892,741.50	$14,829,958.00	$62,783.50	.42	AA-	A1	.0000	.00
US BANK NA CINCINNATI DTD 10/28/14 2.125 10/28/2019										
90331HMY6	3,750,000.0000	04/26/2019	$3,743,925.00	$3,729,000.00	$14,925.00	.40	AA-	A1	.0000	.00
US BANK NA CINCINNATI DTD 04/26/16 1.400 04/26/2019										
91159HHH6	5,000,000.0000	04/25/2019	$4,997,850.00	$4,984,400.00	$13,450.00	.27	A+	A1	.0000	.00
US BANCORP MED TERM NOTE										
CORPORATE STRIPPED/ZERO COUPON										
45818KFC1	20,000,000.0000	05/03/2019	$19,915,400.00	$19,790,000.00	$125,400.00	.63	N/A	N/A	.0000	.00
IADB DISCOUNT NOTE ZERO CPN DTD 05/03/18 05/03/2019										
459052DB9	10,000,000.0000	03/15/2019	$9,990,700.00	$9,843,250.00	$147,450.00	1.50	N/A	N/A	.0000	.00
IBRD DISCOUNT NOTE ZERO CPN DTD 03/15/18 03/15/2019										
459516DB3	10,000,000.0000	03/15/2019	$9,990,700.00	$9,843,250.00	$147,450.00	1.50	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 03/15/18 03/15/2019										
459516DR8	15,000,000.0000	03/29/2019	$14,972,250.00	$14,876,269.49	$95,980.51	.65	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 03/29/18 03/29/2019										
459516EF3	10,000,000.0000	04/12/2019	$9,971,900.00	$9,786,238.90	$185,661.10	1.90	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 04/12/18 04/12/2019										
459516EM8	5,000,000.0000	04/18/2019	$4,983,950.00	$4,891,908.35	$92,041.65	1.88	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 04/18/18 04/18/2019										
459516ES5	5,000,000.0000	04/23/2019	$4,982,250.00	$4,970,250.00	$12,000.00	.24	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 04/23/18 04/23/2019										
459516FA3	8,000,000.0000	05/01/2019	$7,967,200.00	$7,910,191.11	$57,008.89	.72	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 05/01/18 05/01/2019										
459516FN5	10,000,000.0000	05/13/2019	$9,950,900.00	$9,784,808.33	$166,091.67	1.70	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 05/14/18 05/13/2019										
459516GD6	20,000,000.0000	05/28/2019	$19,881,600.00	$19,878,666.60	$2,933.40	.01	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 05/29/18 05/28/2019										
459516GF1	10,000,000.0000	05/30/2019	$9,939,500.00	$9,921,005.60	$18,494.40	.19	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 05/30/18 05/30/2019										

Exhibit 1

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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
459516GP9	20,000,000.0000	06/07/2019	$19,867,200.00	$19,551,766.60	$315,433.40	1.61	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 06/07/18 06/07/2019										
459516HG8	20,000,000.0000	06/24/2019	$19,844,200.00	$19,636,894.50	$207,305.50	1.06	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 06/25/18 06/24/2019										
459516JG6	10,000,000.0000	07/18/2019	$9,904,600.00	$9,849,133.33	$55,466.67	.56	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 07/18/18 07/18/2019										
459516NY2	20,000,000.0000	11/07/2019	$19,651,400.00	$19,654,277.80	($2,877.80)	(.01)	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 11/07/18 11/07/2019										
459516NZ9	10,000,000.0000	11/08/2019	$9,825,000.00	$9,827,138.90	($2,138.90)	(.02)	N/A	N/A	.0000	.00
IFC DISCOUNT NOTE ZERO CPN DTD 11/08/18 11/08/2019										
SUBTOTAL	**582,402,000.0000**		**$579,028,255.82**	**$576,305,127.67**	**$2,723,128.15**	**.47**			**.0000**	**.00**
FEDERAL AGENCY										
GOVERNMENT AGENCIES										
3130A7RT4	20,000,000.0000	04/18/2019	$19,970,200.00	$19,989,000.00	($18,800.00)	(.09)	AA+	AAA	.0000	.00
FED HOME LN BK DTD 04/18/16 1.200 04/18/2019										
3130AAXX1	10,000,000.0000	03/18/2019	$9,996,200.00	$9,929,330.00	$66,870.00	.67	AA+	N/A	.0000	.00
FED HOME LN BK DTD 03/10/17 1.375 03/18/2019										
3130ADRY0	5,370,000.0000	03/05/2019	$5,369,892.60	$5,366,826.33	$3,066.27	.06	N/A	AAA	.0000	.00
FED HOME LN BK DTD 03/05/18 2.000 03/05/2019										
3130ADUL4	10,000,000.0000	03/19/2019	$9,999,600.00	$10,000,000.00	($400.00)	.00	N/A	AAA	.0000	.00
FED HOME LN BK DTD 03/19/18 2.125 03/19/2019										
3130ADWH1	8,250,000.0000	03/28/2019	$8,249,340.00	$8,247,987.00	$1,353.00	.02	N/A	AAA	.0000	.00
FED HOME LN BK DTD 03/28/18 2.125 03/28/2019										
3130AE5E6	10,300,000.0000	04/23/2019	$10,298,661.00	$10,299,485.00	($824.00)	(.01)	N/A	AAA	.0000	.00
FED HOME LN BK DTD 04/23/18 2.250 04/23/2019										
3130AE6P0	5,000,000.0000	04/26/2019	$4,999,200.00	$4,998,605.00	$595.00	.01	N/A	AAA	.0000	.00
FED HOME LN BK DTD 04/26/18 2.250 04/26/2019										
3130AEAT7	2,500,000.0000	05/07/2019	$2,499,300.00	$2,500,000.00	($700.00)	(.03)	N/A	AAA	.0000	.00
FED HOME LN BK DTD 05/07/18 2.250 05/07/2019										
3130AECL2	10,000,000.0000	05/21/2019	$9,995,200.00	$9,997,000.00	($1,800.00)	(.02)	N/A	AAA	.0000	.00
FED HOME LN BK DTD 05/21/18 2.250 05/21/2019										

Exhibit 1

WELLS FARGO

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COUNTY OF VENTURA

General Reporting
From Month End With Pricing 02/28/2019
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ACCOUNT: All Accounts Selected
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Asset ID	Units	Maturity Date	Market Value	Fed Tax Cost	Gain/Loss Amount	%	S & P Rating	Moody`s Rating	Units in Transition	Encumbrd Units
3130AERW2	8,145,000.0000	08/09/2019	$8,140,927.50	$8,137,482.17	$3,445.33	.04	N/A	AAA	.0000	.00
	FED HOME LN BK DTD 08/09/18 2.375 08/09/2019									
3130AFB89	5,000,000.0000	11/30/2020	$5,030,500.00	$4,994,975.00	$35,525.00	.71	AA+	AAA	.0000	.00
	FED HOME LN BK DTD 10/22/18 2.920 11/30/2020									
3130AFMR5	5,000,000.0000	01/02/2020	$5,001,500.00	$5,002,200.00	($700.00)	(.01)	N/A	AAA	.0000	.00
	FED HOME LN BK DTD 01/02/19 2.625 01/02/2020									
3133EDVK5	1,000,000.0000	03/18/2019	$999,680.00	$996,356.00	$3,324.00	.33	AA+	AAA	.0000	.00
	FED FARM CREDIT BK DTD 09/18/14 1.750 03/18/2019									
3133EGGY5	500,000.0000	09/21/2020	$491,725.00	$486,075.00	$5,650.00	1.16	AA+	AAA	.0000	.00
	FED FARM CREDIT BK DTD 06/21/16 1.490 09/21/2020									
3133EJ6B0	10,000,000.0000	04/24/2020	$10,003,600.00	$9,997,760.00	$5,840.00	.06	AA+	AAA	.0000	.00
	FED FARM CREDIT BK DTD 01/24/19 2.600 04/24/2020									
3133EJAU3	10,000,000.0000	04/29/2019	$9,992,000.00	$10,000,000.00	($8,000.00)	(.08)	AA+	AAA	.0000	.00
	FED FARM CREDIT BK DTD 01/29/18 1.920 04/29/2019									
3133EJJ91	5,000,000.0000	10/22/2019	$5,006,800.00	$5,000,000.00	$6,800.00	.14	N/A	AAA	.0000	.00
	FED FARM CREDIT BK DTD 10/22/18 2.700 10/22/2019									
3133EJXR5	12,500,000.0000	08/22/2019	$12,500,000.00	$12,500,000.00	$.00	.00	N/A	AAA	.0000	.00
	FED FARM CREDIT BK DTD 08/22/18 2.450 08/22/2019									
3134G8TV1	5,350,000.0000	03/29/2019	$5,345,292.00	$5,347,271.50	($1,979.50)	(.04)	AA+	AAA	.0000	.00
	FED HOME LN MTG CORP MED TERM NOTE SER 0000									
3134G8ZZ5	10,000,000.0000	04/26/2019	$9,981,000.00	$10,000,000.00	($19,000.00)	(.19)	AA+	AAA	.0000	.00
	FED HOME LN MTG CORP MED TERM NOTE									
3134GSU78	10,000,000.0000	01/29/2021	$9,999,700.00	$10,000,000.00	($300.00)	.00	AA+	AAA	.0000	.00
	FED HOME LN MTG CORP MED TERM NOTE									
3135G0N33	40,000,000.0000	08/02/2019	$39,725,600.00	$39,514,800.00	$210,800.00	.53	AA+	AAA	.0000	.00
	FED NATL MTG ASSN DTD 08/02/16 0.875 08/02/2019									
3135G0P49	5,000,000.0000	08/28/2019	$4,962,950.00	$4,951,130.00	$11,820.00	.24	AA+	AAA	.0000	.00
	FED NATL MTG ASSN SER *									
3135G0ZY2	6,290,000.0000	11/26/2019	$6,254,147.00	$6,231,182.21	$22,964.79	.37	AA+	AAA	.0000	.00
	FED NATL MTG ASSN DTD 11/07/14 1.750 11/26/2019									
3137EAEB1	28,250,000.0000	07/19/2019	$28,081,630.00	$27,931,116.00	$150,514.00	.54	AA+	AAA	.0000	.00

Exhibit 1

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	FED HOME LN MTG CORP DTD 07/20/16 0.875 07/19/2019									
SUBTOTAL	**243,455,000.0000**		**$242,894,645.10**	**$242,418,581.21**	**$476,063.89**	**.20**			**.0000**	**.00**
MUNICIPAL BONDS										
MUNICIPAL TAXABLE										
13063DAB4	2,310,000.0000	04/01/2019	$2,308,244.40	$2,298,172.80	$10,071.60	.44	AA-	AA3	.0000	.00
	CALIFORNIA ST TXBL-HIGH-SPEED PASSENGER TRAI									
13063DFZ6	16,000,000.0000	04/01/2020	$15,997,280.00	$16,022,880.00	($25,600.00)	(.16)	AA-	AA3	.0000	.00
	CALIFORNIA ST TXBL									
13063DGM4	21,900,000.0000	08/01/2019	$21,958,911.00	$22,031,059.00	($72,148.00)	(.33)	AA-	AA3	.0000	.00
	CALIFORNIA ST TXBL-VARIOUS PURPOSE-CONSTRUCT									
13077DBJ0	560,000.0000	11/01/2019	$555,704.80	$560,000.00	($4,295.20)	(.77)	AA-	AA2	.0000	.00
	CALIFORNIA ST UNIV REVENUE TXBL-REF-SYSTEMWIDE-SER B									
221623XF3	575,000.0000	08/01/2019	$572,556.25	$575,000.00	($2,443.75)	(.42)	AA	A1	.0000	.00
	COTATI-ROHNERT PARK CA UNIF SC TXBL-ELECTION 2016-SER B									
68609BUR6	100,000.0000	05/01/2019	$99,756.00	$100,000.00	($244.00)	(.24)	AA+	AA1	.0000	.00
	OREGON ST TXBL-ARTICLE XI-Q-SER E									
697364DU8	180,000.0000	11/01/2019	$180,147.60	$180,000.00	$147.60	.08	AA+	N/A	.0000	.00
	PALO ALTO CA COPS TXBL-REF-CAPITAL IMPT PROJ-GRE									
797330AC1	3,045,000.0000	06/01/2019	$3,040,645.65	$3,045,000.00	($4,354.35)	(.14)	A	N/A	.0000	.00
	SAN DIEGO CA TOBACCO SETTLEMEN TXBL-REF-SER A									
797330AD9	3,060,000.0000	06/01/2020	$3,045,067.20	$3,060,000.00	($14,932.80)	(.49)	A	N/A	.0000	.00
	SAN DIEGO CA TOBACCO SETTLEMEN TXBL-REF-SER A									
7976462R6	10,000,000.0000	06/15/2019	$10,003,300.00	$10,062,300.00	($59,000.00)	(.59)	AAA	AAA	.0000	.00
	SAN FRANCISCO CITY & CNTY CA TXBL-SER D									
7976464Z6	445,000.0000	06/15/2021	$444,470.45	$445,000.00	($529.55)	(.12)	AAA	AAA	.0000	.00
	SAN FRANCISCO CITY & CNTY CA TXBL-SOCIAL BONDS-AFFORDABLE H									
797669XS2	750,000.0000	07/01/2019	$748,590.00	$748,102.50	$487.50	.07	AA+	N/A	.0000	.00
	SAN FRANCISCO CA BAY AREA RAPI TXBL-REF-GREEN BOND-SER B									
79766DNU9	1,000,000.0000	01/01/2021	$999,580.00	$1,000,000.00	($420.00)	(.04)	A	A1	.0000	.00
	SAN FRANCISCO CALIF CITY &CNTY TXBL-REF-SPL FACS LEASE-SFO FU									
798339GP6	300,000.0000	08/01/2019	$298,665.00	$300,000.00	($1,335.00)	(.44)	AAA	N/A	.0000	.00

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SAN JUAN CAPISTRANO CA TXBL-REF-OPEN SPACE MEASURE										
798455BJ9	635,000.0000	09/01/2019	$634,517.40	$635,000.00	($482.60)	(.08)	AA-	N/A	.0000	.00
SAN LEANDRO CA REDEV AGY SUCCE TXBL-REF-REDEV PROJ-SER B										
80136PCY7	955,000.0000	12/01/2021	$964,674.15	$955,000.00	$9,674.15	1.01	AA	A1	.0000	.00
SANTA BARBARA CNTY CA SOLID WA TXBL-SER C										
899154AR9	1,500,000.0000	06/01/2019	$1,499,505.00	$1,500,000.00	($495.00)	(.03)	AA-	A1	.0000	.00
TULARE CNTY CA PENSN OBLG TXBL										
899154AS7	5,000,000.0000	06/01/2020	$5,000,950.00	$5,000,000.00	$950.00	.02	AA-	A1	.0000	.00
TULARE CNTY CA PENSN OBLG TXBL										
91412GD36	3,000,000.0000	05/15/2019	$2,991,480.00	$3,000,000.00	($8,520.00)	(.28)	AA	AA2	.0000	.00
UNIV OF CALIFORNIA CA REVENUES TXBL-REF-GEN-SER AS										
91412GS71	2,000,000.0000	05/15/2019	$1,996,000.00	$2,000,000.00	($4,000.00)	(.20)	AA	AA2	.0000	.00
UNIV OF CALIFORNIA CA REVENUES TXBL-GEN-SER AW										
91412HBF9	1,470,000.0000	05/15/2019	$1,469,691.30	$1,470,000.00	($308.70)	(.02)	AA	AA2	.0000	.00
UNIV OF CALIFORNIA CA REVENUES TXBL-SER BA										
SUBTOTAL	**74,785,000.0000**		**$74,809,736.20**	**$74,987,514.30**	**($177,778.10)**	**(.24)**			**.0000**	**.00**
OTHER ASSETS										
OTHER ASSETS										
MS6232818	55,000,000.0000		$55,000,000.00	$55,000,000.00	$.00	.00			.0000	.00
CA LAIF STATE OF CALIFORNIA INVESTMENT FD										
MS6615459	25,000,000.0000		$24,956,100.00	$25,000,000.00	($43,900.00)	(.18)			.0000	.00
CALTRUST SHORT TERM ACCT										
SUBTOTAL	**80,000,000.0000**		**$79,956,100.00**	**$80,000,000.00**	**($43,900.00)**	**(.05)**			**.0000**	**.00**
ACCOUNT 11435100 TOTAL	**2,660,642,000.0000**		**$2,650,136,457.12**	**$2,638,454,641.80**	**$11,681,815.32**	**.44**			**.0000**	**.00**
GRAND TOTAL	**2,660,642,000.0000**		**$2,650,136,457.12**	**$2,638,454,641.80**	**$11,681,815.32**	**.44**			**.0000**	**.00**

END OF REPORT

Exhibit 1

MONTHLY TRANSACTIONS REPORT - FEBRUARY 2019

Transaction Date	Purchase/ Sale	Par Amount	Security Type	Security Name	Maturity Date	Yield
02/01/19	Purchase	10,000,000.00	CP	TOYOTA CREDIT de PUERTO RICO	03/28/19	2.490
02/01/19	Purchase	10,000,000.00	YCD	TORONTO DOMINION BANK NY	05/30/19	2.550
02/01/19	Purchase	10,000,000.00	SUPRANATIONAL	IFC DISCOUNT NOTE	05/30/19	2.410
02/04/19	Purchase	10,000,000.00	SUPRANATIONAL	IFC DISCOUNT NOTE	03/29/19	2.360
02/05/19	Purchase	10,000,000.00	CP	EXXON MOBIL CORP	03/29/19	2.410
02/06/19	Purchase	10,715,000.00	MTN	MICROSOFT CORP	02/06/20	2.569
02/07/19	Purchase	10,000,000.00	CP	KAISER FOUNDATION HOSP	04/09/19	2.500
02/08/19	Purchase	10,000,000.00	YCD	TORONTO DOMINION BANK NY	05/30/19	2.530
02/11/19	Purchase	10,000,000.00	YCD	OVERSEA-CHINESE BK CO NY	05/29/19	2.550
02/12/19	Purchase	5,000,000.00	SUPRANATIONAL	INTL BK RECON & DEVELOP	07/26/19	2.512
02/12/19	Purchase	4,056,000.00	MTN	MICROSOFT CORP	02/06/20	2.595
02/13/19	Purchase	10,000,000.00	YCD	TORONTO DOMINION BANK NY	05/28/19	2.540
02/14/19	Purchase	10,000,000.00	YCD	OVERSEA-CHINESE BK CO NY	05/29/19	2.550
02/15/19	Purchase	10,000,000.00	YCD	TORONTO DOMINION BANK NY	05/29/19	2.530
02/15/19	Purchase	10,000,000.00	CP	TOYOTA CREDIT de PUERTO RICO	05/24/19	2.480
02/19/19	Purchase	10,000,000.00	YCD	OVERSEA-CHINESE BK CO NY	05/20/19	2.540
02/19/19	Purchase	2,763,000.00	SUPRANATIONAL	INTER-AMERICAN DEVELOP BK NY	02/14/20	2.620
02/22/19	Purchase	10,000,000.00	CP	EXXON MOBIL CORP	05/28/19	2.480
02/22/19	Purchase	5,000,000.00	CP	EXXON MOBIL CORP	05/22/19	2.450
02/22/19	Purchase	10,000,000.00	YCD	TORONTO DOMINION BANK NY	05/28/19	2.521
02/25/19	Purchase	10,000,000.00	CP	EXXON MOBIL CORP	05/29/19	2.470
02/26/19	Purchase	1,000,000.00	MUNI	SAN FRANCISCO CA CITY & CNTY ARPTS	01/01/21	2.813
02/26/19	Purchase	445,000.00	MUNI	SAN FRANCISCO CITY & CNTY CA	06/15/21	2.546
02/26/19	Purchase	10,000,000.00	CP	TOYOTA MOTOR CREDIT CORP	11/22/19	2.560
02/26/19	Purchase	1,500,000.00	SUPRANATIONAL	INTL BK RECON & DEVELOP	07/26/19	2.504
02/26/19	Purchase	10,000,000.00	GA	FHLMC DISCOUNT NOTE	11/19/19	2.425
02/26/19	Purchase	20,000,000.00	SUPRANATIONAL	IFC DISCOUNT NOTE	11/07/19	2.450
02/26/19	Purchase	20,000,000.00	SUPRANATIONAL	IFC DISCOUNT NOTE	05/28/19	2.400
02/27/19	Purchase	20,000,000.00	CP	EXXON MOBIL CORP	05/29/19	2.470
02/27/19	Purchase	10,000,000.00	SUPRANATIONAL	IFC DISCOUNT NOTE	11/08/19	2.450
02/27/19	Purchase	10,000,000.00	CP	TOYOTA MOTOR CREDIT CORP	11/08/19	2.550
02/28/19	Purchase	20,000,000.00	MTN	MICROSOFT CORP	02/06/20	2.598

PORTFOLIO AVERAGE MONTHLY BALANCE

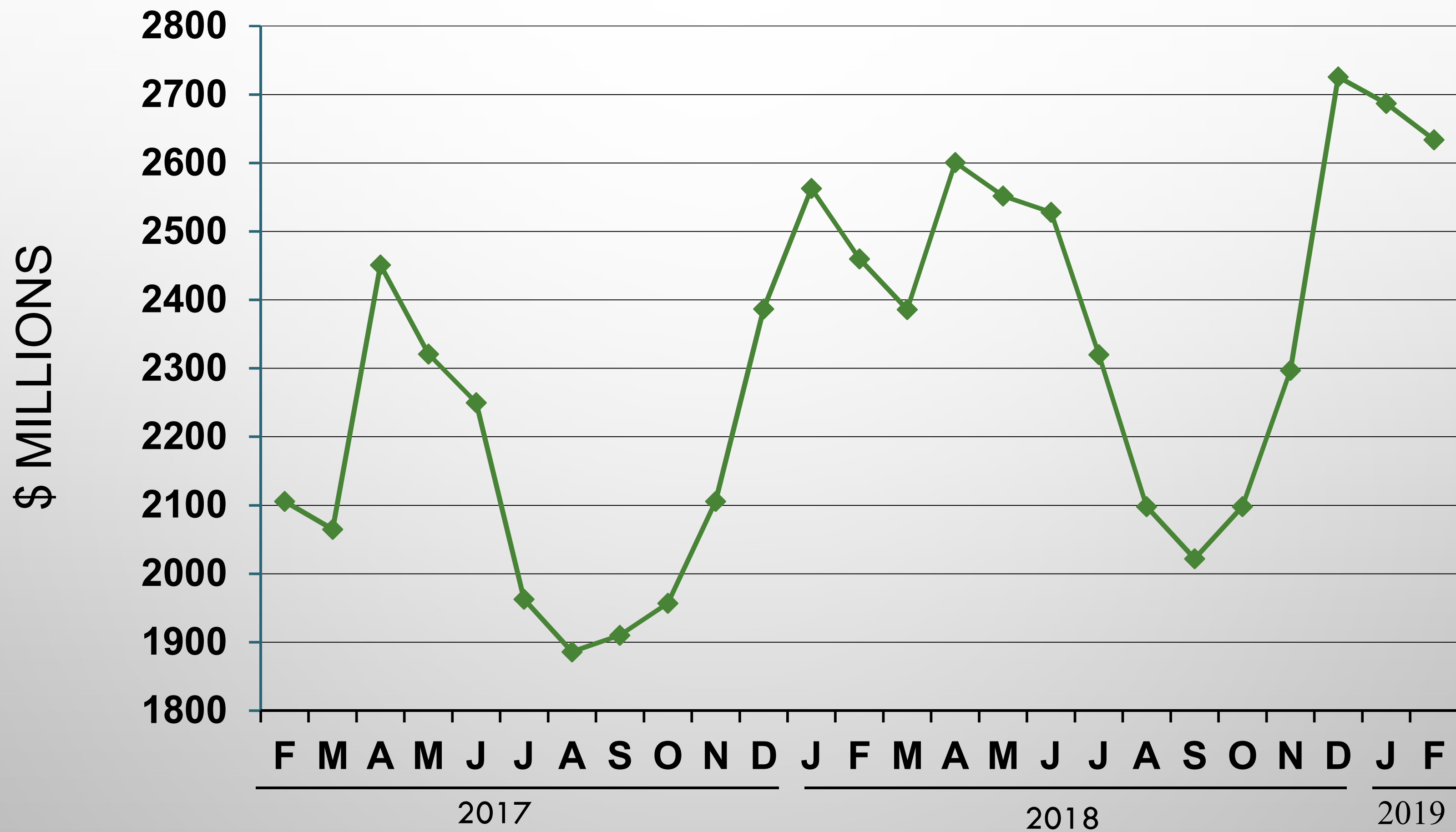


EXHIBIT 3

02-19 INV.PPT

AVERAGE MATURITY

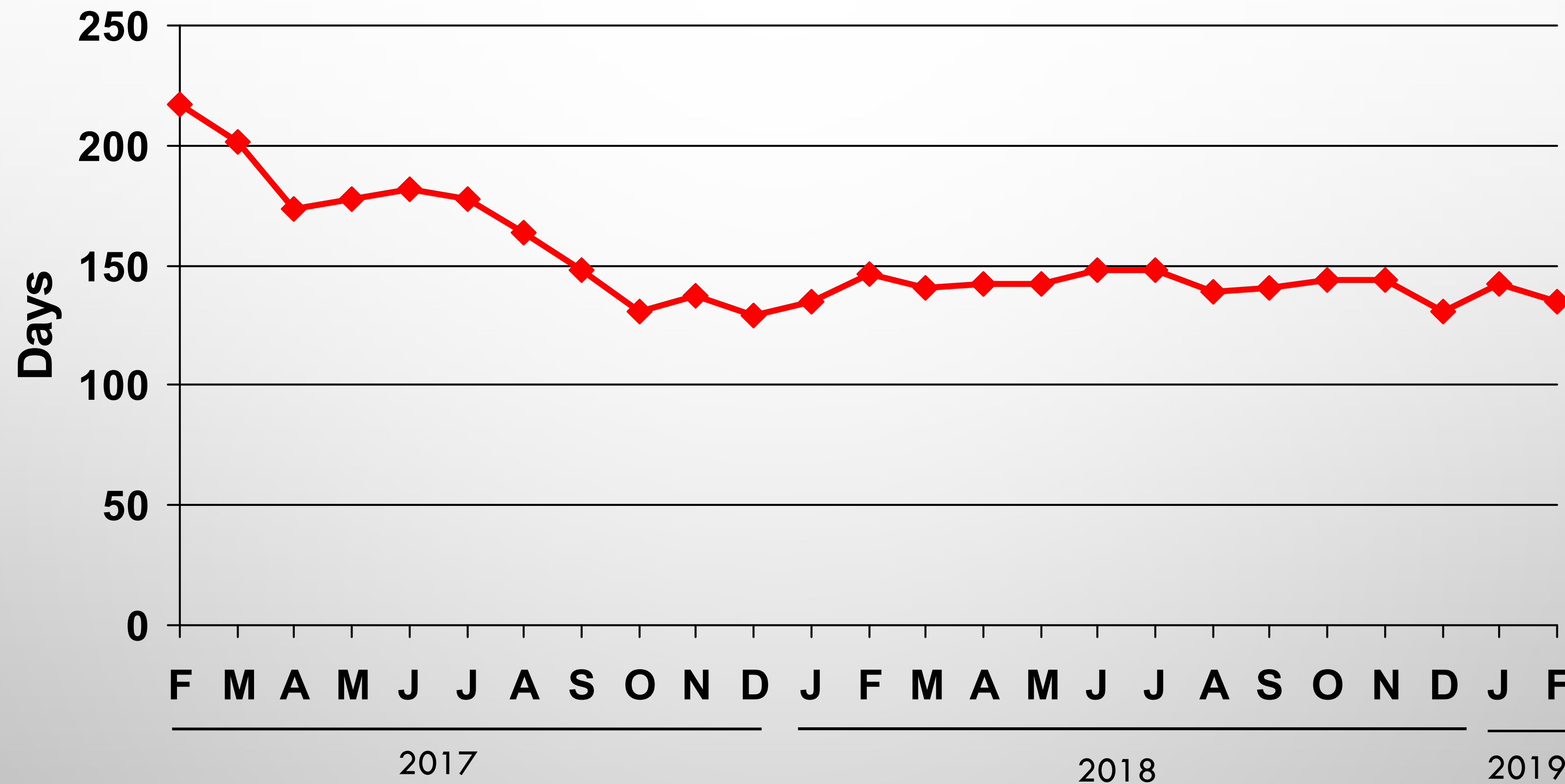


EXHIBIT 4

02-19 INV.PPT

++++YIELD COMPARISON

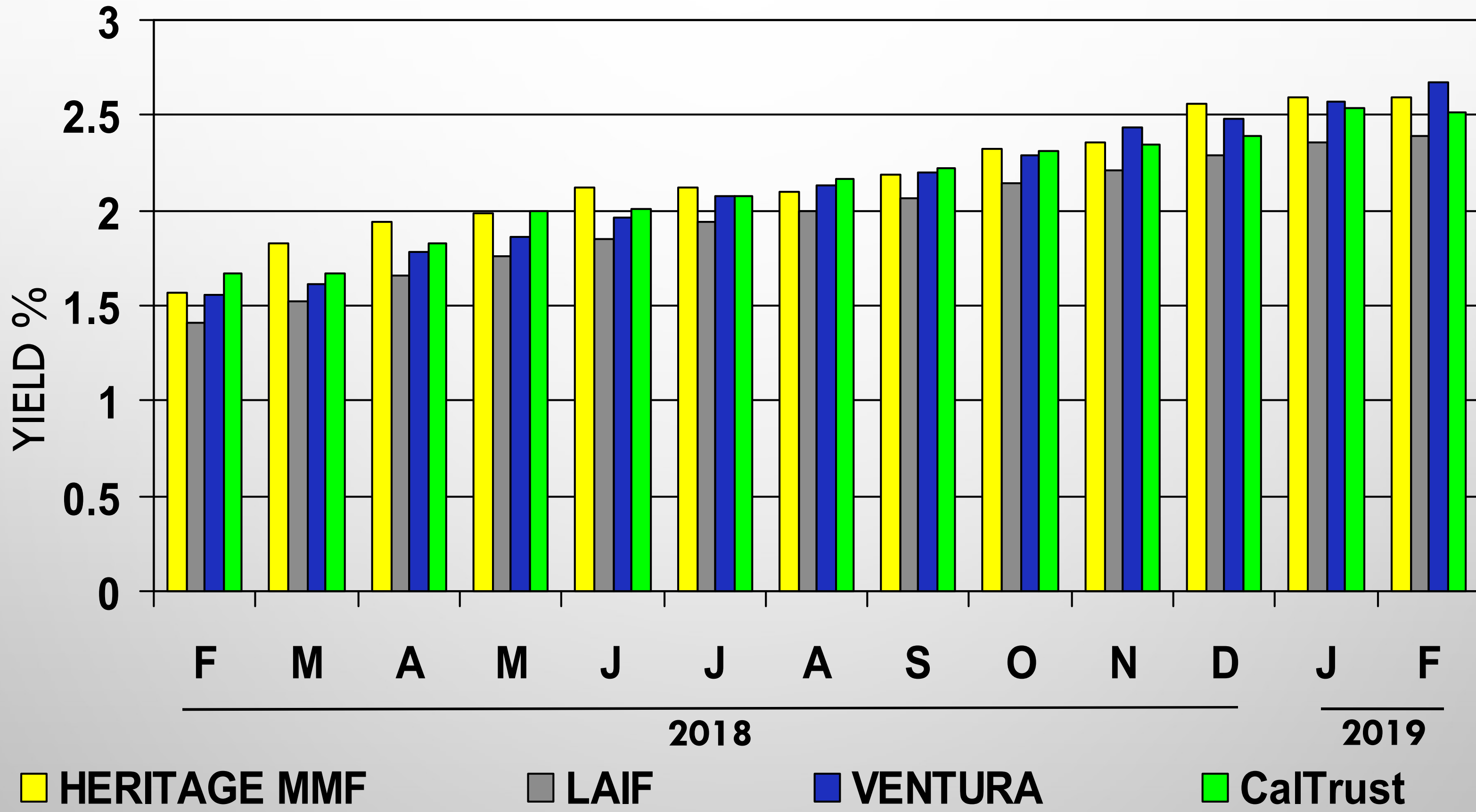


EXHIBIT 5

02-19 INV.PPT

ROLLING 2-YEAR % YIELD

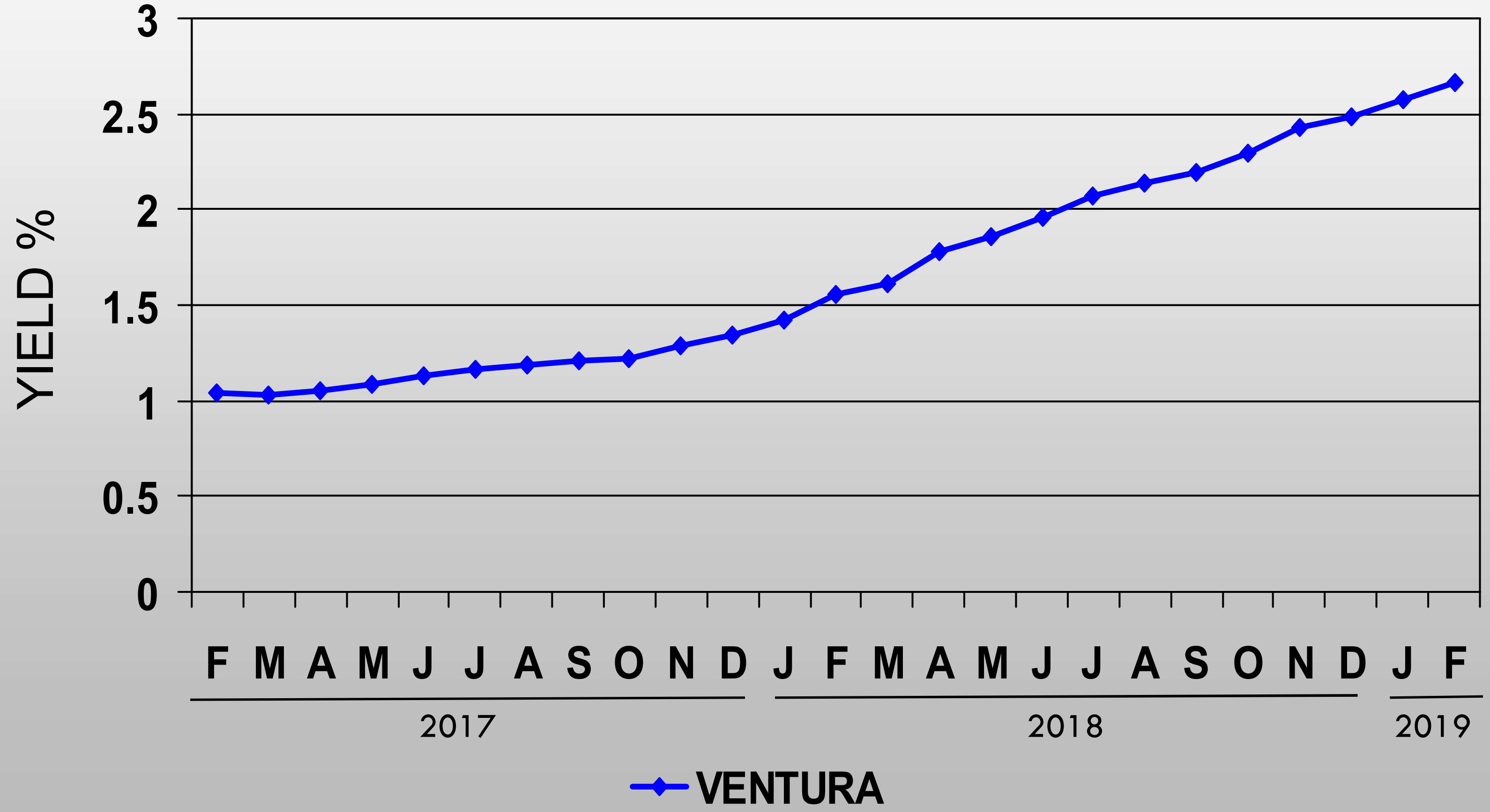


EXHIBIT 6

ROLLING 2-YEAR $ YIELD

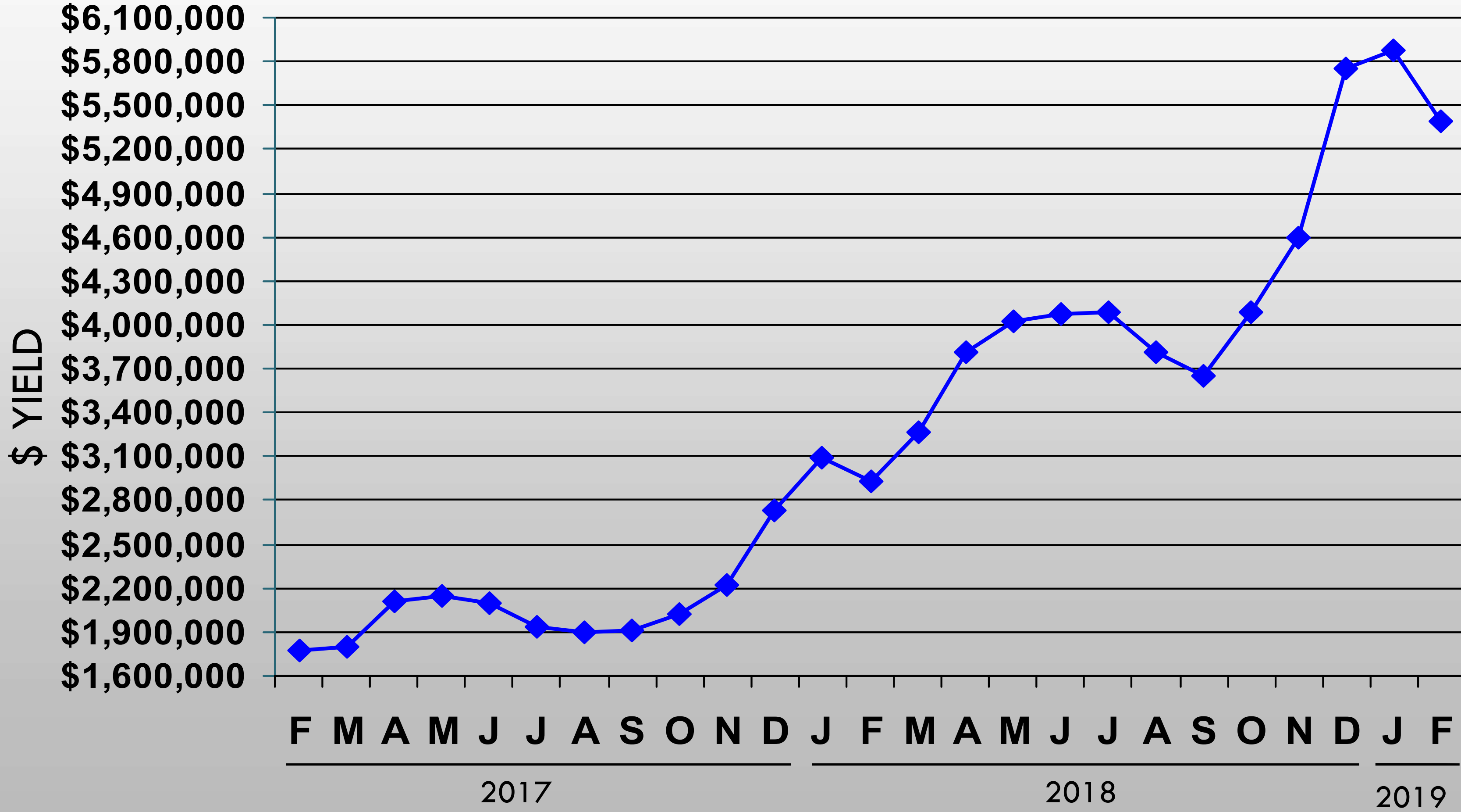
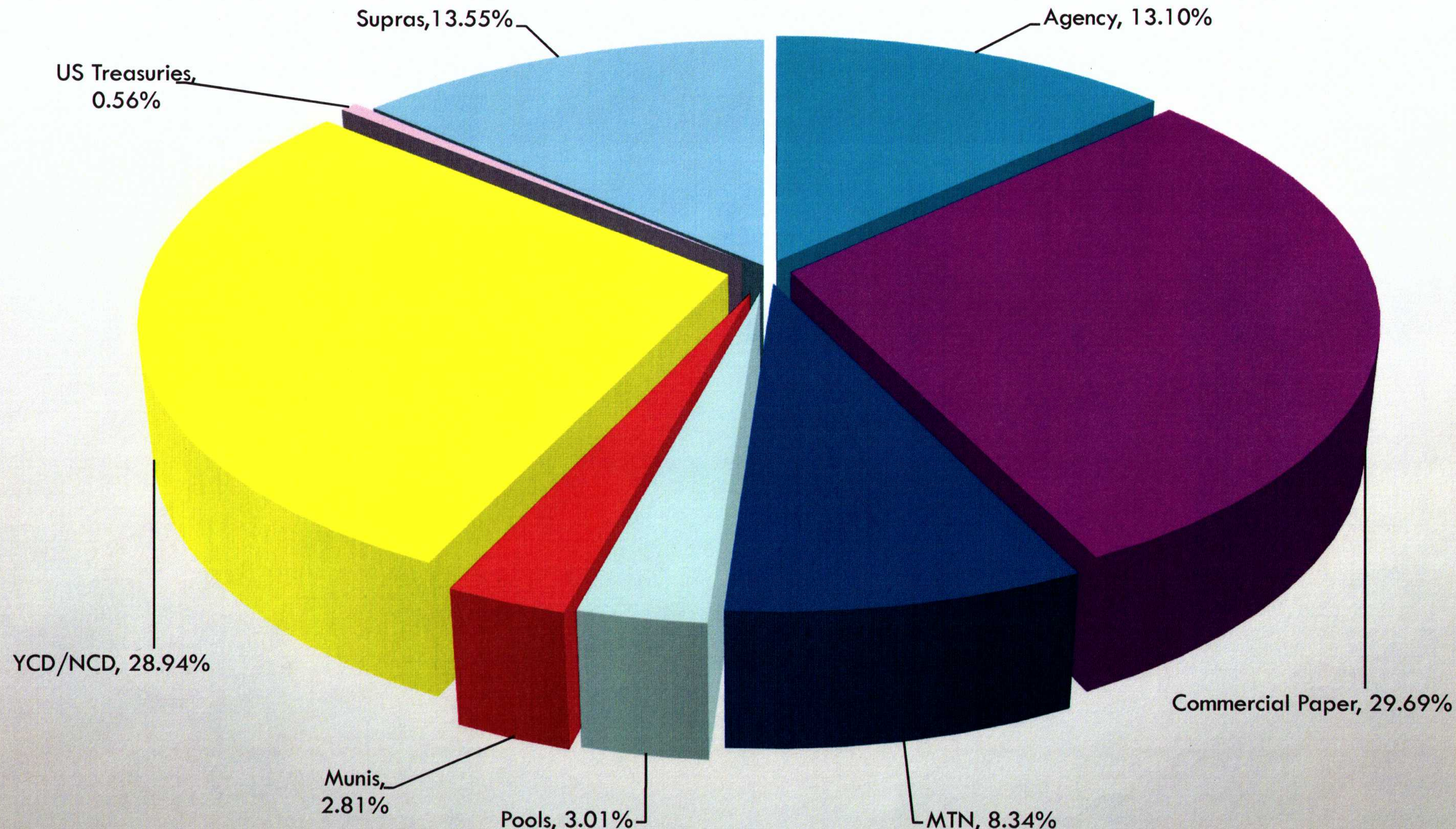


EXHIBIT 7

PORTFOLIO HOLDINGS BY CLASS



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APPENDIX H

FORM OF DELAYED DELIVERY CONTRACT

RBC Capital Markets, LLC

Re: $7,535,000 Ventura Unified School District
General Obligation Refunding Bonds, Series 2020 (Delayed Delivery)

Ladies and Gentlemen:

The undersigned (the "Purchaser") hereby agrees to purchase from the above referenced underwriter (the "Manager"), as set forth in the Forward Delivery Bond Purchase Agreement (defined below) (the "Underwriter"), when, as, and if issued and delivered to the Underwriter by the Ventura Unified School District (the "District"), and the Manager agrees to sell to the Purchaser:

Par Amount	Maturity Date	Interest Rate	CUSIP Number	Yield	Price

of the above-referenced Bonds offered by the District under the Preliminary Official Statement dated May 10, 2019 and the Official Statement relating to the Bonds dated May 22, 2019 (the "Official Statement"), receipt and review of copies of which is hereby acknowledged, at the purchase price and with the interest rates, principal amounts, and maturity dates shown above, and on the further terms and conditions set forth in this Delayed Delivery Contract. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Official Statement. The Bonds are being purchased by the Underwriter pursuant to a Forward Delivery Bond Purchase Agreement between the District and the Underwriter (the "Forward Delivery Bond Purchase Agreement").

The Purchaser hereby purchases and agrees to accept delivery of such Bonds from the Underwriter on or about May 5, 2020 (the "Settlement Date.")

Payment for the Bonds which the Purchaser has agreed to purchase on the Settlement Date shall be made to the Manager or upon its order on the Settlement Date upon delivery to the Purchaser of the Bonds then to be purchased by the Purchaser through the book-entry system of The Depository Trust Company. The Purchaser agrees that in no event shall the Underwriter be responsible or liable for any claim or loss, whether direct or consequential, which the Purchaser may suffer in the event the District does not for any reason issue and deliver the above-referenced Bonds.

The obligation of the Purchaser to take delivery hereunder shall be unconditional except in the event that between the date of this Delayed Delivery Contract and the Settlement Date: (A) the obligations the District provided for in the Forward Delivery Purchase Agreement have not been performed or satisfied, (B) the Underwriter shall have exercised the right to terminate the Forward Delivery Bond Purchase Agreement as provided for therein, with respect to which termination the Purchaser shall be deemed to have consented, or (C) one of the following events shall have occurred:

(1) there shall have been a Change in Law (defined below);

(2) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action which continues to be proposed as of the Settlement Date), or for any other reason, Bond Counsel cannot issue an opinion substantially in the form attached to the Official Statement as Appendix D to the effect that (a) the interest on the Bonds is not subject to federal income tax under Section 103 of the Code (or comparable provisions of any successor federal tax laws), and (b) the interest on the Bonds is exempt from the State of California income taxation;

(3) the Official Statement as of the date of Closing (as defined in the Forward Delivery Bond Purchase Agreement between the Underwriter and the District) (which is expected to occur on or about May 5, 2020), or the Updated Official Statement as of the Settlement Date contained or contains an untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect;

(4) legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the Securities Exchange Commission which, in the reasonable opinion of Manager, following consultation with the District, has the effect of requiring the Bonds to be registered under the Securities Act of 1933, as amended, or requires the qualification of the Resolution under the Trust Indenture Act of 1939, as amended, or an event shall occur which would cause the sale of the Bonds to be in violation of any provision of the federal or State of California securities laws;

(5) a general banking moratorium has been declared by federal, New York or California authorities and it is in effect as of the Settlement Date; or

(6) a letter or other evidence from Moody's Investor Service stating the rating on the Bonds as of the Settlement Date is not delivered (which rating may be different than the rating on the Bonds as of the date of Closing).

The Manager shall notify the Purchaser promptly in the event that Manager becomes aware of the occurrence of any of the events described in clauses (1) through (6) above.

A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter, prohibit the Underwriter from completing the underwriting of the Bonds or selling the Bonds or the beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Bonds illegal.

The Purchaser acknowledges and agrees that the Bonds are being sold on a “forward” or “delayed delivery” basis for delivery on the Settlement Date and that the Purchaser is obligated to take up and pay for the Bonds on the Settlement Date unless one of the events described above shall have occurred. The Purchaser acknowledges that it will not be able to withdraw its order as described herein, and will not otherwise be excused from performance of its obligations to take up and pay for the Bonds on the Settlement Date because of market or credit changes, including specifically, but not limited to (a) changes in the ratings assigned to the Bonds between the date of Closing and the Settlement Date or changes in the credit associated with the Bonds generally, and (b) changes in the financial condition, operations, performance, properties or prospects of the District from the date hereof to the Settlement Date. The Purchaser acknowledges and agrees that it will remain obligated to purchase the Bonds in accordance with the terms hereof, even if the Purchaser decides to sell such Bonds following the date hereof, unless the Purchaser sells such Bonds to another institution with the prior written consent of the Manager and such institution provides a written acknowledgment of confirmation of purchase order and a delayed delivery contract in the same respective forms as that executed by the Purchaser.

The Purchaser represents and warrants that, as of the date of this Delayed Delivery Contract, the Purchaser is not prohibited from purchasing the Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the Purchaser is subject.

This Delayed Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party without the prior written consent of the other.

The Purchaser acknowledges that the Manager is entering into an agreement with the District to purchase the Bonds in reliance in part on the performance by the Purchaser of its obligations hereunder.

This Delayed Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

It is understood that the acceptance by the Manager of any Delayed Delivery Contract (including this one) is in the Manager’s sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Delayed Delivery Contract is acceptable to the Manager, it is requested that the Manager sign the form of acceptance below and mail or deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Manager, as representative of the Underwriter, and the Purchaser when such counterpart is so mailed or delivered by the Manager. This Delayed Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

This Delayed Delivery Contract shall be construed and administered under the laws of the State of New York.