

**NEW ISSUE -- FULL BOOK-ENTRY**

**RATINGS: Moody's: "Aa1"; S&P: "AA+"  
See "RATINGS" herein**

*In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, rulings and judicial decisions, interest on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein with respect to tax consequences relating to the Bonds.*

**\$68,620,000\***

**SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT  
(Santa Clara County, California)  
2019 General Obligation Refunding Bonds  
(Federally Taxable)**

**Dated: Date of Delivery**

**Due: August 1, as shown on inside front cover**

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

The San Jose-Evergreen Community College District (Santa Clara County, California) 2019 General Obligation Refunding Bonds (Federally Taxable) (the "Bonds") in the aggregate principal amount of \$68,620,000\* are being issued by the San Jose-Evergreen Community College District (the "District") to (i) advance refund the District's outstanding Prior Bonds (as defined herein), and (iii) pay the costs of issuance of the Bonds.

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

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (collectively referred to herein as "DTC"). Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interests in the Bonds.

The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the Date of Delivery and be payable semiannually on February 1 and August 1 of each year, commencing February 1, 2020. The Bonds are issuable as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof.

Payments of principal of and interest on the Bonds will be made by U.S. Bank National Association, as paying agent, bond registrar, authentication agent and transfer agent (collectively, the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

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

**MATURITY SCHEDULE\***  
**(see inside front cover)**

*The Bonds are offered when, as and if issued, and received by the Underwriter subject to the approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel. Certain legal matters will be passed on for the District by Stradling Yocca Carlson & Rauth, a Professional Corporation, as Disclosure Counsel and for the Underwriter by Kutak Rock LLP, Denver, Colorado. The Bonds, in book-entry form, will be available for delivery through the facilities of the Depository Trust Company in New York, New York, on or about \_\_\_\_\_, 2019.\**



Dated: \_\_\_\_\_, 2019

\* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of any such jurisdiction.

**MATURITY SCHEDULE\***

**\$68,620,000\***

**SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT  
(Santa Clara County, California)  
2019 General Obligation Refunding Bonds  
(Federally Taxable)**

**Base CUSIP†: 798189**

<b><u>Maturity (August 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP†</u></b>
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\$      % Term Bonds due August 1, 20\_\_ -- Yield   % CUSIP†:

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\* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (“CGS”), managed by S&P Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. None of the Underwriter, the Municipal Advisor nor the District is responsible for the selection, uses or correctness of the CUSIP numbers set forth herein. CUSIP numbers have been assigned by an independent company not affiliated with the District, the Municipal Advisor or the Underwriter and are included solely for the convenience of the registered owners of the applicable Bonds. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

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

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

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

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

The Underwriter has provided the following sentence for inclusion in this Official Statement:

“The Underwriter has reviewed the information in this Official Statement in accordance with, and as 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 the completeness of such information.”

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

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

## **SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT**

### **Board of Trustees**

Dr. Jeffrey Lease, *Trustee Area VI, Board President*  
Ms. Wendy Ho, *Trustee Area V, Board Vice President*  
Mr. Rudy Nasol, *Trustee Area I, Member*  
Ms. Karen Martinez, *Trustee Area II, Member*  
Mr. Craig Mann, *Trustee Area III, Member*  
Ms. Maria Fuentes, *Trustee Area IV, Member*  
Ms. Mayra Cruz, *Trustee Area VII, Member*

### **District Administration**

Dr. Byron D. Clift Breland, *Chancellor*  
Jorge Escobar, *Interim Vice Chancellor of Administrative Services*  
Linda Wilczewski, *Interim Executive Director, Fiscal Services*

### **PROFESSIONAL SERVICES**

#### **Bond Counsel and Disclosure Counsel**

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

#### **Municipal Advisor**

Keygent LLC  
*El Segundo, California*

#### **Paying Agent and Escrow Agent**

U.S. Bank National Association  
*San Francisco, California*

#### **Verification Agent**

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

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**\$68,620,000\***  
**SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT**  
**(Santa Clara County, California)**  
**2019 General Obligation Refunding Bonds**  
**(Federally Taxable)**

**INTRODUCTION**

This Official Statement, which includes the cover page, inside cover page and appendices hereto, provides information in connection with the sale of San Jose-Evergreen Community College District (Santa Clara County, California) 2019 General Obligation Refunding Bonds (Federally Taxable) (the “Bonds”).

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

**The District**

The San Jose-Evergreen Community College District (the “District”) was established on July 1, 1964 and is located in Santa Clara County (the “County”), south of the San Jose International Airport. The District encompasses approximately 303 square miles in the heart of Silicon Valley, including a portion of the City of San Jose and all of the City of Milpitas. The District operates San Jose City College and Evergreen Valley College (together, the “Colleges”), each of which is fully accredited by the Accrediting Commission for Community and Junior Colleges (the “ACCJC”). For fiscal year 2019-20, taxable property within the District has an assessed valuation of \$162,399,698,265 and the District’s budgeted full-time equivalent student (“FTES”) count is 12,598 students.

The District is governed by a seven-member Board of Trustees (the “Board”). Board members serve four-year terms, and are elected by voters within their respective trustee areas within the District. Elections for positions to the Board are held every two years, alternating between three and four available positions. The District’s administrative and financial staff includes, among others, a Chancellor and a Vice Chancellor of Administrative Services. Dr. Byron D. Clift Breland currently serves as the Chancellor of the District and Mr. Jorge Escobar currently serves as the Interim Vice Chancellor of Administrative Services.

For more information regarding the District’s tax base, see “TAX BASE FOR REPAYMENT OF BONDS” herein. See “FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA” and “SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT” herein for more general information regarding the District and its finances. The District’s audited financial statement for fiscal year ended June 30, 2018 is attached hereto as APPENDIX A and should be read in its entirety.

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\* Preliminary, subject to change.

## Security and Sources of Payment for the Bonds

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

## Purpose of Issue

The proceeds of the Bonds will be used to (i) advance refund the District’s outstanding Election of 2010 General Obligation Bonds, Series A (the “Series A Bonds”), (ii) advance refund the District’s outstanding Election of 2010 General Obligation, Series B (the “Series B Bonds,” and together with the Series A Bonds, the “Prior Bonds”), and (ii) pay the costs of issuance of the Bonds. The Prior Bonds to be refunded with proceeds of the Bonds are referred to herein as the “Refunded Bonds.” See also “REFUNDING PLAN” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

## Description of the Bonds

**Form and Registration.** The Bonds will be issued in fully registered form only, without coupons, and will mature on August 1 in the years indicated on the inside cover page hereof. Purchasers of the Bonds (the “Beneficial Owners”) will not receive physical certificates representing their interests in the Bonds purchased, but will instead receive credit balances on the books of their respective nominees. The Bonds will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. See “THE BONDS – General Provisions” and “THE BONDS – Book-Entry Only System” herein. In the event that the book-entry only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution. See “THE BONDS – Discontinuation of Book-Entry Only System; Payment to Beneficial Owners” herein.

**So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the “Owners” or “Holders” of the Bonds (other than under the caption “- Tax Matters” and “TAX MATTERS” herein) will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.**

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

**Redemption.\*** The Bonds are subject to optional and mandatory sinking fund redemption prior to their stated maturity dates, as further described herein. See “THE BONDS – Redemption” herein.

**Payments.** The Bonds will be issued as current interest bonds, such that interest thereon will accrue from the initial date of delivery of the Bonds (the “Date of Delivery”) and be payable semiannually on each February 1 and August 1 (each a “Bond Payment Date”), commencing February 1, 2020. Principal of the Bonds is payable on August 1 in the amounts and years as set forth on the inside cover page hereof.

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\* Preliminary, subject to change.



Payments of the principal of and interest on the Bonds will be made by U.S. Bank National Association, as the designated paying agent, bond registrar and transfer agent (the “Paying Agent”), to DTC for subsequent disbursement through DTC Participants (defined herein) to the Beneficial Owners. See also “THE BONDS – Book-Entry Only System” herein.

### **Tax Matters**

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

### **Authority for Issuance of the Bonds**

The Bonds are issued pursuant to certain provisions of the Government Code and other applicable law, and pursuant to a resolution adopted by the Board. See “THE BONDS – Authority for Issuance of the Bonds” herein.

### **Offering and Delivery of the Bonds**

The Bonds are offered when, as and if issued, subject to approval as to the validity by Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC in New York, New York, on or about \_\_\_\_\_, 2019.

### **Bond Owner’s Risks**

The Bonds are general obligations of the District payable solely from *ad valorem* property taxes which may be levied on all taxable property in the District, without limitation as to rate or amount (except with respect to certain personal property which is taxable at limited rates). For more complete information regarding the taxation of property within the District and certain other considerations related thereto, see “TAX BASE FOR REPAYMENT OF BONDS” and “LIMITATION ON REMEDIES; BANKRUPTCY” herein.

### **Continuing Disclosure**

The District will covenant for the benefit of Owners and Beneficial Owners to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events, in compliance with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (collectively, the “Rule”). See “LEGAL MATTERS – Continuing Disclosure” herein. The specific nature of the information to be made available and of the notices of enumerated events required to be provided are summarized in form of the Continuing Disclosure Certificate in “APPENDIX C” attached hereto.

### **Professionals Involved in the Offering**

Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California is acting as Bond Counsel and Disclosure Counsel to the District with respect to the Bonds. Keygent LLC, El Segundo, California is acting as municipal advisor to the District with respect to the Bonds. Stradling Yocca Carlson & Rauth and Keygent, LLC will receive compensation from the District contingent upon the sale and delivery of the Bonds. Certain matters will be passed on for the Underwriter by Kutak Rock

LLP, Denver, Colorado. U.S. Bank National Association, San Francisco, California, has been appointed as Paying Agent for the Bonds, and as Escrow Agent (as defined herein) with respect to the Refunded Bonds. Causey Demgen & Moore P.C., Denver, Colorado is acting as verification agent for the Bonds. From time to time, Bond Counsel represents the Underwriter in matters unrelated to the District or the Bonds.

### **Forward Looking Statements**

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

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

### **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available from the San Jose-Evergreen Community College District, 40 South Market Street, San Jose, California 95113, telephone: (408) 270-6426. The District may impose a charge for copying, mailing and handling.

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

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

Certain information set forth herein, other than that provided by the District, has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there

has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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

## THE BONDS

### Authority for Issuance

The Bonds are issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, commencing with Section 53550 *et seq.*, and other applicable law, and pursuant to a resolution adopted by the Board on August 27, 2019 (the “Resolution”).

### Security and Sources of Payment

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to levy such *ad valorem* property taxes, without limitation as to rate or amount, upon all property within the District subject to taxation thereby (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. Such *ad valorem* property taxes will be levied annually in addition to all other taxes in an amount sufficient to pay the principal of and interest thereon when due, as described above. The levy of *ad valorem* property taxes for payment of the Bonds may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. The County, however, is not obligated to establish or maintain such a reserve for any of the Bonds, and the District can make no representation that the County will do so. Such taxes, when collected, will be placed by the County in the Debt Service Fund (defined herein) created by the Resolution, which fund is required to be segregated and maintained by the County and which is designated for the payment of the Bonds and interest thereon when due, and for no other purpose. Pursuant to the Resolution, the District has pledged funds on deposit in the Debt Service Fund to the payment of the Bonds. Although the County is obligated to levy *ad valorem* property taxes for the payment of the Bonds as described above, and the County will maintain the Debt Service Fund, the Bonds are not a debt of the County.

Moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred to the Paying Agent. The Paying Agent will in turn remit the funds to DTC for remittance of such principal and interest to its Participants (as defined herein) for subsequent disbursement to the respective Beneficial Owners of such Bonds.

The amount of the annual *ad valorem* property taxes levied by the County to repay the Bonds, as described above, will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rates to fluctuate. Economic and other factors beyond the District’s control, such as general market decline in land values, disruption in financial markets that may reduce the availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood, fire, wildfire, drought or toxic contamination, could cause a reduction in the assessed value of taxable

property within the District and necessitate a corresponding increase in the respective annual tax rates. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution" and "TAX BASE FOR REPAYMENT OF BONDS" herein.

### **Statutory Lien**

Pursuant to Government Code Section 53515, the Bonds will be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof. The lien automatically attaches, without further action or authorization by the Board, and is valid and binding from the time the Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the *ad valorem* property tax will be immediately subject to the lien, and such lien will be enforceable against the District, its successor, transferees and creditors, and all other parties asserting rights therein, irrespective of whether such parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Bonds, but also any other bonds of the District issued after January 1, 2016 and payable, both as to principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of such *ad valorem* property taxes are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

### **General Provisions**

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. See "— Book-Entry Only System" herein. Beneficial Owners will not receive certificates representing their interest in the Bonds, but will instead receive credit balances on the books of their respective nominees. The Bonds will be dated as of the Date of Delivery.

Interest on the Bonds accrues from the Date of Delivery, and is payable semiannually on each Bond Payment Date, commencing February 1, 2020. Interest on the Bonds will be computed on the basis of a 360-day year of twelve, 30-day months. Each Bond will bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it will bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2020, in which event it will bear interest from the Date of Delivery. The Bonds are issuable in denominations of \$5,000 principal amount or any integral multiple thereof, and mature on August 1, in the years and amounts set forth on the inside cover page hereof.

Payment of interest on any Bond on any Bond Payment Date will be made to the person appearing on the registration books of the Paying Agent as the registered Owner thereof as of the 15<sup>th</sup> day of the month immediately preceding such Bond Payment Date (the "Record Date"), such interest to be paid by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal of and redemption premiums, if any, payable on the Bonds shall be payable upon maturity upon surrender at the designated office of the Paying Agent. The principal of, and interest, and redemption premiums, if any, on the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. So long as the Bonds are held in the book-entry system of

DTC, all payments of principal of and interest on the Bonds will be made by the Paying Agent to Cede & Co. (as a nominee of DTC), as the registered owner of the Bonds. See also “—Book-Entry Only System” below.

**Annual Debt Service**

The following table shows the debt service schedule with respect to the Bonds (assuming no optional redemptions are made):

<u>Year Ending (August 1)</u>	<u>Annual Principal Payment</u>	<u>Annual Interest Payment<sup>(1)</sup></u>	<u>Total Annual Debt Service</u>
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TOTAL

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<sup>(1)</sup> Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2020.

See “SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT – District Debt Structure – General Obligation Bonds” herein for a schedule of the combined debt service requirements for all of the District’s outstanding general obligation bonds.

**Redemption**

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

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\* Preliminary, subject to change.

***Mandatory Sinking Fund Redemption.***\* The Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_ at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount of such Bonds to be so redeemed and the dates therefor and the final maturity date is as indicated in the following table:

<b>Redemption Date (August 1)</b>	<b>Principal Amount to be Redeemed</b>
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Total

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

***Notice of Redemption.*** When redemption is authorized or required pursuant to the Resolution, the Paying Agent, upon written instruction from the District, will give notice (a “Redemption Notice”) of the redemption of the Bonds (or portions thereof). Each Redemption Notice will specify (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the portion of the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice will further state that on the specified date there will become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date thereon, and that from and after such date, interest thereon will cease to accrue.

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

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\* Preliminary, subject to change.

“Information Services” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access.

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

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

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

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

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

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

will distribute a notice of such rescission in the same manner as the Redemption Notice was originally provided.

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

### **Book-Entry Only System**

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but none of the District, the Municipal Advisor, nor the Underwriter take any responsibility for the accuracy or completeness thereof. The District and the Underwriter cannot and do not give any assurances that DTC, DTC Participants or Indirect Participants (as defined herein) will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "MMI Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.*

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and together with the Direct Participants, the "Participants"). DTC has an S&P (as defined herein) 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](http://www.dtcc.com). The information set forth on such website is not incorporated by reference herein.

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Resolution. 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 notices be provided directly to them.

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

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

Redemption proceeds and distributions on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or

registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds or distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

So long as any of the Bonds remain outstanding, the District will cause the Paying Agent to maintain at its designated office all books and records necessary for the registration, exchange and transfer of such Bonds, which shall at all times be open to inspection by the District, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register, exchange or transfer or cause to be registered, exchanged or transferred, on said books, Bonds as provided in the Resolution.

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

The principal of the Bonds and any premium and interest upon the redemption thereof prior to the maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the designated office of the Paying Agent, initially located in San Francisco, California. Interest on the Bonds will be paid by the Paying Agent by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

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

Neither the District nor the Paying Agent will be required to (a) issue or transfer any Bonds during a period beginning with the opening of business on the 16<sup>th</sup> day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on

the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) transfer any Bonds which have been selected or called for redemption in whole or in part.

### **Defeasance**

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

- (a) Cash. By irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with any amounts transferred from the Debt Service Fund, is sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon and premium, if any) at or before their maturity date; or
- (b) Government Obligations. By irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations (as defined herein) together with any amounts transferred from the Debt Service Fund, and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all principal thereof, accrued interest thereon, and premium, if any), at or before their maturity date;

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

“Government Obligations” is defined in the Resolution as follows: direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that all such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by S&P Global Ratings (“S&P”) or by Moody’s Investors Service (“Moody’s”).

### **REFUNDING PLAN**

The Bonds are being issued by the District to (i) pay principal of and interest on the Series B Bonds maturing on August 1, 2020 through and including August 1, 2022 (the “non-callable Refunded Bonds”), (ii) advance refund the Series A Bonds and Series B Bonds maturing on or after August 1, 2023 (the “callable Refunded Bonds”), and (ii) pay the costs of issuance of the Bonds.

The net proceeds from the sale of the Bonds will be paid to U.S. Bank National Association, acting as escrow agent (the “Escrow Agent”), to the credit of an escrow fund (the “Escrow Fund”) established pursuant to an escrow agreement relating to the Refunded Bonds (the “Escrow Agreement”) by and between the District and the Escrow Agent. Pursuant to the Escrow Agreement, the amount deposited in the Escrow Fund will be used to purchase certain non-callable direct and general obligations of the United States of America, or non-callable obligations the payment of which is unconditionally guaranteed by the United States of America, the principal of and interest on which will be sufficient, together with any monies deposited in the Escrow Fund and held as cash, to enable the Escrow Agent (i) to pay the principal of and interest on the non-callable Refunded Bonds as the same becomes due and payable, and (ii) to pay the redemption price of the callable Refunded Bonds on the first optional redemption date therefor, as well as the interest due thereon on and before such date. Information regarding specific maturities of the Refunded Bonds is listed in the following tables.

**REFUNDED BONDS**  
**San Jose-Evergreen Community College District**  
**Election of 2010 General Obligation Bonds, Series A**

<b><u>Maturity Date</u></b> <b><u>(August 1)</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Redemption</u></b> <b><u>Date</u></b>	<b><u>Redemption Price</u></b> <b><u>(% of Par Amount)</u></b>
2026	\$130,000	2.750%	August 1, 2022	100%
2027	225,000	2.875	August 1, 2022	100
2033	5,985,000	5.000	August 1, 2022	100
2035	7,350,000	5.000	August 1, 2022	100
2037	8,975,000	5.000	August 1, 2022	100
2041	15,000,000	5.000	August 1, 2022	100
2041	8,660,000	4.000	August 1, 2022	100

**REFUNDED BONDS**  
**San Jose-Evergreen Community College District**  
**Election of 2010 General Obligation Bonds, Series B**

<b><u>Maturity Date</u></b> <b><u>(August 1)</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Redemption</u></b> <b><u>Date</u></b>	<b><u>Redemption Price</u></b> <b><u>(% of Par Amount)</u></b>
2020	\$390,000	4.000%	--	--
2021	535,000	4.000	--	--
2022	685,000	4.000	--	--
2023	845,000	4.000	August 1, 2022	100%
2024	1,020,000	4.000	August 1, 2022	100
2025	1,210,000	4.000	August 1, 2022	100
2026	1,275,000	4.000	August 1, 2022	100
2027	1,395,000	4.000	August 1, 2022	100
2032	4,000,000	3.500	August 1, 2022	100
2032	5,065,000	5.000	August 1, 2022	100

The sufficiency of the amounts on deposit in the Escrow Fund, together with realizable interest and earnings thereon, to pay (i) the principal of and interest on the non-callable Refunded Bonds and (ii) the redemption price of the callable Refunded Bonds, and the accrued interest due on the callable Refunded Bonds, as described above will be verified by Causey Demgen & Moore P.C. (the “Verification Agent”). As a result of the deposit and application of funds so provided in the Escrow Agreement, and assuming the accuracy of the computations of the Underwriter and the Verification Agent, the Refunded Bonds will be defeased and the obligation of the County to levy *ad valorem* property taxes for payment of the Refunded Bonds will terminate. See “LEGAL MATTERS – Escrow Verification” herein.

Any accrued interest on the Bonds, when received by the District from the sale of the Bonds, any surplus moneys in the Escrow Fund, when received by the District following the redemption of the Refunded Bonds, and any other excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued, shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

Moneys in the Debt Service Fund are expected to be invested through the Santa Clara County Investment Pool. See “APPENDIX E – SANTA CLARA COUNTY INVESTMENT POOL” attached hereto.

### **ESTIMATED 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 the Bonds  
Total Sources

#### Uses of Funds

Escrow Fund  
Costs of Issuance<sup>(1)</sup>  
Total Uses

<sup>(1)</sup> Reflects all costs of issuance, including but not limited to the Underwriter’s discount, legal fees, municipal advisor fees, printing costs, rating agencies fees, and the costs and fees of the Paying Agent, Verification Agent and Escrow Agent.

### **TAX BASE FOR REPAYMENT OF BONDS**

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

#### ***Ad Valorem Property Taxation***

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

Taxes are levied for each fiscal year on taxable real and personal property which is located in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Unsecured property is assessed on the “unsecured roll.” Unsecured property comprises all property not attached to land, such as personal property or business property. Boats and airplanes are examples of unsecured property. A supplemental roll is developed when property changes hands or new

construction is completed. The County levies and collects all property taxes for property falling within the respective county's taxing boundaries.

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

Property taxes on the unsecured roll as of July 31 become delinquent if they are not paid by August 31 and are thereafter subject to a delinquent penalty of 10%. Taxes added to the unsecured tax roll after July 31, if unpaid, are delinquent and subject to a penalty of 10% on the last day of the month succeeding the month of enrollment. In the case of unsecured property taxes, an additional penalty of 1.5% per month begins to accrue when such taxes remain unpaid on the last day of the second month after the 10% penalty attaches. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the assessee; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on specific property of the assessee; (3) filing a certificate of delinquency for record in the county recorder's office in order to obtain a lien on specified property of the assessee; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. See also "– Tax Levies, Collections and Delinquencies" herein.

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

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

Assessed valuation growth allowed under Article XIII A (new construction, certain changes of ownership, 2% inflation) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies, including K-14 school districts (as defined herein), share the growth of "base" revenues from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year.

## Assessed Valuations

The table below shows the assessed valuations for the territory within the District for fiscal years 2010-11 through 2019-20, each as of the date the equalized assessment tax roll is established in August of each year, excluding any exemptions granted after such date.

**ASSESSED VALUATIONS**  
**Fiscal Years 2010-11 through 2019-20**  
**San Jose-Evergreen Community College District**

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>Percent Change</u>
2010-11	\$93,849,041,749	\$36,366,823	\$5,474,284,014	\$99,359,692,586	--
2011-12	93,459,322,528	38,657,320	5,541,500,346	99,039,480,194	(0.32)%
2012-13	94,369,075,516	34,399,390	6,469,827,326	100,873,302,232	1.85
2013-14	102,645,881,175	34,399,194	6,464,412,425	109,144,692,794	8.20
2014-15	110,680,153,852	38,159,724	6,022,775,529	116,741,089,105	6.96
2015-16	118,077,239,938	36,243,684	5,994,298,200	124,107,781,822	6.31
2016-17	126,809,258,910	26,793,294	5,818,790,664	132,654,842,868	6.89
2017-18	135,235,262,285	25,316,441	6,495,085,511	141,755,664,237	6.86
2018-19	144,283,344,178	25,460,744	6,623,655,713	150,932,460,635	6.47
2019-20	155,082,065,302	24,832,593	7,292,800,370	162,399,698,265	7.60

*Source: California Municipal Statistics, Inc.; Percent change figures provided by the Municipal Advisor.*

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

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

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.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution. See also “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution” herein. Such reductions are subject to yearly reappraisals by the county assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under Article XIII A.

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

**Assembly Bill 102.** On June 27, 2017, the Governor signed into law Assembly Bill 102 (“AB 102”). AB 102 restructures the functions of the SBE and creates two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration will take over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE will continue to perform the duties assigned by the State Constitution related to property taxes, however, beginning January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear tax appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the District.

**Assessed Valuation by Jurisdiction**

The following table below shows an analysis of the distribution of taxable property in the District by jurisdiction, in terms of its fiscal year 2018-19 assessed valuation.

**ASSESSED VALUATION BY JURISDICTION<sup>(1)</sup>**  
**Fiscal Year 2018-19**  
**San Jose-Evergreen Community College District**

<u>Jurisdiction:</u>	Assessed Valuation <u>in District</u>	% of <u>District</u>	Assessed Valuation <u>of Jurisdiction</u>	% of Jurisdiction <u>in District</u>
City of Milpitas	\$18,343,899,235	12.15%	\$18,343,899,235	100.00%
City of San Jose	128,859,661,725	85.38	181,926,524,174	70.83
City of Santa Clara	91,062,103	0.06	43,964,913,741	0.21
Unincorporated Santa Clara County	<u>3,637,837,572</u>	<u>2.41</u>	17,968,471,412	20.25
Total District	\$150,932,460,635	100.00%		
Santa Clara County	\$150,932,460,635	100.00%	\$482,861,280,340	31.26%

<sup>(1)</sup> Before deduction of redevelopment incremental valuation. Includes unsecured property.  
Source: California Municipal Statistics, Inc.



## Assessed Valuation and Parcels by Land Use

The following table shows a per-parcel analysis of the distribution of taxable property within the District by principal use, and the fiscal year 2019-20 assessed valuation of such parcels (excluding utility and unsecured assessed valuations).

### ASSESSED VALUATION AND PARCELS BY LAND USE Fiscal Year 2019-20 San Jose-Evergreen Community College District

	2019-20 <u>Assessed Valuation</u> <sup>(1)</sup>	% of <u>Total</u>	No. of <u>Parcels</u>	% of <u>Total</u>
<b>Non-Residential:</b>				
Agricultural/Rural	\$325,291,492	0.21%	785	0.32%
Commercial	17,852,013,697	11.51	5,429	2.22
Industrial	19,897,124,656	12.83	33,217	13.58
Recreational	229,833,341	0.15	330	0.13
Government/Social/Institutional	117,325,194	0.08	1,769	0.72
Miscellaneous/Private Utilities	<u>62,302,395</u>	<u>0.04</u>	<u>600</u>	<u>0.25</u>
Subtotal Non-Residential	\$38,483,890,775	24.82%	42,130	17.22%
<b>Residential:</b>				
Single Family Residence	\$87,298,411,305	56.29%	152,248	62.23%
Condominium/Townhouse	15,592,284,818	10.05	34,020	13.90
Mobile Home	352,787,865	0.23	4,829	1.97
2-4 Residential Units	2,813,942,573	1.81	6,351	2.60
5+ Residential Units/Apartments	<u>8,320,196,374</u>	<u>5.37</u>	<u>2,091</u>	<u>0.85</u>
Subtotal Residential	\$114,377,622,935	73.75%	199,539	81.56%
Vacant Parcels	\$2,220,551,592	1.43%	2,999	1.23%
<b>Total</b>	<b>\$155,082,065,302</b>	<b>100.00%</b>	<b>244,668</b>	<b>100.00%</b>

<sup>(1)</sup> Reflects local secured assessed valuation, excluding tax-exempt property.

Source: California Municipal Statistics, Inc.

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## Assessed Valuation of Single Family Homes

The following table displays the distribution of single family homes within the District among various fiscal year 2019-20 assessed valuation ranges, as well as the average and median assessed valuation of single family homes within the District.

### ASSESSED VALUATION OF SINGLE FAMILY HOMES Fiscal Year 2019-20 San Jose-Evergreen Community College District

Single Family Residential	No. of Parcels	2019-20 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation		
	152,248	\$87,298,411,305	\$573,396	\$503,119		
2019-20 Assessed Valuation	No. of Parcels <sup>(1)</sup>	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999	2,013	1.322%	1.322%	\$80,972,417	0.093%	0.093%
50,000 - 99,999	11,195	7.353	8.675	828,130,437	0.949	1.041
100,000 - 149,999	6,789	4.459	13.134	839,551,995	0.962	2.003
150,000 - 199,999	6,063	3.982	17.117	1,065,236,969	1.220	3.223
200,000 - 249,999	7,485	4.916	22.033	1,689,209,455	1.935	5.158
250,000 - 299,999	8,669	5.694	27.727	2,387,823,753	2.735	7.894
300,000 - 349,999	9,498	6.239	33.966	3,086,403,423	3.535	11.429
350,000 - 399,999	8,678	5.700	39.666	3,249,423,017	3.722	15.151
400,000 - 449,999	7,762	5.098	44.764	3,292,037,296	3.771	18.922
450,000 - 499,999	7,581	4.979	49.743	3,604,619,055	4.129	23.051
500,000 - 549,999	7,295	4.792	54.535	3,831,558,804	4.389	27.440
550,000 - 599,999	7,608	4.997	59.532	4,374,540,028	5.011	32.451
600,000 - 649,999	7,170	4.709	64.241	4,479,943,495	5.132	37.583
650,000 - 699,999	6,619	4.348	68.589	4,465,960,965	5.116	42.699
700,000 - 749,999	6,162	4.047	72.636	4,464,224,092	5.114	47.813
750,000 - 799,999	5,778	3.795	76.431	4,478,587,104	5.130	52.943
800,000 - 849,999	5,352	3.515	79.947	4,410,144,569	5.052	57.995
850,000 - 899,999	4,532	2.977	82.923	3,960,832,546	4.537	62.532
900,000 - 949,999	3,969	2.607	85.530	3,666,055,773	4.199	66.731
950,000 - 999,999	3,233	2.124	87.654	3,151,689,290	3.610	70.341
1,000,000 and greater	18,797	12.346	100.000	25,891,466,822	29.659	100.000
Total	152,248	100.000%		\$87,298,411,305	100.000%	

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

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## Secured Tax Charges and Delinquencies

The following table shows secured *ad valorem* property tax levies for the District, and amounts delinquent as of June 30, for the fiscal years 2009-10 through 2017-18. See “– Alternative Method of Tax Apportionment – Teeter Plan” below.

### SECURED TAX CHARGES AND DELINQUENCIES Fiscal Years 2009-10 through 2017-18 San Jose-Evergreen Community College District

	Secured <u>Tax Charge</u> <sup>(1)</sup>	Amt. Del. <u>June 30</u>	% Del. <u>June 30</u>
2009-10	\$13,593,806.56	\$360,879.54	2.65%
2010-11	15,478,811.27	309,548.09	2.00
2011-12	23,261,979.70	360,153.92	1.55
2012-13	-- <sup>(2)</sup>	-- <sup>(2)</sup>	0.95
2013-14	18,421,887.75	157,676.46	0.86
2014-15	28,720,706.34	220,432.95	0.77
2015-16	28,977,530.57	240,491.86	0.83
2016-17	29,190,503.31	189,636.05	0.65
2017-18	53,768,283.77	233,538.54	0.43

<sup>(1)</sup> District’s general obligation bond debt service levy only.

<sup>(2)</sup> Not available.

Source: California Municipal Statistics, Inc.

## Alternative Method of Tax Apportionment - Teeter Plan

Under the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code, each participating local agency levying property taxes, including community college districts, receives from the county or counties in which it is located the amount of uncollected taxes credited to its fund, in the same manner as if the amount credited had been collected. In return, the applicable county or counties receive(s) and retain(s) delinquent payments, penalties and interest as collected that would have been due to the local agency. The Teeter Plan, once adopted by a county, remains in effect unless the applicable county board of supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year, the board of supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the applicable county. A board of supervisors may, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the county when delinquencies for taxes levied by that agency exceed 3%. The Teeter Plan applies to the 1% general purpose property tax levy. Whether or not the Teeter Plan is also applied to other tax levies for local agencies, such as the tax levy for general obligation bonds of a local agency, varies by county.

The Board of Supervisors of the County has approved the implementation of the Teeter Plan. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to local political subdivisions for which the County acts as the tax-levying or tax-collecting agency. The secured *ad valorem* property tax to be levied by the County to pay the principal of and interest on the Bonds will be subject to the Teeter Plan, beginning in the first year of such levy. The District will receive 100% of the secured *ad valorem* property tax levied to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County.

## Principal Taxpayers

The more property (by assessed value) which is owned by a single taxpayer within the District, the greater amount of tax collections that are exposed to weaknesses in such a taxpayer's financial situation and ability or willingness to pay property taxes. The following table lists the 20 largest local secured taxpayers in the District in terms of their fiscal year 2019-20 secured assessed valuations. Each taxpayer listed below is a name listed on the tax rolls. The District cannot make any representation as to whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below.

### LARGEST LOCAL SECURED TAXPAYERS Fiscal Year 2019-20 San Jose-Evergreen Community College District

	Property Owner	2019-20 Primary Land Use	% of Assessed Valuation	Total <sup>(1)</sup>
1.	Sobrato Interests	Apartments	\$647,098,121	0.42%
2.	San Jose Water Works	Water Company	514,355,807	0.33
3.	Adobe Systems Inc.	Office Building	504,293,475	0.33
4.	Cisco Technology Inc.	Industrial	485,632,008	0.31
5.	Apple Inc.	Office Building	480,474,415	0.31
6.	Hitachi Global Storage Techs Inc.	Industrial	429,099,597	0.28
7.	KLA Tencor Corp.	Industrial	422,312,113	0.27
8.	Essex Portfolio LP	Apartments	379,677,306	0.24
9.	ERV Community Partners LP	Apartments	369,406,000	0.24
10.	Milpitas Mills LP	Shopping Center/Mall	337,889,378	0.22
11.	Hudson Concourse LLC	Office Building	307,914,489	0.20
12.	Paypal Inc.	Office Building	298,777,603	0.19
13.	Oakridge Mall LP	Shopping Center/Mall	290,683,669	0.19
14.	San Jose Health Care System LP	Hospital	288,764,563	0.19
15.	SJ Cityview LLC	Office Building	283,500,100	0.18
16.	ICS Transit Vil Prop Owner LLC	Apartments	246,522,252	0.16
17.	AMB Property LP	Industrial	240,347,757	0.15
18.	Sandbox Expansion LLC	Industrial	237,179,988	0.15
19.	Full Power Properties LLC	Condominiums	220,848,711	0.14
20.	Cole Mt. San Jose CA LP	Shopping Center/Mall	<u>212,775,184</u>	<u>0.14</u>
			<u>\$7,197,552,536</u>	<u>4.64%</u>

<sup>(1)</sup> The District's fiscal year 2019-20 local secured assessed valuation is \$155,082,065,302.  
Source: California Municipal Statistics, Inc.

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## Tax Rates

A representative tax rate area (a “TRA”) located within the District is TRA 17-108. The following table shows the total *ad valorem* property tax rates, as a percentage of assessed valuation, levied by all taxing entities in TRA 17-108 for fiscal years 2014-15 through 2018-19.

**TYPICAL TAX RATES (TRA 17-108)<sup>(1)</sup>**  
**Fiscal Years 2014-15 through 2018-19**  
**San Jose-Evergreen Community College District**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
General	1.0000%	1.0000%	1.0000%	1.00000%	1.00000%
County Retirement Levy	.0388	.0388	.0388	.03880	.03880
County Hospital Bonds	.0091	.0088	.0086	.02086	.01770
City of San Jose Bonds	.0253	.0223	.0207	.01860	.01770
San Jose Unified School District	.1367	.1246	.1123	.07120	.06360
San Jose-Evergreen Community College District	<u>.0262</u>	<u>.0247</u>	<u>.0231</u>	<u>.04000</u>	<u>.03830</u>
Total All Property	1.2361%	1.2192%	1.2035%	1.18946%	1.17540%
Santa Clara Valley Water District State Water Project	<u>.0065%</u>	<u>.0057%</u>	<u>.0086%</u>	<u>.00620%</u>	<u>.00420%</u>
Total Land and Improvement	.0065%	.0057%	.0086%	.00620%	.00420%

<sup>(1)</sup> The fiscal year 2018-19 assessed valuation of TRA 17-108 is \$33,470,701,239.  
Source: *California Municipal Statistics, Inc.*

## Statement of Direct and Overlapping Debt

Set forth on the following page is a direct and overlapping debt report (the “Debt Report”) prepared by California Municipal Statistics, Inc., for debt issued as of July 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.

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

**STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT**  
**San Jose-Evergreen Community College District**

2018-19 Assessed Valuation: \$150,932,460,635

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/19</u>
Santa Clara County	31.258%	\$296,082,028
<b>San Jose-Evergreen Community College District</b>	<b>100.000</b>	<b>466,665,599<sup>(1)</sup></b>
Milpitas Unified School District	100.000	171,315,000
San Jose Unified School District	99.983	499,139,157
Santa Clara Unified School District	0.534	5,570,555
Eastside Union High School District	97.880	912,774,331
Alum Rock Union School District	100.000	100,740,000
Berryessa School District	100.000	81,753,031
Evergreen School District	100.000	137,967,188
Franklin McKinley School District	100.000	136,483,917
Orchard School District	85.268	31,984,864
Oak Grove School District	100.000	205,297,559
Mount Pleasant School District	100.000	18,587,191
City of San Jose	70.831	228,862,044
City of San Jose Community Facilities Districts	100.000	9,250,000
City 1915 Act Bonds	100.000	9,135,000
Santa Clara Valley Water District Benefit Assessment District	31.258	<u>22,996,511</u>
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$3,334,603,975</b>

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Santa Clara County General Fund Obligations	31.258%	\$222,040,928
Santa Clara County Pension Obligation Bonds	31.258	110,146,591
Santa Clara County Board of Education Certificates of Participation	31.258	1,330,028
<b>San Jose-Evergreen Community College District General Fund Obligations</b>	<b>100.000</b>	<b>47,450,000</b>
East Side Union High School District Post Employment Obligations	97.880	27,607,054
Alum Rock Union School District Certificates of Participation	100.000	18,190,000
Other School District Certificates of Participation	0.534 - 100.000	31,364,919
City of San Jose General Fund Obligations	70.831	300,284,483
City of Santa Clara General Fund Obligations	0.207	34,898
Santa Clara County Vector Control District Certificates of Participation	31.258	<u>701,742</u>
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$759,150,643</b>
Less: Santa Clara County Obligations supported by hospital and airport revenues		<b>(100,550,251)</b>
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$658,600,392</b>

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies): \$972,899,612

GROSS COMBINED TOTAL DEBT \$5,066,654,230 <sup>(2)</sup>  
NET COMBINED TOTAL DEBT \$4,966,103,979

Ratios to 2018-19 Assessed Valuation:

<b>District Debt (\$466,665,599)</b> .....	<b>0.31%</b>
Total Direct and Overlapping Tax and Assessment Debt .....	2.21%
<b>Combined Direct Debt (\$514,115,599)</b> .....	<b>0.34%</b>
Combined Total Debt .....	3.36%
Net Combined Total Debt .....	3.29%

Ratio to Redevelopment Successor Agency Incremental Valuation (\$23,733,847,751):  
Total Overlapping Tax Increment Debt..... 4.10%

(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. Qualified Zone Academy Bonds (QZABs) are included based on principal due at maturity.

Source: California Municipal Statistics, Inc.

## **CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS**

*The principal of and interest on the Bonds are payable from the proceeds of an ad valorem property tax required to be levied by the County on taxable property within the District in an amount sufficient for the payment thereof. See “THE BONDS – Security and Sources of Payment” herein. Articles XIII A, XIII B, XIII C and XIII D of the State Constitution, Propositions 98 and 111, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes on behalf of the District and the District to spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such information that these laws impose any limitation on the ability of the County to levy taxes for payment of the principal of and interest on the Bonds.*

### **Article XIII A of the California Constitution**

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

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

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

***Split Roll Property Tax Ballot Measure.*** On October 15, 2018, a proposed ballot initiative became eligible for the November 2020 Statewide ballot (the “2020 Ballot Measure”). If approved by a majority of voters casting a ballot at the November 2020 Statewide election, the 2020 Ballot Measure would amend Article XIII A such that the “full cash value” of commercial and industrial real property that is not zoned for commercial agricultural production, for each lien date, would be equal to the fair market value of that property. If passed, the 2020 Ballot Measure would not affect the “full cash value” of residential property or real property used for commercial agricultural production, which would continue to be subject to annual increases not to exceed 2%. After compensating the State General Fund for resulting reductions in State personal income tax and corporate tax revenues, and compensating cities, counties and special districts for the cost of implementing the 2020 Ballot Measure, approximately 40% of the remaining additional tax revenues generated as a result of the 2020 Ballot Measure would be deposited into a fund created pursuant to the 2020 Ballot Measure called the Local School and Community College Property Tax Fund, with such funds being used to supplement, and not replace, existing funding school districts and community college districts receive under the State’s constitutional minimum funding requirement. The District cannot predict whether the 2020 Ballot Measure will appear on the Statewide ballot at the November 2020 election or, if it does, whether the 2020 Ballot Measure will be approved by a majority of voters casting a ballot. If approved, the District cannot make any assurance as to what effect the implementation of the 2020 Ballot Measure will have on District revenues or the assessed valuation of real property in the District.

### **Legislation Implementing Article XIII A**

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

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

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



## **State-Assessed Utility 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. Under the State Constitution, such property is assessed by the State Board of Equalization (“SBE”) as part of a “going concern” rather than as individual pieces of real or personal property. Such State-assessed unitary and certain other property is allocated to counties by the 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. So long as the District is not a basic aid district, taxes lost through any reduction in assessed valuation will be compensated by the State as equalization aid under the State’s financing formula for community college districts. See “FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – Major Revenues” herein.

## **Article XIII B of the California Constitution**

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

(a) “change in the cost of living” with respect to school districts and community college districts (collectively, “K-14 school districts”) to mean the percentage change in State per capita income from the preceding year, and

(b) “change in population” with respect to K-14 school districts to mean the percentage change in the average daily attendance of such K-14 school district from the preceding fiscal year.

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

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

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

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

Article XIII B also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution. See “—Propositions 98 and 111” herein.

### **Article XIII C and Article XIII D of the California Constitution**

On November 5, 1996, State voters approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the State Constitution Articles XIII C and XIII D (respectively, “Article XIII C” and “Article XIII D”), which contain a number of provisions affecting the ability of local agencies, including K-14 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 State Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as K-14 school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the State Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the State Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

### **Proposition 26**

On November 2, 2010, State voters approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge

imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. 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.

### **Propositions 98 and 111**

On November 8, 1988, State 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 changed State funding of public education below the university level and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-14 school districts at a level equal to the greater of (a) the same percentage of the State general fund revenues as the percentage appropriated to such districts in the 1986-87 fiscal year, or (b) the amount actually appropriated to such districts from the State general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the State Legislature to suspend this formula for a one-year period.

The Accountability Act also changed how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount are, instead of returned to taxpayers, transferred to K-14 school districts. Any such transfer to K-14 school districts is excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year will 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 XIII B surplus. The maximum amount of excess tax revenues which can be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

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

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

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

- a. Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in State 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 pupil attendance.

- b. Treatment of Excess Tax Revenues. “Excess” tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess is 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 such districts’ minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into such districts’ base expenditures for calculating their entitlement for State aid in the next year, and the State’s appropriations limit is not to be increased by this amount.
- c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, all appropriations for “qualified capital outlay projects,” as defined by the Legislature, are excluded. Also, 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 are all excluded. These latter provisions were necessary to make effective the transportation funding package approved by the State Legislature and the Governor, which was expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.
- d. Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.
- e. School Funding Guarantee. A complex adjustment to the formula enacted in Proposition 98 was implemented which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) a certain percentage of State general fund revenues (Test 1) or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (Test 2). Under Proposition 111, K-14 school districts will receive the greater of (1) Test 1, (2) Test 2, or (3) Test 3, which will replace Test 2 in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in State per capita personal income. Under Test 3, K-14 school districts 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 Test 3 is used in any year, the difference between Test 3 and Test 2 will become a “credit” (also referred to as a “maintenance factor”) to K-14 school districts which will be paid in future years when State general fund revenue growth exceeds personal income growth.

### **Jarvis vs. Connell**

On May 29, 2002, the State Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State). The Court of Appeal held that either a final budget bill, an emergency appropriation, a self-executing authorization pursuant to State statutes (such as continuing appropriations) or the State Constitution or a federal mandate is

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

### **Proposition 1A and Proposition 22**

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

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

### **Proposition 55**

The California Children's Education and Health Care Protection Act of 2016 (also known as "Proposition 55") is a constitutional amendment approved by the voters of the State on November 6, 2018. Proposition 55 extends, through 2030, the increases to personal income tax rates for high-income taxpayers that were approved as part of Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"). Proposition 30 increased the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than

\$300,001 for single filers (over \$500,000 but less than \$600,001 for joint filers and over \$340,000 but less than \$408,001 for head-of-household filers), (ii) 2% for taxable income over \$300,000 but less than \$500,001 for single filers (over \$600,000 but less than \$1,000,001 for joint filers and over \$408,000 but less than \$680,001 for head-of-household filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers and over \$680,000 for head-of-household filers).

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

## **Proposition 2**

On November 4, 2014, State voters approved the Rainy Day Budget Stabilization Fund Act (also known as “Proposition 2”). Proposition 2 is a legislatively-referred constitutional amendment which makes certain changes to State budgeting practices, including substantially revising the conditions under which transfers are made to and from the State’s Budget Stabilization Account (the “BSA”) established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

Under Proposition 2, and beginning in fiscal year 2015-16 and each fiscal year thereafter, the State will generally be required to annually transfer to the BSA an amount equal to 1.5% of estimated State general fund revenues (the “Annual BSA Transfer”). Supplemental transfers to the BSA (a “Supplemental BSA Transfer”) are also required in any fiscal year in which the estimated State general fund revenues that are allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues. Such excess capital gains taxes—net of any portion thereof owed to K-14 school districts pursuant to Proposition 98—will be transferred to the BSA. Proposition 2 also increases the maximum size of the BSA to an amount equal to 10% of estimated State general fund revenues for any given fiscal year. In any fiscal year in which a required transfer to the BSA would result in an amount in excess of the 10% threshold, Proposition 2 requires such excess to be expended on State infrastructure, including deferred maintenance.

For the first 15-year period ending with the 2029-30 fiscal year, Proposition 2 provides that half of any required transfer to the BSA, either annual or supplemental, must be appropriated to reduce certain State liabilities, including making certain payments owed to K-14 school districts, repaying State interfund borrowing, reimbursing local governments for State mandated services, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. Following the initial 15-year period, the Governor and the State Legislature are given discretion to apply up to half of any required transfer to the BSA to the reduction of such State liabilities. Any amount not applied towards such reduction must be transferred to the BSA or applied to infrastructure, as described above.

Proposition 2 changes the conditions under which the Governor and the State Legislature may draw upon or reduce transfers to the BSA. The Governor does not retain unilateral discretion to suspend transfers to the BSA, nor does the State Legislature retain discretion to transfer funds from the BSA for any reason, as previously provided by law. Rather, the Governor must declare a “budget emergency,” defined as an emergency within the meaning of Article XIII B of the State Constitution or a determination that estimated resources are inadequate to fund State general fund expenditures, for the current or ensuing fiscal year, at a level equal to the highest level of State spending within the three immediately preceding fiscal years. Any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the BSA are limited to the amount necessary to address the budget emergency, and no draw in any fiscal year may exceed 50% of funds on deposit in the BSA unless a budget emergency was declared in the preceding fiscal year.

Proposition 2 also requires the creation of the Public School System Stabilization Account (the “PSSSA”) into which transfers will be made in any fiscal year in which a Supplemental BSA Transfer is required (as described above). Such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would be otherwise paid to K-14 school districts as part of the minimum funding guarantee. A transfer to the PSSSA will only be made if certain additional conditions are met, as follows: (i) the minimum funding guarantee was not suspended in the immediately preceding fiscal year, (ii) the operative Proposition 98 formula for the fiscal year in which a PSSSA transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the fiscal year in which a PSSSA transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the fiscal year in which a PSSSA transfer might be made is higher than the immediately preceding fiscal year, as adjusted for ADA growth and cost of living. Proposition 2 caps the size of the PSSSA at 10% of the estimated minimum funding guarantee in any fiscal year, and any excess funds must be paid to K-14 school districts. Reductions to any required transfer to the PSSSA, or draws on the PSSSA, are subject to the same budget emergency requirements described above. However, Proposition 2 also mandates draws on the PSSSA in any fiscal year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living.

### **Future Initiatives**

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

## FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA

*The information in this section concerning State funding of community college districts is provided as supplementary information only, and it should not be inferred from the inclusion of the information under this heading that the principal of and interest on the Bonds is payable from the general fund of the District. The Bonds are payable solely from the proceeds of an ad valorem property tax required to be levied by the County on taxable property within the District in an amount sufficient for the payment thereof. See “THE BONDS – Security and Sources of Payment” herein.*

### Major Revenues

**General.** California community college districts (other than “community supported” Basic Aid districts, as described below) receive a majority of their funding from the State, and the balance from local and federal sources. State funds include general apportionment, categorical funds, capital construction, lottery funds, and other minor sources. Every community college district receives the same amount of State lottery funds on a per-student basis (which is generally less than 3%), although lottery funds are not categorical funds as they are not for particular programs or students. The initiative authorizing the lottery requires the funds to be used for instructional purposes, and prohibits their use for capital purposes.

The major local revenue source is local property taxes that are collected from within district boundaries, with student enrollment fees accounting for the most of the remainder. A small part of a community college district’s budget is from local sources other than property taxes and student enrollment fees, such as interest income, donations, educational foundation contributions and sales or leases of property.

The sum of property taxes, student enrollment fees, EPA funds, and State aid comprise a district’s revenue limit. State funding is generally subject to the appropriation of funds in the State’s annual budget. Thus, decreases in State revenues may affect appropriations made by the State Legislature to community college districts.

“Basic Aid” community college districts (also referred to “community supported” districts) are those districts whose local property taxes, student enrollment fee collections, and Education Protection Account funds exceed the revenue allocation determined by the current State funding model. Thus, Basic Aid districts do not receive any general apportionment funding from the State. The current law in the State allows these districts to keep the excess funds without penalty. The implication for Basic Aid districts is that legislatively determined annual COLAs and other politically determined factors are less significant in determining such districts primary funding sources. Rather, property tax growth and the local economy become the determining factors. The District has qualified as a Basic Aid district since fiscal year 2012-13, and for fiscal year 2018-19, the District’s local tax, student fees and EPA funds are projected to exceed its revenue allocation by approximately \$42,046,940.

**Enrollment Based Funding.** California community college districts apportionments were previously funded pursuant to a system established by Senate Bill 361 (“SB 361”). SB 361 provided for a basic allocation (a “Basic Allocation”) based on the number of colleges, state-approved education centers and total enrollment, together with funding based on per-student rates for credit FTES, non-credit FTES and career development and college preparation (“CDCP”) non-credit FTES.

SB 361 specified that, commencing with the 2006-07 fiscal year the minimum funding per FTES would be: (a) not less than \$4,367 per credit FTES; (b) at a uniform rate of \$2,626 per non-credit FTES; and (c) \$3,092 per CDCP FTES. Although CDCP FTES were initially funded at a lower rate than credit



FTES, subsequent legislation effective as of the 2015-16 fiscal year set the minimum funding for CDCP FTES at the same level as credit FTES. Each such minimum funding rate was subject to cost of living adjustments (each, a “COLA”), if any, funded through the State budgeting legislation in each fiscal year.

One unit of FTES is equivalent to 525 student contact hours, which is determined based on a State formula of one student multiplied by 15 weekly contact hours multiplied by 35 weeks. Accordingly, the number of FTES in the District may not equal the number of students enrolled in the District.

In each fiscal year, the State budget established an enrollment cap on the maximum number of resident FTES, known as the “funded” FTES, for which a community college district would receive a revenue allocation. A district’s enrollment cap was based on the previous fiscal year’s reported FTES, plus the growth allowance provided for by the State budget, if any. All student hours in excess of the enrollment cap were considered “unfunded” FTES. Nonresident and international students are excluded from the State funding formula and pay full tuition.

***Student Centered Funding Formula.*** Assembly Bill 1809 (“AB 1809”), the higher education trailer bill passed as part of the State budget for fiscal year 2018-19, implemented a new funding mechanism for community college districts referred to as the “Student Centered Funding Formula,” (the “SCFF”). The SCFF includes three components: (1) a base allocation (the “Base Allocation”) driven primarily by enrollment, (2) a supplemental allocation (the “Supplemental Allocation”) based on the number of certain types of low-income students, and (3) a student success allocation (the “Student Success Allocation”) calculated using various performance-based metrics.

The SCFF includes several hold-harmless provisions to provide districts greater financial stability in transitioning to the new formula: (i) for fiscal years 2018-19 through 2020-21, community college districts will receive no less in total apportionment funding than they received in 2017-18, adjusted for COLAs; (ii) for fiscal year 2021-22 and onward, districts will receive no less in apportionment funding per-student than they received in fiscal year 2017-18; and (iii) beginning in fiscal year 2018-19, districts will receive the greater of the amount calculated by the SCFF for the current or prior year (excluding amounts districts receive pursuant to the provision summarized in (i) above.)

Base Allocation. The Base Allocation is composed of (1) the Basic Allocation, determined consistent with the prior funding formula (see “—Enrollment Based Funding” herein), and (2) funding for credit, non-credit and CDCP FTES. The Base Allocation is expected to constitute approximately 70% of Statewide funding for community college districts in fiscal year 2018-19 and in fiscal year 2019-20. Future years’ allocations are yet to be determined.

The SCFF provides minimum funding levels for credit FTES for the first fiscal year at \$3,727 for fiscal year 2018-19. For fiscal year 2019-20 the State’s 2019-20 Budget recalculates funding rates in the base, supplemental and student success allocations so that 70% of SCFF funds would be allocated to the base allocation. Beginning in 2020-21 those funding rates would be adjusted by COLA. Notwithstanding the foregoing, the SCFF provides higher credit FTES funding rates for certain districts that were entitled to higher funding rates under the prior funding formula. Beginning in fiscal year 2021-22, the provision of COLAs and other adjustments will be subject to appropriation therefor in the annual State budget. Total funding for credit FTES will be based on a rolling three-year average of the funded credit FTES from the current fiscal year and the two immediately preceding fiscal years. Credit FTES associated with enrollment growth proposed in the annual budget act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average. In computing the three-year average, credit FTES generated by incarcerated and special admit students shall be excluded and funded consistent with the prior funding formula.

Funding levels for non-credit and CDCP FTES are determined consistent with the prior funding formula. See “—Enrollment Based Funding” herein. Total funding for these categories will be based on actual non-credit and CDCP FTES for the most recent fiscal year.

The table below shows a breakdown of the District’s historical resident FTES figures for the last nine fiscal years, and a projection for the current fiscal year.

**FULL TIME EQUIVALENT STUDENTS<sup>(1)</sup>**  
**Fiscal Years 2011-12 through 2019-20**  
**San Jose-Evergreen Community College District**

<b><u>Fiscal Year</u></b>	<b><u>Funded FTES</u></b>	<b><u>Unfunded FTES</u></b>	<b><u>Total FTES</u></b>
2011-12	13,893	574	14,467
2012-13	13,438	0	13,438
2013-14	13,052	0	13,052
2014-15	12,371	0	12,371
2015-16	11,581	0	11,581
2016-17	11,352	0	11,352
2017-18	11,905	0	11,905
2018-19	12,231	0	12,231
2019-20 <sup>(2)</sup>	12,598	0	12,598

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

<sup>(2)</sup> Budgeted.

Source: San Jose-Evergreen Community College District.

**Supplemental Allocation.** The Supplemental Allocation, accounting for approximately 20% of Statewide funding, will be distributed to districts based on their headcounts of students that qualify for Federal Pell Grants, California College Promise Grants or student fee waivers under California Education Code 76300. The SCFF provided \$919 per qualifying student for fiscal year 2018-19. Beginning in fiscal year 2019-20, the provision of COLAs and other adjustments to this amount will be subject to appropriation therefor in the annual State budget. Headcounts are not unduplicated, such that districts will receive twice as much supplemental funding for a student that falls into more than one of the aforementioned categories.

**Student Success Allocation.** The Student Success Allocation will be distributed to districts based on their performance in various student outcome metrics, including obtaining various degrees and certificates, completing transfer-level math and English courses within a student’s first year, and having students obtain a regional living wage within a year of completing community college. The Student Success Allocation is expected to account for 10% of statewide funding for community college districts. Each metric is assigned a point value, with some metrics weighted more than others. A single student outcome with more points will generate more funding. Beginning in fiscal year 2019-20 the student success allocation will count only the highest of all awards a student earned in the same year and will only count the award if the student was enrolled in the district in the year the award was granted. The student success allocation will also calculate based on the three-year rolling average of each metric. Outcome metrics for students that qualify for Federal Pell Grants, AB 540 and California College Promise Grants are eligible for additional funding.

For fiscal year 2018-19, the SCFF provides a rate for all students of \$440 per point, and additional \$111 per point for Pell Grant, AB 540 and California College Promise Grant students. For fiscal year 2019-20 the State's 2019-20 Budget recalculates funding rates for the student success allocation so that in 2019-20, 10% of the SCFF funds would be allocated for the student success allocation. Beginning in 2020-21 those rates would be adjusted by COLA.

## **Budget Procedures**

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

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

See "SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT – General Fund Budgeting" herein for more information regarding the District's recent budgeting trends.

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

**General.** In 1988, California voters approved Proposition 98, an initiative that amended Article XVI of the State Constitution and provided specific procedures to determine a minimum guarantee for annual K-14 funding. The constitutional provision links the K-14 funding formulas to growth factors that are also used to compute the State appropriations limit. Proposition 111 (Senate Constitutional

Amendment 1), adopted in June 1990, among other things, changed some earlier school funding provisions of Proposition 98 relating to the treatment of revenues in excess of the State spending limit and added a third funding test (“Test 3”) to calculate the annual funding guarantee. This third calculation is operative in years in which general fund tax revenue growth is weak. The amendment also specified that under Test 2 (see below), the annual COLA for the minimum guarantee for annual K-14 funding would be the change in California’s per-capita personal income, which is the same COLA used to make annual adjustments to the State appropriations limit (Article XIII B).

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

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

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

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

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

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

## State Assistance

*California community college districts' principal funding formulas and revenue sources are derived from the budget of the State of California. The following information concerning the State of California's budgets has been obtained from publicly available information which the District believes to be reliable; however, none of the District, the Municipal Advisor nor the Underwriter take any responsibility as to the accuracy or completeness thereof and has not independently verified such information.*

**2019-20 Budget.** On June 27, 2019, the Governor signed into law the State budget for fiscal year 2019-20 (the "2019-20 Budget"). The following information is drawn from the State Department of Finance's summary of the 2019-20 Budget.

For fiscal year 2018-19, the 2019-20 Budget projects total general fund revenues and transfers of \$138 billion and total expenditures of \$142.7 billion. The State is projected to end the 2018-19 fiscal year with total available general fund reserves of \$20.7 billion, including \$5.4 billion in the traditional general fund reserve, \$14.4 billion in the BSA and \$900 million in the Safety Net Reserve Fund for the CalWORKs and Medi-Cal programs. For fiscal year 2019-20, the 2019-20 Budget projects total general fund revenues and transfers of \$143.8 billion and authorizes expenditures of \$147.8 billion. The State is projected to end the 2019-20 fiscal year with total available general fund reserves of \$18.8 billion, including \$1.4 billion in the traditional general fund reserve, \$16.5 billion in the BSA and \$900 million in the Safety Net Reserve Fund. The 2019-20 Budget also authorizes a deposit to the PSSSA of \$376.5 million in order to comply with Proposition 2. The amount is below the threshold required to trigger certain maximum local reserve levels for school districts created by State legislation approved in 2014 (and amended in 2017). See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 858; SB 751."

For fiscal year 2019-20, the Budget sets the minimum funding guarantee at \$81.1 billion. Other significant features with respect to community college funding include the following:

- *Student Centered Funding Formula* – An ongoing increase of \$254.7 million in Proposition 98 funding to support the SCFF, including (i) an increase of \$230 million to support a 3.26% COLA for total apportionment growth, and (ii) an increase of \$24.7 million to fund 0.55% of enrollment growth.
- *Settle-Up Payment* - An increase of \$686.6 million for K-14 school districts to pay the balance of past-year Proposition 98 funding owed through fiscal year 2017-18.
- *Pension Costs* – A \$3.15 billion payment from non-Proposition 98 funds to CalSTRS and CalPERS, to reduce long-term liabilities for K-14 school districts. Of this amount, \$850 million would be provided to buy down employer contribution rates in fiscal years 2019-20 and 2020-21. With these payments, CalSTRS employer contributions will be reduced from 18.13% to 17.1% in fiscal year 2019-20, and from 19.1% to 18.4% in fiscal year 2020-21. The CalPERS employer contribution will be reduced from 20.7% to 19.7% in fiscal year 2019-20, and the projected CalPERS employer contribution is expected to be reduced from 23.6% to 22.9 % in fiscal year 2020-21. The remaining \$2.3 billion would be paid towards employers' long-term unfunded liability. See also "SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT – Retirement Programs" herein.

- *Free College* - \$42.6 million in ongoing Proposition 98 funding to support a second academic year of the California College Promise to waive enrollment fees for first-time, full-time students.
- *Deferred Maintenance* – A one-time increase of \$13.5 million in Proposition 98 funding for deferred maintenance, instructional equipment and specified water conservation projects.
- *Student Support* – An ongoing increase of \$9 million in Proposition 98 funding to provide support to community college students who are homeless or are experiencing housing insecurity. The 2019-20 Budget also provides a one-time increase of \$3.9 million in Proposition 98 funding to address student basic needs, including housing and food insecurity.
- *Veterans Resources* – An ongoing increase of \$5 million in Proposition 98 funding for the establishment or enhancement of veterans resource centers at community colleges. In addition, the 2019-20 Budget also provides an increase of \$2.25 million in Proposition 98 settle-up funds to expand veterans resource centers at specified colleges.
- *Workforce Development* – A one-time increase of \$4.75 million in one-time, Proposition 98 settle-up funds to support the improvement of workforce development programs at specified community colleges.
- *Proposition 51* – The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative approved at the November 8, 2016 election that authorizes the sale and issuance of \$9 billion in State general obligation bonds for the new construction and modernization of K-14 facilities. The 2019-20 Budget allocates \$535.3 million of such bond funds for critical fire and life safety projects at campuses statewide.

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

## SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT

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

### Introduction

The District was established on July 1, 1964, and is located in the County, south of the San Jose International Airport. The District encompasses approximately 303 square miles in the heart of Silicon Valley, including a portion of the City of San Jose and all of the City of Milpitas. The District operates the Colleges, each of which is fully accredited by the Accrediting Commission for Community and Junior Colleges (the "ACCJC"). For fiscal year 2019-20, taxable property within the District has an assessed valuation of \$162,399,698,265 and the District's budgeted full-time equivalent student ("FTES") count is 12,598 students.

### Administration

The District is governed by a seven-member Board. Board members serve four-year terms, and are elected by voters within their respective trustee areas within the District. Elections for positions to the Board are held every two years, alternating between three and four available positions. Current members of the Board, together with their offices and the dates their terms expire, are listed below.

#### BOARD OF TRUSTEES San Jose-Evergreen Community College District

<u>Board Member</u>	<u>Office</u>	<u>Term Expires</u>
Dr. Jeffrey Lease	President	December 2022
Ms. Wendy Ho	Vice President	December 2020
Ms. Mayra Cruz	Trustee	December 2020
Ms. Maria Fuentes	Trustee	December 2022
Mr. Craig Mann	Trustee	December 2020
Ms. Karen Martinez	Trustee	December 2022
Mr. Rudy Nasol	Trustee	December 2020

The management and policies of the District are administered by a Chancellor appointed by the Board who is responsible for day-to-day District operations as well as the supervision of the District's other key personnel. Brief biographies of the District's Chancellor, Vice Chancellor of Administrative Services, and Executive Director of Fiscal Services follow:

**Dr. Byron D. Clift Breland, Chancellor.** Dr. Breland was appointed Chancellor on November 13, 2018, after serving as interim Chancellor since July 2018. Previously, Dr. Breland served as the President of San Jose City College. Prior to joining the District, Dr. Breland served as an administrator and instructor at numerous institutions throughout southern California and in Maryland. Dr. Breland received his Doctorate in Counseling Psychology and his Master's degree in Education from the University of Southern California, and he received his Master's degree in Family Studies and his Bachelor of Science degree in Consumer Economics from the University of Maryland.

***Jorge Escobar, Interim Vice Chancellor of Administrative Services.*** Mr. Escobar was appointed interim Vice Chancellor of Administrative Services on January 22, 2019. Previously, Mr. Escobar served as President and Vice President of San Jose City College. Prior to joining the District, Mr. Escobar was an administrator at Princeton University. Mr. Escobar received his Master’s degree in Education from Walden University, and received his Bachelor of Science degrees from Thomas Edison State University and Rider University.

***Linda Wilczewski, Interim Executive Director of Fiscal Services.*** Ms. Wilczewski was appointed interim Executive Director of Fiscal Services on November 14, 2018. Previously, Ms. Wilczewski served as District Controller and interim Vice President, Administrative Services of Evergreen Valley College. Ms. Wilczewski received her Master’s degree in Business Administration and her Bachelor of Science degree in Business Administration from the University of Phoenix.

**Labor Relations**

The District currently employs 269 certificated employees, 369 classified employees and 110 managerial employees. The District also employs 496 part-time faculty and employees. District employees, except supervisors, management and some part-time employees, are represented by two labor organizations as noted below:

**BARGAINING UNITS  
San Jose-Evergreen Community College District**

<u>Labor Organization</u>	<u>Employees</u>	<u>Expiration Date</u>
California School Employees Association, Chapter 363	307	June 30, 2020
Faculty Association, AFT 6157	765	June 30, 2020

*Source: San Jose-Evergreen Community College District.*

Currently, 98 managers, supervisors and confidential employees negotiate with the District through an informal process of “meet and confer”.

**Retirement Programs**

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

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

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, none of the employee, employer nor State contribution rates to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. In recent years, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay



actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program has increased significantly in recent fiscal years. In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State passed the legislation described below to increase contribution rates.

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

**MEMBER CONTRIBUTION RATES  
STRS (Defined Benefit Program)**

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

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*Source: AB 1469.*

Pursuant to the Reform Act (defined below), the contribution rates for members hired after the Implementation Date (defined below) will be adjusted if the normal cost increases by more than 1% since the last time the member contribution was set. The contribution rate for employees hired after the Implementation Date (defined below) increased from 9.205% of creditable compensation for fiscal year commencing July 1, 2017 to 10.205% of creditable compensation effective July 1, 2018. For fiscal year commencing July 1, 2019, the contribution rate for employees hired after the Implementation Date (defined below) will be 10.205%.

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

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

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

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*Source: AB 1469.*

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

On June 27, 2019, the Governor signed SB 90 ("SB 90") into law as a part of the 2019-20 Budget. Pursuant to SB 90, the State Legislature appropriated \$2.246 billion to be transferred to the Teacher's Retirement Fund for the STRS Defined Benefit Program to pay in advance, on behalf of employers, part of the contributions required for fiscal years 2019-20 and 2020-21, resulting in K-14 school districts having to contribute 1.03% less in fiscal year 2019-20 and 0.70% less in fiscal year 2020-21. The remainder of the payment not committed for the reduction in employer contribution rates described above, is required to be allocated to reduce the employer's share of the unfunded actuarial obligation determined by the STRS Board upon recommendation from its actuary. See also "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance" herein.

The District's contributions to STRS were \$3,070,323 in fiscal year 2014-15, \$6,588,927 in fiscal year 2015-16, \$6,923,597 in fiscal year 2016-17, \$5,997,232 for fiscal year 2017-18, and \$6,727,205 in fiscal year 2018-19. The District has budgeted \$8,077,243 for its contribution to STRS for fiscal year 2019-20.

The State also contributes to STRS, currently in an amount equal to 7.328% for fiscal year 2018-19 and 7.828% for fiscal year 2019-20. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2017-18 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990.

In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

**PERS.** Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants at June 30, 2017 included 1,624 public agencies and 1,366 K-14 school districts and charter schools. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested

in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the “Schools Pool”).

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The District is currently required to contribute to PERS at an actuarially determined rate, which is 18.062% of eligible salary expenditures for fiscal year 2018-19, and will be 20.733% of eligible salary expenditures in fiscal year 2019-20. Participants enrolled in PERS prior to January 1, 2013 contribute at a rate established by statute, which is 7% of their respective salaries in fiscal year 2018-19 and will be 7% in fiscal year 2019-20, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 7% in fiscal year 2018-19 and will be 7% in fiscal year 2019-20. See “—California Public Employees’ Pension Reform Act of 2013” herein.

Pursuant to SB 90, the State Legislature appropriated \$144 million for fiscal year 2019-20 and \$100 million for fiscal year 2020-21 to be transferred to the Public Employees’ Retirement Fund, to pay in advance, on behalf of K-14 school district employers, part of the contributions required for K-14 school district employers for such fiscal years. In addition, the State Legislature appropriated \$660 million to be applied toward certain unfunded liabilities for K-14 school district employers. See also “FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA – State Assistance” herein.

The District’s contributions to PERS were \$2,611,383 in fiscal year 2014-15, \$2,900,278 in fiscal year 2015-16, \$3,782,612 in fiscal year 2016-17, \$4,779,786 for fiscal year 2017-18, and \$5,996,737 in fiscal year 2018-19. The District has budgeted \$7,389,638 for its contribution to PERS for fiscal year 2019-20.

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

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

**FUNDED STATUS**  
**STRS (Defined Benefit Program) and PERS (Schools Pool)**  
**(Dollar Amounts in Millions)<sup>(1)</sup>**  
**Fiscal Years 2010-11 through 2017-18**

<u>STRS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)<sup>(2)</sup></u>	<u>Unfunded Liability (MVA)<sup>(2)</sup></u>	<u>Value of Trust Assets (AVA)<sup>(3)</sup></u>	<u>Unfunded Liability (AVA)<sup>(3)</sup></u>
2010-11	\$208,405	\$147,140	\$68,365	\$143,930	\$64,475
2011-12	215,189	143,118	80,354	144,232	70,957
2012-13	222,281	157,176	74,374	148,614	73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261
2017-18	297,603	211,367	101,992	190,451	107,152

<u>PERS</u>					
<u>Fiscal Year</u>	<u>Accrued Liability</u>	<u>Value of Trust Assets (MVA)</u>	<u>Unfunded Liability (MVA)</u>	<u>Value of Trust Assets (AVA)<sup>(3)</sup></u>	<u>Unfunded Liability (AVA)<sup>(3)</sup></u>
2010-11	\$58,358	\$45,901	\$12,457	\$51,547	\$6,811
2011-12	59,439	44,854	14,585	53,791	5,648
2012-13	61,487	49,482	12,005	56,250	5,237
2013-14	65,600	56,838	8,761	-- <sup>(4)</sup>	-- <sup>(4)</sup>
2014-15	73,325	56,814	16,511	-- <sup>(4)</sup>	-- <sup>(4)</sup>
2015-16	77,544	55,785	21,759	-- <sup>(4)</sup>	-- <sup>(4)</sup>
2016-17	84,416	60,865	23,551	-- <sup>(4)</sup>	-- <sup>(4)</sup>
2017-18 <sup>(5)</sup>	92,071	64,846	27,225	-- <sup>(4)</sup>	-- <sup>(4)</sup>

(1) Amounts may not add due to rounding.

(2) Reflects market value of assets, including the assets allocated to the SBPA reserve. Since the benefits provided through the SBPA are not a part of the projected benefits included in the actuarial valuations summarized above, the SBPA reserve is subtracted from the STRS Defined Benefit Program assets to arrive at the value of assets available to support benefits included in the respective actuarial valuations.

(3) Reflects actuarial value of assets.

(4) Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.

(5) On April 16, 2019, the PERS Board (defined below) approved the K-14 school district contribution rate for fiscal year 2019-20 and released certain actuarial information to be incorporated into the June 30, 2018 actuarial valuation to be released in summer 2019.

Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

The STRS Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the STRS Defined Benefit Program. Based on the multi-year CalSTRS Experience Analysis (spanning from July 1, 2010, through June 30, 2015), on February 1, 2017, the STRS Board adopted a new set of actuarial assumptions that reflect member's increasing life expectancies and current economic trends. These new assumptions were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2016 (the "2016 STRS Actuarial Valuation"). The new actuarial assumptions include, but are not limited to: (i) adopting a generational mortality methodology to reflect past improvements in life expectancies and provide a more dynamic assessment of future life spans, (ii) decreasing the investment rate of return (net of investment and administrative expenses) to 7.25% for the 2016 STRS Actuarial Valuation and 7.00% for the June 30, 2017 actuarial evaluation (the "2017 STRS Actuarial Valuation"), and (iii) decreasing the projected wage growth to 3.50% and the projected inflation

rate to 2.75%. The 2017 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

Based on salary increases less than assumed and actuarial asset gains recognized from the current and prior years, the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2018 (the “2018 STRS Actuarial Valuation”) reports that the unfunded actuarial obligation decreased by \$109 million since the 2017 STRS Actuarial Valuation and the funded ratio increased by 1.4% to 64.0% over such time period.

According to the 2018 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.9%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990, for which AB 1469 provides no authority to the STRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption.

In recent years, the PERS Board of Administration (the “PERS Board”) has taken several steps, as described below, intended to reduce the amount of the unfunded accrued actuarial liability of its plans, including the Schools Pool.

On March 14, 2012, the PERS Board voted to lower the PERS’ rate of expected price inflation and its investment rate of return (net of administrative expenses) (the “PERS Discount Rate”) from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over a three year phase-in period in accordance with the following schedule: 7.375% for the June 30, 2017 actuarial valuation, 7.25% for the June 30, 2018 actuarial valuation and 7.00% for the June 30, 2019 actuarial valuation. The new discount rate went into effect July 1, 2017 for the State and July 1, 2018 for K-14 school districts and other public agencies. Lowering the PERS Discount Rate means employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Reform Act (defined below) will also see their contribution rates rise.

On April 17, 2013, the PERS Board approved new actuarial policies aimed at returning PERS to fully-funded status within 30 years. The policies include a rate smoothing method with a 30-year fixed amortization period for gains and losses, a five-year increase of public agency contribution rates, including the contribution rate at the onset of such amortization period, and a five year reduction of public agency contribution rates at the end of such amortization period. The new actuarial policies were first included in the June 30, 2014 actuarial valuation and were implemented with respect the State, K-14 school districts and all other public agencies in fiscal year 2015-16.

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The new actuarial assumptions were first reflected in the Schools Pool in

the June 30, 2015 actuarial valuation. The increase in liability due to the new assumptions will be amortized over 20 years with increases phased in over five years, beginning with the contribution requirement for fiscal year 2016-17. The new demographic assumptions affect the State, K-14 school districts and all other public agencies.

The PERS Board is required to undertake an experience study every four years under its Actuarial Assumptions Policy and State law. As a result of the most recent experience study, on December 20, 2017, the PERS Board approved new actuarial assumptions, including (i) lowering the inflation rate to 2.625% for the June 30, 2018 actuarial valuation and to 2.50% for the June 30, 2019 actuarial valuation, (ii) lowering the payroll growth rate to 2.875% for the June 30, 2018 actuarial valuation and 2.75% for the June 30, 2019 actuarial valuation, and (iii) certain changes to demographic assumptions relating to the salary scale for most constituent groups, and modifications to the morality, retirement, and disability retirement rates.

On February 14, 2018, the PERS Board approved a new actuarial amortization policy with an effective date for actuarial valuations beginning on or after June 30, 2019, which includes (i) shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years, (ii) requiring that amortization payments for all unfunded accrued liability bases established after the effective date be computed to remain a level dollar amount throughout the amortization period, (iii) removing the 5-year ramp-up and ramp-down on unfunded accrued liability bases attributable to assumptions changes and non-investment gains/losses established on or after the effective date and (iv) removing the 5-year ramp-down on investment gains/losses established after the effective date. While PERS expects that reducing the amortization period for certain sources of unfunded liability will increase future average funding ratios, provide faster recovery of funded status following market downturns, decrease expected cumulative contributions, and mitigate concerns over intergenerational equity, such changes may result in increases in future employer contribution rates.

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

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

***California Public Employees' Pension Reform Act of 2013.*** On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. Similarly, for non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and increases the eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other

changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps “pensionable compensation” for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

***GASB Statement Nos. 67 and 68.*** On June 25, 2012, GASB approved Statements Nos. 67 and 68 (“Statements”) with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government’s balance sheet (currently, such unfunded liabilities are typically included as notes to the government’s financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

As of June 30, 2018, the District’s proportionate shares of the STRS and PERS net pension liabilities were \$66,746,495 and \$50,588,670, respectively. See “APPENDIX A – THE 2017-18 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT — Note 8” herein.

### **Other Post-Employment Benefits**

***Benefits Plans.*** The District provides post-employment medical and employee assistance program (“EAP”) insurance coverage (collectively, the “Benefits”) to certain eligible employees through the Lifetime Plan and post-employment medical insurance coverage to certain eligible employees through the Bridge Plans (collectively, the “Plans”), each as described below. To be eligible for the Benefits under any of the Plans, employees must retire from permanent full-time positions at the District and STRS or PERS, as applicable.

Lifetime Plan. The District provides a lifetime subsidy of 100% of the premium cost for medical, prescription drug, and EAP insurance coverage (the “Lifetime Plan”) for retirees and their spouses (for

the retiree’s lifetime) that have worked at the District for at least 10 years, that retire at age 55 or later, and that were hired on or prior to the following dates:

	Faculty Association (Certificated)	Staff (CSEA)	Administrative (Managers, Supervisors, and Confidential)
Initial hire date on or before	September 7, 1982	February 16, 1982	June 30, 1983

As of June 30, 2019, 229 retirees receive Benefits under the Lifetime Plan, and 8 active employees are eligible for, but not yet receiving, Benefits under the Lifetime Plan.

**Bridge Plans.** The District also offers the two bridge plans described below (the “Bridge Plan (60),” the “Bridge Plan (55),” and, collectively, the “Bridge Plans”) for certain retirees not eligible for the Lifetime Plan described above. Under the Bridge Plans, the District provides a subsidy of 100% of the premium cost for medical and prescription drug benefits for the retiree until age 65. Currently, 10 retirees receive Benefits under the 60 Bridge Plan, and 7 retirees receive Benefits under the 55 Bridge Plan for a total of 17.

*Bridge Plan (60).* Full-Time Faculty, managers, supervisors and confidential employees hired after the dates shown above, with at least 15 years of service at the District, and who retire at age 60 to 64 are eligible to participate in the Bridge Plan (60).

*Bridge Plan (55).* Full-time faculty and California School Employees Association members hired after the dates shown above, with at least 10 years of service at the District, and who retired between November 1, 2011 and June 30, 2013, at age 55 to 64 were eligible to participate in the Bridge Plan (55). Full-time managers, supervisors and confidential employees hired after the dates shown above, with at least 10 years of service at the District, and who retired between November 1, 2011 and June 30, 2012, at age 55 to 64 were eligible to participate in the Bridge Plan (55).

**Accrued Liability.** The District has implemented *Governmental Accounting Standards Board Statement #74, Financial Reporting for Postemployment Benefit Plans Other Than Pensions* (“GASB 74”) and *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (“GASB 75”), pursuant to which the District has commissioned and received an actuarial study of its liability with respect to the Benefits. The new GASB statements No. 74 and No. 75 (discussed below) require biennial actuarial valuations for all plans. The District’s most recent actuarial study, dated as of June 7, 2019 (the “Study”), concluded that, as of June 30, 2018, the Total OPEB Liability (the “TOL”) with respect to such benefits, was \$34,383,314, the Fiduciary Net Position (the “FNP”) of the OPEB Trust was \$44,979,621, and the Net OPEB Liability (the “NOL”) was (\$10,596,307). The TOL is the amount of the actuarial present value of projected benefits payments attributable to employees’ past service based on the actuarial cost method used. The FNP are the net assets (liability) of the qualifying irrevocable trust or equivalent arrangement. The NOL is TOL minus the AVA. For more information regarding the District’s other post-employment benefit liability. For more information, see “APPENDIX A – THE 2017-18 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT — Note 9” attached hereto.

**GASB Statement Nos. 74 and 75.** On June 2, 2015, GASB approved Statements Nos. 74 and 75 with respect to pension accounting and financial reporting standards for public sector post-retirement benefit programs and the employers that sponsor them. GASB No. 74 replaces GASB Statements No. 43 and 57 and Statement No. 75 replaces GASB Statement No. 45.



Most of GASB Statement No. 74 applies to plans administered through trusts, contributions in which contributions are irrevocable, trust assets are dedicated to providing other post –employment benefits to plan members and trust assets are legally protected from creditors. GASB Statements No. 74 and No. 75 will require a liability for OPEB obligations, known as the NOL, to be recognized on the balance sheet of the plan and the participating employer’s financial statements. In addition, an OPEB expense (service cost plus interest on total OPEB liability plus current-period benefit changes minus member contributions minus assumed earning on plan investments plus administrative expenses plus recognition of deferred outflows minus recognition of deferred inflows) will be recognized in the income statement of the participating employers. In the notes to its financial statements, employers providing other post-employment benefits will also have to include information regarding the year-to-year change in the NOL and a sensitivity analysis of the NOL to changes in the discount rate and healthcare trend rate. The required supplementary information will also be required to show a 10-year schedule of the plan’s net OPEB liability reconciliation and related ratios, and any actuarially determined contributions and investment returns.

Under GASB Statement No. 74, the measurement date must be the same as the plan’s fiscal year end, but the actuarial valuation date may be any date up to 24 months prior to the measurement date. For the TOL, if the valuation date is before the measurement date, the results must be projected forward from the valuation date to the measurement date using standard actuarial roll-forward techniques. For plans that are unfunded or have assets insufficient to cover the projected benefit payments, a discount rate reflecting a 20-year tax-exempt municipal bond yield or index rate must be used. For plans with assets that meet the GASB Statement No. 74 requirements, a projection of the benefit payments and future FNP is performed based on the funding policy and assumptions of the plan, along with the methodology specified in GASB.

GASB No. 74 has an effective date for plan fiscal years beginning after June 15, 2016 and GASB Statement No. 75 will be effective for employer fiscal years beginning after June 15, 2017. The District first recognized GASB No. 74 and GASB No. 75 in their financial statements for fiscal year 2017-18. The full extent of the effect of the new standards on the District is not known at this time.

***Other Post-Employment Benefits Bonds.*** On May 14, 2009, the District issued its 2009 Taxable OPEB (Other Post-Employment Benefit) Bonds, Series A (Adjustable Rate), in the aggregate principal amount of \$46,775,000 (the “2009 OPEB Bonds”) for the purpose of pre-funding the District’s liability for the Benefits. The proceeds thereof were deposited into an irrevocable trust account (the “OPEB Trust”) to so fund the Benefits. The 2009 OPEB Bonds were issued as a single term bond with an adjustable rate of interest after May 13, 2012. The 2009 OPEB Bonds were issued with an initial fixed-interest rate period running from the date of issuance through to May 13, 2012.

Concurrently with the issuance of the 2009 OPEB Bonds, the District entered into a forward starting interest rate swap agreement (the “Swap”) with Piper Jaffray Financial Products III Inc. (the “Swap Provider”). The Swap had an effective date of May 14, 2012, corresponding to the expiration of the initial interest rate mode of the 2009 OPEB Bonds. Pursuant to the Swap, the District was to pay to the Swap Provider a fixed rate of interest on an initial notional amount equal to the par amount of the 2009 OPEB Bonds, and in return receive a floating rate of interest. The Swap was designed to create a synthetic fixed rate security that mitigates variable interest rate risk on the 2009 OPEB Bonds. Both the District and the Swap Provider have the right to terminate the Swap under certain conditions, in which event termination payments may be due to the non-terminating counterparty. If the Swap is ever terminated, the District can make no representation with respect to what the mark-to-market value of the termination payments might be as a result of such a termination.

On May 14, 2012, the District issued its 2012 Taxable OPEB Bonds, Series B (Adjustable Rate), in the aggregate principal amount of \$47,450,000 (the “2012 OPEB Bonds”) for the purpose of advance refunding the District’s outstanding 2009 OPEB Bonds. The 2012 OPEB Bonds bear interest at a LIBOR index rate through April 30, 2027, after which date, the 2012 OPEB Bonds will continue to bear interest at the LIBOR index rate unless converted to a weekly interest rate period or non-variable term interest rate period at the option of the District and pursuant to the terms of the trust indenture for the 2012 OPEB Bonds. The 2012 OPEB Bonds are a general fund obligation. The annual requirements to amortize principal with respect to the 2012 OPEB Bonds are summarized in the table below.

**2012 OPEB BONDS DEBT SERVICE**  
**San Jose-Evergreen Community College District**

Redemption Date (July 1)	Principal Amount
2022	\$190,000
2023	285,000
2024	400,000
2025	515,000
2026	640,000
2027	775,000
2028	930,000
2029	1,085,000
2030	1,260,000
2031	1,440,000
2032	1,650,000
2033	1,870,000
2034	2,125,000
2035	2,395,000
2036	2,690,000
2037	3,010,000
2038	3,350,000
2039	3,715,000
2040	4,110,000
2041	4,535,000
2042	4,995,000
2043	<u>5,485,000</u>
Total	<u>\$47,450,000</u>

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*Source: San Jose-Evergreen Community College District.*

**Joint Powers Agreements**

The District is a participant in public entity risk pool joint powers agreements (“JPAs”). The District is a member of Bay Area Community College Districts JPA (“BACCDJPA”) and Northern California Community College Pool (“NCCCP”). The District pays annual premiums for property and liability, health and workers’ compensation coverage commensurate with the level of coverage requested. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

The JPAs are governed by boards consisting of representatives from member districts. Member districts share surpluses and deficits proportionate to their participation in the JPAs. The relationship between the District and the JPAs is such that the JPAs are not component units of the District for financial reporting purposes.

## **Accounting Practices**

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

## **General Funding Budgeting**

The table on the following page shows the District's combined restricted and unrestricted general fund budgets for fiscal years 2015-16 through 2019-20 and ending results for fiscal years 2015-16 through 2017-18, and projected ending results for 2018-19.

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**COMPARISON OF GENERAL FUND BUDGETS AND ACTUAL RESULTS**  
**Fiscal Years 2015-16 through 2019-20**  
**San Jose-Evergreen Community College District**

	<u>Fiscal Year 2015-16</u>		<u>Fiscal Year 2016-17</u>		<u>Fiscal Year 2017-18</u>		<u>Fiscal Year 2018-19</u>		<u>Fiscal Year 2019-20</u>
REVENUES:	<u>Budget</u> <sup>(1)</sup>	<u>Ending</u> <sup>(1)</sup>	<u>Budget</u> <sup>(1)</sup>	<u>Ending</u> <sup>(1)</sup>	<u>Budget</u> <sup>(1)</sup>	<u>Ending</u> <sup>(1)</sup>	<u>Budget</u> <sup>(1)</sup>	Projected <u>Totals</u> <sup>(2)</sup>	<u>Budget</u> <sup>(3)</sup>
Federal Revenues	\$3,325,017	\$2,977,858	\$3,906,456	\$2,877,432	\$5,054,005	\$3,663,053	\$4,904,090	\$2,865,137	\$4,899,509
State Revenues	38,796,011	30,311,247	38,172,395	26,648,547	40,616,482	29,528,904	44,860,830	35,360,830	36,456,887
Local Revenues	<u>92,408,436</u>	<u>95,284,550</u>	<u>101,433,391</u>	<u>102,254,696</u>	<u>105,146,934</u>	<u>110,762,184</u>	<u>117,952,201</u>	<u>120,922,197</u>	<u>118,727,113</u>
TOTAL REVENUES	134,529,464	128,573,655	143,512,242	131,780,675	150,817,421	143,954,141	167,717,121	159,148,164	160,083,509
EXPENDITURES:									
Academic Salaries	42,790,708	48,815,792	44,237,298	49,158,471	44,581,645	52,471,769	49,023,462	50,938,683	48,656,304
Classified Salaries	27,723,633	26,425,673	29,933,784	29,030,366	32,687,312	32,679,021	35,437,887	33,182,436	34,894,360
Employee Benefits	25,932,641	26,544,109	32,070,200	30,103,598	33,878,776	32,378,448	39,673,952	36,894,761	41,387,302
Supplies and Materials	2,025,301	1,998,776	2,153,940	2,160,950	2,858,393	2,235,251	2,881,443	2,421,120	2,852,039
Other Operating Expenses and Services	28,750,596	12,576,932	31,451,711	16,440,018	33,352,748	18,179,058	31,424,871	18,357,310	26,011,877
Capital Outlay	<u>2,211,668</u>	<u>3,814,510</u>	<u>2,453,335</u>	<u>2,702,311</u>	<u>1,796,257</u>	<u>1,600,670</u>	<u>1,485,739</u>	<u>1,627,714</u>	<u>980,653</u>
TOTAL EXPENDITURES	129,434,547	120,175,792	142,300,268	129,595,714	149,155,131	139,544,217	159,927,354	143,422,024	154,782,535
Excess of Revenues Over/ (Under) Expenditures (Uses)	5,094,917	8,397,863	1,211,974	2,184,961	1,662,290	4,409,924	7,789,767	15,726,140	5,300,974
Other Financing Sources (Uses)	3,292,551	2,243,603	2,521,366	1,915,083	2,491,477	2,579,047	2,861,630	247,144	1,969,229
Other Outgo	(7,993,255)	(5,697,407)	(6,921,242)	(5,213,894)	(7,410,523)	(6,474,999)	(9,007,037)	(5,708,698)	(6,499,871)
Net Increase/(Decrease) in fund Balance	394,213	4,944,059	(3,187,902)	(1,113,850)	(3,256,756)	513,972	1,644,360	10,264,586	770,332
FUND BALANCE, JULY 1									
Net beginning balance, July 1	13,637,794	13,637,794	18,581,853	18,581,853	17,473,863	17,473,863	18,015,350	18,015,350	28,279,936
Prior Years Adjustments	--	--	--	5,860	--	27,515	--	--	--
Adjusted Beginning Balance	<u>--</u>	<u>--</u>	<u>--</u>	<u>18,587,713</u>	<u>--</u>	<u>17,501,378</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCE, JUNE 30	<u>\$14,032,007</u>	<u>\$18,581,853</u>	<u>\$15,393,951</u>	<u>\$17,473,863</u>	<u>\$14,217,107</u>	<u>\$18,015,350</u>	<u>\$19,659,710</u>	<u>\$28,279,936</u>	<u>\$30,694,628</u>

(1) Includes restricted and unrestricted general fund. From the District's CCFS-311 Reports filed with the State Chancellor's Office. Budgeted amounts for fiscal years 2015-16 through 2018-19 and unaudited ending results for fiscal years 2015-16 through 2017-18 in object-oriented format provided for comparison. For audited results of fiscal years 2015-16 through 2017-18 in the revised reporting format, see "Comparative Financial Statements" herein.

(2) Estimated.

(3) From the District's Tentative Budget.

Source: San Jose-Evergreen Community College District.

## **Comparative Financial Statements**

Pursuant to applicable guidance from GASB, the District's financial statements present a comprehensive, entity-wide perspective of the District's assets, liabilities, and cash flows rather than the fund-group perspective previously required. The table on the following page displays the District's revenues, expenses and changes in net position for its primary governmental funds for fiscal years 2013-14 through 2017-18. See also "APPENDIX A – THE 2017-18 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT" attached hereto.

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**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION<sup>(1)</sup>**  
**Fiscal Years 2013-14 through 2017-18**  
**San Jose-Evergreen Community College District**

	<b>Fiscal Year 2013-14</b>	<b>Fiscal Year 2014-15</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>
<b>OPERATING REVENUES</b>					
Tuition and fees	\$12,716,360	\$17,738,585	\$18,102,138	\$17,606,359	\$19,018,380
Less: scholarship discounts and allowances	<u>(4,741,339)</u>	<u>(9,293,955)</u>	<u>(8,884,348)</u>	<u>(8,163,229)</u>	<u>(8,280,092)</u>
Net tuition and fees	7,975,021	8,444,630	9,217,790	9,443,130	10,738,288
Grants and contracts, noncapital:					
Federal	5,331,017	6,037,547	2,977,858	4,823,834	5,386,094
State	7,545,766	10,550,217	14,865,657	14,295,329	16,353,912
Local	10,935	95,775	397,822	2,008,027	1,862,378
Auxiliary enterprise sales and charges	<u>2,101,737</u>	<u>1,627,626</u>	<u>66,032</u>	<u>75,142</u>	<u>76,042</u>
Total operating revenues	22,964,476	26,755,795	27,525,159	30,645,462	34,416,714
<b>OPERATING EXPENSES</b>					
Salaries	62,767,134	69,321,211	93,771,683	78,844,073	86,109,065
Employee benefits	22,287,926	26,843,735	29,865,783	39,155,031	45,030,660
Supplies, materials and other operating expenses and services	12,121,636	21,399,022	20,047,623	21,615,019	25,247,005
Student financial aid	24,139,401	24,161,000	18,836,727	19,838,644	21,713,282
Equipment, maintenance and repairs	--	1,522,388	--	--	--
Depreciation	<u>15,602,370</u>	<u>17,479,987</u>	<u>21,236,059</u>	<u>25,550,938</u>	<u>24,421,708</u>
Total operating expenses	136,918,467	160,727,343	183,757,875	185,003,705	202,521,720
<b>OPERATING LOSS</b>	(113,953,991)	(133,971,548)	(156,232,716)	(154,358,243)	(168,105,006)
<b>NONOPERATING REVENUES/(EXPENSES)</b>					
State apportionments, noncapital	3,083,018	3,670,459	704,137	1,600,036	2,696,538
Local property taxes	71,820,808	76,013,976	83,650,863	89,530,743	96,924,610
State taxes and other revenues	3,584,565	6,019,483	17,536,569	16,060,763	14,056,673
Pell grants	20,428,522	20,049,558	--	16,734,339	18,534,655
Federal grants	--	--	16,250,440	--	--
State grants	--	--	2,315,318	--	--
Investment income	614,343	1,617,898	1,401,321	1,630,067	2,995,811
Interest expense	(11,970,940)	(12,813,257)	(14,671,008)	(28,125,301)	(22,269,731)
Gain/(loss) on disposal of capital assets	(323,115)	(2,460,289)	--	--	--
Transfer from trust fund	3,255,618	3,396,055	3,590,212	3,839,988	4,158,945
Other non-operating revenue	<u>4,246,369</u>	<u>6,682,948</u>	<u>7,608,199</u>	<u>8,779,711</u>	<u>9,137,157</u>
Total non-operating revenues (expenses)	94,739,188	102,176,831	118,386,051	110,050,346	126,234,658
<b>INCOME (LOSS) BEFORE OTHER REVENUES AND GAINS</b>	(19,214,803)	(31,794,717)	(37,846,665)	(44,307,897)	(41,870,348)
<b>OTHER REVENUES AND GAINS/(LOSSES)</b>					
State revenues, capital	--	--	--	188,963	321,583
Local revenues, capital	<u>28,708,756</u>	<u>33,036,724</u>	<u>34,365,291</u>	<u>34,395,236</u>	<u>59,790,985</u>
Total income before other revenues and expenses <sup>(2)</sup>	28,708,756	33,036,724	34,365,291	34,584,199	61,112,568
<b>CHANGE IN NET POSITION</b>	9,493,953	1,242,007	(3,481,374)	(9,723,698)	18,242,220
<b>NET POSITION, BEGINNING OF YEAR</b>	67,995,604	77,489,557	1,058,030	(2,423,344)	(12,147,042)
Restatement of July 1 Net Position	--	(77,673,534) <sup>(3)</sup>	--	--	(31,781,567) <sup>(4)</sup>
<b>NET POSITION, BEGINNING OF YEAR, RESTATED</b>	--	<u>(183,977)</u>	--	--	<u>(43,928,609)</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$77,489,557</u>	<u>\$1,058,030</u>	<u>\$(2,423,344)</u>	<u>\$(12,147,042)</u>	<u>\$(25,686,389)</u>

<sup>(1)</sup> From the District's comprehensive audited financial statements for fiscal years 2013-14 through 2017-18, respectively.

<sup>(2)</sup> "Total Income Before Other Revenues and Expenditures" category added for presentation purposes.

<sup>(3)</sup> Restates the beginning net position (restated to recognize the net pension liability, net of related deferred outflows of resources) as a result of the implementation of GASB Statement No. 68. See "-- Retirement Programs – GASB Statement Nos. 67 and 68" herein.

<sup>(4)</sup> Restates the beginning net position as a result of the implementation of GASB Statement No. 75. See "-- Retirement Programs – GASB Statement Nos. 74 and 75" herein.

Source: San Jose-Evergreen Community College District.

## District Debt Structure

**Short-Term Debt.** The District currently has no outstanding short-term debt obligations.

**Long-Term Debt.** A schedule of changes in long-term debt for the fiscal year ended June 30, 2018, is shown below:

**SUMMARY OF LONG-TERM DEBT  
SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT  
As of June 30, 2018**

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Payments and Reductions</u>	<u>Balance June 30, 2018</u>
General obligation bonds <sup>(1)</sup>				
General obligation bonds	\$488,915,984	\$85,000,000	\$16,940,384	\$556,975,600
Unamortized premium	39,531,952	1,700,176	4,544,221	36,687,907
Accreted interest	<u>20,721,862</u>	<u>3,154,830</u>	<u>704,616</u>	<u>23,172,076</u>
Total general obligation bonds	549,169,798	89,855,006	22,189,221	616,835,583
Other liabilities				
Compensated absences	2,664,487	483,520	--	3,148,007
Net pension liability <sup>(2)</sup>	92,453,730	24,881,435	--	117,335,165
Total other liabilities	<u>95,118,217</u>	<u>25,364,955</u>	<u>--</u>	<u>120,483,172</u>
Total long-term obligations	<u>\$644,288,015</u>	<u>\$115,219,961</u>	<u>\$22,189,221</u>	<u>\$737,318,755</u>

<sup>(1)</sup> See “– Other Post-Employment Benefits Bonds” herein. The corresponding table in “APPENDIX A – THE 2017-18 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Note 6 – Change in Long-Term Liabilities” incorrectly categorizes the 2012 OPEB Bonds as general obligation bond debt. The 2012 OPEB Bonds are a general fund liability.

<sup>(2)</sup> Reflects the aggregate of the District’s proportionate share of the net pension liabilities for the STRS and PERS programs. For fiscal year ending June 30, 2018. See also “– Retirement Programs – GASB Statement Nos. 67 and 68” herein and “APPENDIX A – THE 2017-18 AUDITED FINANCIAL STATEMENTS OF THE DISTRICT – Notes 8” attached hereto.

Source: *San Jose-Evergreen Community College District.*

**General Obligation Bonds.** The District has a number of general obligation bond issuances outstanding from several voter-approved authorizations. The proceeds thereof have been used to acquire, construct and equip school sites and facilities within the District, as well as to refinance previously outstanding debt of the District.

General obligations bonds of the District are payable solely from *ad valorem* property taxes levied on taxable property within the District as further described herein. The District’s general fund is not a source of repayment for such bonds

The table on the following page summarizes the outstanding general obligation bond issuances of the District.

**OUTSTANDING GENERAL OBLIGATION BOND ISSUANCES**  
**San Jose-Evergreen Community College District**

<u>Issuance</u>	<u>Initial Principal Amount</u>	<u>Principal Outstanding<sup>(1)</sup></u>	<u>Date of Delivery</u>
2004 Refunding Bonds, Series A	\$55,930,994.55	\$2,876,335.00	May 13, 2004
Election of 2004, Series B	97,999,945.55	10,609,605.00	March 13, 2008
Election of 2004, Series C	31,605,000.00	24,620,000.00	April 23, 2014
2014 Refunding Bonds, Series A	50,850,000.00	50,850,000.00	April 23, 2014
2015 Refunding Bonds	81,765,000.00	77,015,000.00	June 30, 2015
Election of 2010, Series A <sup>(2)</sup>	70,000,000.00	46,325,000.00	February 23, 2012
Election of 2010, Series B <sup>(2)</sup>	20,000,000.00	16,420,000.00	February 23, 2012
Election of 2010, Series C	120,000,000.00	110,965,000.00	April 23, 2014
Election of 2010, Series D	58,000,000.00	51,375,000.00	June 9, 2016
Election of 2016, Series A	39,000,000.00	28,145,000.00	June 5, 2018
Election of 2016, Series A-1	46,000,000.00	6,835,000.00	June 5, 2018

<sup>(1)</sup> As of September 1, 2019.

<sup>(2)</sup> Expected to be refinanced with proceeds of the Bonds as described herein.

*Source: San Jose-Evergreen Community College District.*

The tables on the following pages display the annual debt service requirements of the District for all outstanding general obligation bonds of the District, including the Bonds (assuming no optional redemption).

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**OUTSTANDING BONDED INDEBTEDNESS – 1998 AUTHORIZATION  
San Jose-Evergreen Community College District**

Year Ending September 1	2004 Series A Refunding Bonds	Total Annual Debt Service
2020	\$15,485,000.00	\$15,485,000.00
2021	<u>4,200,000.00</u>	<u>4,200,000.00</u>
Total	<u>\$19,685,000.00</u>	<u>\$19,685,000.00</u>

*Source: San Jose-Evergreen Community College District.*

**OUTSTANDING BONDED INDEBTEDNESS – 2004 AUTHORIZATION  
San Jose-Evergreen Community College District**

Year Ending September 1	2004 Series B Bonds	2004 Series C Bonds	2014 Series A Refunding Bonds	2015 Refunding Bonds	Total Annual Debt Service
2020	--	\$1,173,362.50	\$2,530,800.00	\$6,917,900.00	\$10,622,062.50
2021	--	2,248,362.50	2,920,800.00	14,427,800.00	19,596,962.50
2022	--	2,334,612.50	6,643,000.00	14,839,800.00	23,817,412.50
2023	--	2,428,862.50	6,962,000.00	14,306,250.00	23,697,112.50
2024	--	2,524,612.50	7,294,750.00	13,123,500.00	22,942,862.50
2025	--	2,629,612.50	7,629,250.00	12,474,000.00	22,732,862.50
2026	--	2,730,612.50	7,979,000.00	6,854,700.00	17,564,312.50
2027	--	2,843,162.50	8,346,750.00	7,190,500.00	18,380,412.50
2028	\$6,150,000.00	2,959,912.50	9,000,000.00	1,522,900.00	19,632,812.50
2029	7,200,000.00	3,075,662.50	9,402,750.00	1,573,200.00	21,251,612.50
2030	7,800,000.00	3,197,500.00	--	--	10,997,500.00
2031	9,350,000.00	3,325,250.00	--	--	12,675,250.00
2032	<u>7,835,000.00</u>	<u>3,459,750.00</u>	<u>--</u>	<u>--</u>	<u>11,294,750.00</u>
Total	<u>\$38,335,000.00</u>	<u>\$34,931,275.00</u>	<u>\$68,709,100.00</u>	<u>\$93,230,550.00</u>	<u>\$235,205,925.00</u>

*Source: San Jose-Evergreen Community College District.*

**OUTSTANDING BONDED INDEBTEDNESS – 2010 AUTHORIZATION\***  
**San Jose-Evergreen Community College District**

<u>Year Ending September 1</u>	<u>2010 Series A Bonds<sup>(1)(2)</sup></u>	<u>2010 Series B Bonds<sup>(1)(2)</sup></u>	<u>2010 Series C Bonds</u>	<u>2010 Series D Bonds</u>	<u>The Bonds</u>	<u>Total Annual Debt Service</u>
2020	2,221,943.76	1,077,450.00	5,583,918.76	2,746,381.26		
2021	2,221,943.76	1,206,850.00	5,755,118.76	2,855,381.26		
2022	2,221,943.76	1,335,450.00	5,927,618.76	2,976,631.26		
2023	2,221,943.76	1,468,050.00	6,104,368.76	3,104,131.26		
2024	2,221,943.76	1,609,250.00	6,284,618.76	3,232,131.26		
2025	2,221,943.76	1,758,450.00	6,472,618.76	3,360,131.26		
2026	2,351,943.76	1,775,050.00	6,672,368.76	3,501,131.26		
2027	2,443,368.76	1,844,050.00	6,867,618.76	3,643,531.26		
2028	2,541,900.00	1,908,250.00	7,077,868.76	3,786,931.26		
2029	2,635,400.00	1,982,700.00	7,291,618.76	3,940,931.26		
2030	2,733,400.00	2,061,050.00	7,507,868.76	4,105,581.26		
2031	2,835,400.00	2,142,725.00	7,730,618.76	4,271,943.76		
2032	2,945,900.00	2,217,375.00	7,963,618.76	4,449,693.76		
2033	5,199,150.00	--	8,205,368.76	4,783,181.26		
2034	5,397,650.00	--	8,444,368.76	4,987,043.76		
2035	5,603,400.00	--	8,699,618.76	5,185,018.76		
2036	5,815,150.00	--	8,961,218.76	5,391,943.76		
2037	6,036,650.00	--	9,233,018.76	5,604,843.76		
2038	6,266,400.00	--	9,508,618.76	--		
2039	6,504,850.00	--	9,792,018.76	--		
2040	6,749,400.00	--	10,086,818.76	--		
2041	7,008,450.00	--	10,391,618.76	--		
2042	--	--	10,703,356.26	--		
2043	--	--	11,021,631.26	--		
<b>Total</b>	<b><u>86,400,075.08</u></b>	<b><u>\$22,386,700.00</u></b>	<b><u>\$192,287,500.24</u></b>	<b><u>\$71,926,562.68</u></b>		

\* Preliminary, subject to change.

(1) Year ending on August 1 with respect to the 2010 Series A Bonds and the 2010 Series B Bonds.

(2) Includes debt service on the Refunded Bonds expected to be refinanced with proceeds of the Bonds as described herein.

Source: San Jose-Evergreen Community College District.

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**OUTSTANDING BONDED INDEBTEDNESS – 2016 AUTHORIZATION**  
**San Jose-Evergreen Community College District**

Year Ending September 1	The Series A Bonds	The Series A-1 Bonds	Total Annual Debt Service
2020	\$2,201,093.76	\$855,793.50	\$3,056,887.26
2021	1,466,293.76	499,679.60	1,965,973.36
2022	1,509,093.76	528,179.60	2,037,273.36
2023	1,564,493.76	544,679.60	2,109,173.36
2024	1,616,893.76	569,679.60	2,186,573.36
2025	1,669,893.76	592,679.60	2,262,573.36
2026	1,723,643.76	618,679.60	2,342,323.36
2027	1,782,893.76	637,429.60	2,420,323.36
2028	1,841,293.76	665,094.40	2,506,388.16
2029	1,900,893.76	695,826.60	2,596,720.36
2030	1,961,493.76	724,109.80	2,685,603.56
2031	2,022,893.76	754,844.00	2,777,737.76
2032	2,089,893.76	787,725.30	2,877,619.06
2033	2,156,543.76	817,797.30	2,974,341.06
2034	3,081,006.26	--	3,081,006.26
2035	3,189,806.26	--	3,189,806.26
2036	3,300,756.26	--	3,300,756.26
2037	3,418,156.26	--	3,418,156.26
2038	<u>3,536,000.00</u>	--	<u>3,536,000.00</u>
Total	<u>\$42,033,037.68</u>	<u>\$9,292,198.10</u>	<u>\$51,325,235.78</u>

*Source: San Jose-Evergreen Community College District.*

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**OUTSTANDING BONDED INDEBTEDNESS – ALL AUTHORIZATIONS\***  
**San Jose-Evergreen Community College District**

Year Ending September 1 <sup>(1)</sup>	Total 1998 Authorization	Total 2004 Authorization	Total 2010 Authorization	Total 2016 Authorization	Total Annual Debt Service
2020	\$15,485,000.00	\$10,622,062.50		\$3,056,887.26	
2021	4,200,000.00	19,596,962.50		1,965,973.36	
2022	--	23,817,412.50		2,037,273.36	
2023	--	23,697,112.50		2,109,173.36	
2024	--	22,942,862.50		2,186,573.36	
2025	--	22,732,862.50		2,262,573.36	
2026	--	17,564,312.50		2,342,323.36	
2027	--	18,380,412.50		2,420,323.36	
2028	--	19,632,812.50		2,506,388.16	
2029	--	21,251,612.50		2,596,720.36	
2030	--	10,997,500.00		2,685,603.56	
2031	--	12,675,250.00		2,777,737.76	
2032	--	11,294,750.00		2,877,619.06	
2033	--	--		2,974,341.06	
2034	--	--		3,081,006.26	
2035	--	--		3,189,806.26	
2036	--	--		3,300,756.26	
2037	--	--		3,418,156.26	
2038	--	--		3,536,000.00	
2039	--	--		--	
2040	--	--		--	
2041	--	--		--	
2042	--	--		--	
2043	--	--		--	
<b>Total</b>	<u><u>\$19,685,000.00</u></u>	<u><u>\$235,205,925.00</u></u>		<u><u>\$51,325,235.78</u></u>	

\* Preliminary, subject to change.

<sup>(1)</sup> Year ending on August 1 with respect to the 2010 Series A Bonds and the 2010 Series B Bonds.

Source: San Jose-Evergreen Community College District.

**Operating Leases.** The District entered into a long-term operating lease for land on which San Jose City Technology Center is located. The lease is for a period of 60 years and contains provisions for extension. The landlord has a right to cancel subject to providing written notice by the specified number of days in advance of the cancellation. A summary of the minimum annual lease payments are provided in the table shown below.

<b><u>Year Ending June 30</u></b>	<b><u>Annual Lease Payments</u></b>
2020	\$406,840
2021	406,840
2022	406,840
2023	406,840
2024-2028	2,298,647
2029-2033	2,643,444
2034-2038	3,039,960
2039-2043	3,039,765
2044-2048	3,039,765
2049-2053	3,039,765
2054-2058	3,039,765
2059-2062	<u>1,959,385</u>
Total:	<u>\$23,727,856</u>

*Source: San Jose-Evergreen Community College District.*

## TAX MATTERS

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

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

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

The federal tax and State of California personal income tax discussion set forth above with respect to the Bonds is included for general information only and may not be applicable depending upon a Owner's particular situation. The ownership and disposal of the Bonds and the accrual or receipt of interest with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences.

A copy of the proposed form of opinion of Bond Counsel for the Bonds is attached hereto as APPENDIX B.

## **LIMITATION ON REMEDIES; BANKRUPTCY**

### **General**

State law contains certain safeguards to protect the financial solvency of community college districts. See "FUNDING OF COMMUNITY COLLEGE DISTRICTS IN CALIFORNIA" herein. If the safeguards are not successful in preventing a community college district from becoming insolvent, the State Chancellor and the Board of Governors, operating through a special trustee appointed by the State Chancellor, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") on behalf of the community college district for the adjustment of its debts. In addition, an insolvent community college district may be able to file a petition under Chapter 9 before a special trustee is appointed. Prior to such petition, if any, the community college district is required to participate in a neutral evaluation process with interested parties as provided in the Government Code or declare a fiscal emergency and adopt a resolution by a majority vote of the governing board that includes findings that the financial state of the community college district jeopardizes the health, safety, or well-being of the residents of its jurisdiction or service area absent the protections of Chapter 9.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, the automatic stay provisions of Bankruptcy Code Sections 362 and 922 generally would prohibit creditors from taking any action to collect amounts due from the District or to enforce any obligation of the District related to such amounts due, without consent of the District or authorization of the bankruptcy court (although such stays would not operate to block creditor application of pledged special revenues to payment of indebtedness secured by such revenues). In addition, as part of its plan of adjustment in a Chapter 9 bankruptcy case, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Moreover, regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

### **Statutory Lien**

Pursuant to Government Code Section 53515, the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax, and such lien automatically arises, without the need for any action or authorization by the District or the Board, and is valid and binding from the time the Bonds are executed and delivered. See "THE BONDS – Statutory Lien" herein. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments

that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed, unless the Bonds are determined to be secured by a pledge of “special revenues” within the meaning of the Bankruptcy Code and the pledged *ad valorem* property taxes are applied to pay the Bonds in a manner consistent with the Bankruptcy Code.

### **Special Revenues**

If the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* property tax revenues should not be subject to the automatic stay. “Special revenues” are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. State law prohibits the use of the tax proceeds for any purpose other than payment of the Bonds and the Bond proceeds can only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* property tax revenues collected for the payments of bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

### **Possession of Tax Revenues; Remedies**

The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the County’s investment pool, as described in “REFUNDING PLAN” and “APPENDIX E – SANTA CLARA COUNTY INVESTMENT POOL” herein. If the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County does not voluntarily pay such tax revenues to the owners of the Bonds, it is not entirely clear what procedures the owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. Further, should those investments suffer any losses, there may be delays or reductions in payments on the Bonds.

### **Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor’s Rights**

The proposed form of the approving opinion of Bond Counsel attached hereto as Appendix B is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor’s rights. Bankruptcy proceedings, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

## **LEGAL MATTERS**

### **Continuing Disclosure**

The District has covenanted for the benefit of Owners and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the “Annual Report”) by not later than nine months following the end of the District’s fiscal year (the District’s fiscal year ends on June 30), commencing with the report for the 2018-19 fiscal year, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of enumerated events will

be filed in accordance with the requirements of S.E.C. Rule 15c2-12(b)(5) (the “Rule”). The specific nature of the information to be made available and to be contained in the notices of enumerated events is described in the form of Continuing Disclosure Certificate attached hereto as Appendix C. These covenants have been made in order to assist the Underwriter in complying with the Rule.

***Previous Undertakings.*** The District has, in the past five years, failed to file one notice of a listed event, as required by its previous continuing disclosure undertakings.

The District has retained Keygent LLC as its dissemination agent to assist it in preparing and filing the annual reports and notices of listed events required under its existing continuing disclosure obligations, as well as the undertaking entered into in connection with the Bonds.

### **Legality for Investment in California**

Under provisions of the State Financial Code, the Bonds are legal investments for commercial banks in the State 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 State Government Code, are eligible for security for deposits of public moneys in the State.

### **Absence of Material 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 questioning the political existence of the District or contesting the District’s ability to receive *ad valorem* property taxes to collect other revenues or contesting the District’s ability to issue and retire the Bonds.

### **Legal Opinion**

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as Bond Counsel. A copy of the proposed form of such legal opinion is attached to this Official Statement as Appendix B.

### **Escrow Verification**

Upon delivery of the Bonds, the Verification Agent, will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to them by the Underwriter (defined herein) relating to the adequacy of the investments in the Escrow Fund, together with any moneys held therein as cash, to (i) pay the principal of and interest on the non-callable Refunded Bonds and (ii) to pay the redemption price of and interest on the callable Refunded Bonds.



## **Financial Statements**

The financial statements with supplemental information for the year ended June 30, 2018, the independent auditor's report of the District, and the related statements of activities and of cash flows for the year then ended, and the report dated October 23, 2018 of Cossolas, Wilson, Dominguez, Leavitt, Certified Public Accountants (the "Auditor"), are included in this Official Statement as Appendix A. In connection with the inclusion of the financial statements and the report of the Auditor thereon in Appendix A to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

## **RATINGS**

Moody's and S&P have assigned ratings of "Aa1" and "AA+", respectively, to the Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the District which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the respective rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price for the Bonds.

The District has covenanted in a Continuing Disclosure Certificate to file on The Electronic Municipal Market Access ("EMMA") website operated by the Municipal Securities Rulemaking Board notices of any rating changes on the Bonds. See "LEGAL MATTERS – Continuing Disclosure" herein and "APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. Notwithstanding such covenant, information relating to rating changes on the Bonds may be publicly available from the rating agencies prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change on EMMA. Purchasers of the Bonds are directed to the rating agencies and their respective websites and official media outlets for the most current rating changes with respect to the Bonds after the initial issuance of the Bonds.

## **UNDERWRITING**

The Bonds are being purchased by Piper Jaffray & Co. as underwriter (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of \$\_\_\_\_\_, which is equal to the initial principal amount of the Bonds of \$\_\_\_\_\_, less the Underwriter's discount of \$\_\_\_\_\_. The Purchase Contract for the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions.

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

*The Underwriter has provided the following paragraph for inclusion in this Official Statement. The District does not guarantee the accuracy or completeness of the following information, and the inclusion thereof should not be construed as a representation of the District:*

Piper Jaffray & Co. has entered into a distribution agreement with Charles Schwab & Co., Inc. (“CS&Co.”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the agreement, CS&Co. will purchase Bonds from Piper Jaffray & Co. at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

#### **ADDITIONAL INFORMATION**

Quotations from and summaries and explanations of the Bonds, the Resolution providing for issuance of the Bonds, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

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

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

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

#### **SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT**

By \_\_\_\_\_  
Dr. Byron D. Clift Breland  
Chancellor

**APPENDIX A**  
**THE 2017-18 AUDITED FINANCIAL STATEMENTS OF**  
**THE DISTRICT**

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**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT**

**SAN JOSÉ, CALIFORNIA**

**AUDIT REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**



**COSSOLIAS | WILSON  
DOMINGUEZ | LEAVITT**  
CERTIFIED PUBLIC ACCOUNTANTS

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT**  
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**JUNE 30, 2018**

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## INDEPENDENT AUDITORS' REPORT

The Board of Trustees  
San José/Evergreen Community College District  
San Jose, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the fiduciary activities of San José/Evergreen Community College District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise San José/Evergreen Community College District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activities of San José/Evergreen Community College District, as of June 30, 2018, and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter – Change in Accounting Principles**

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 11 and the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 54 to 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise San José/Evergreen Community College District's basic financial statements. The supplementary information listed in the table of contents, including the Schedule of Expenditures of Federal Awards, which is required by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenditure of federal awards and other supplementary information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The Schedule of Expenditure of Federal Awards and other supplementary information as listed in the table of contents, except for the Organization, and Combining Fund Balance Sheet have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal Awards and other supplementary information as listed in the table of contents, except for the Organization, and Combining Fund Balance Sheet are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Organization and Combining Fund Balance Sheet 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 October 23, 2018 on our consideration of San José/Evergreen Community College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering San José/Evergreen Community College District's internal control over financial reporting and compliance.

*CWDL, Certified Public Accountants*

San Diego, California  
October 23, 2018

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**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

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**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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In June 1999, the Governmental Accounting Standards Board (GASB) released Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, which established new reporting formats for annual statements. In November 1999, GASB released Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, which applied the new reporting models to public colleges and universities. In its "Accounting Advisory No. 2001-01," the State Chancellor's Office opined that the California Community Colleges would best benefit from, and would "therefore implement," the business-type activities (BTA) reporting model, as outlined in GASB Statements No. 34 and No. 35.

Responsibility for the completeness and accuracy of this information rests with the District management.

The reporting model is in some cases an extreme departure from that used prior to GASB Statements No. 34 and No. 35 implementation and, in some cases, has limited value or may even be detrimental to casual readers attempting to understand the financial health of a governmental entity. Because of this, the District has asked its auditors to also present the District's unaudited financial statements using the funds statements format, which continues as the format that the District uses in reporting to the State Chancellor's Office.

As required by generally accepted accounting principles, the annual report consists of three basic financial statements that provide information on the District as a whole: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. These statements are designed to emulate corporate presentation models; whereby, all District activities are consolidated into one total. The focus of the Statement of Net Position is designed to be similar to "bottom line" results of the District. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets. The Statements of Revenues, Expenses, and Changes in Net Position focus on both the gross and the net cost of District activities, which are supported mainly by local property taxes and student fees. This approach is intended to summarize and simplify the analysis of the cost of various District services to students and the public. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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The following analysis provides an overview of the District's financial activities. The analysis includes a comparison of current to prior year activity.

**Statement of Net Position**

The Statement of Net Position includes all assets and liabilities using the full accrual basis of accounting, which is similar to the accounting method used by most private-sector institutions. Net position, the difference between assets and liabilities, is one way to measure the financial health of the District.

	2018	2017	Change	2016	Change
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Total assets	\$ 730,232,108	\$ 662,529,462	\$ 67,702,646	\$ 683,014,346	\$ (20,484,884)
Deferred outflows of resources	49,383,728	34,143,901	15,239,827	25,024,121	9,119,780
<b>Total Assets and Deferred Outflows of Resources</b>	<b>779,615,836</b>	<b>696,673,363</b>	<b>82,942,473</b>	<b>708,038,467</b>	<b>(11,365,104)</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
Current liabilities	91,759,650	62,732,028	29,027,622	56,114,723	6,617,305
Non-current liabilities	689,914,534	622,882,421	67,032,113	637,585,772	(14,703,351)
Deferred inflows of resources	23,628,041	23,205,956	422,085	16,761,316	6,444,640
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>805,302,225</b>	<b>708,820,405</b>	<b>96,481,820</b>	<b>710,461,811</b>	<b>(1,641,406)</b>
<b>NET POSITION</b>					
Invested in capital assets, net of related debt	39,225,474	45,343,335	(6,117,861)	55,919,882	(10,576,547)
Restricted	66,026,291	37,013,620	29,012,671	35,405,152	1,608,468
Unrestricted	(130,938,154)	(94,503,997)	(36,434,157)	(93,748,378)	(755,619)
<b>Total Net Position</b>	<b>\$ (25,686,389)</b>	<b>\$ (12,147,042)</b>	<b>\$ (13,539,347)</b>	<b>\$ (2,423,344)</b>	<b>\$ (9,723,698)</b>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**June 30, 2018 Compared to June 30, 2017**

Cash and cash equivalents, inclusive of current and non-current assets, are invested primarily in the Santa Clara County investment pool. The increase in cash balances from the prior year is primarily a result of the issuance of the first two issues of the Measure X - 2016 bond authorization.

Receivables primarily represent funding owed to the District by students and by the Federal, State, and Local Governments for non-capital apportionment and grants. The total owed to the District by all sources is \$11.3 million.

Capital assets represent the District's original investment in land, site improvements, buildings, building improvements, construction in progress, and equipment, less the cost of accumulated depreciation. Capital assets increased by approximately a net value of \$4.5 million from the previous year.

Accounts payable and other liabilities represent amounts owed for services and goods received by the District, during Fiscal Year 2017-18, for which payment would not be made until Fiscal Year 2018-19. The accounts payable amount primarily represents amounts due to vendors and amounts owed to employees for services rendered. The District's accounts payable at June 30, 2018 was \$2.9 million more than at June 30, 2017.

Unearned revenues represent prepayments made to the District for which services have yet to be rendered. Approximately \$4 million of this amount represents cash received from the District's SVETP Grant, \$2.8 million from Strong Workforce, \$1.8 million from the Adult Education Block and CA College Promise Innovation Grants, and \$1.7 million from the Innovation Higher Education Grant, and \$4.2 million from other miscellaneous grants and categorical programs including SSSP, Student Equity Lottery, etc. The remaining balance of \$5 million relates to student tuition and registration fees received during Fiscal Year 2017-18 for the summer and fall terms of Fiscal Year 2018-19.

The District's long-term liabilities consist of the accumulated liability for compensated absences of approximately \$3.1 million; \$95 million for OPEB taxable bonds, \$117 million in net pension liability as a result of GASB 68, and \$474 million for voter-approved general obligation bonds which are secured by ad valorem taxes.

One component of the District's "Net Position" is the net investment in capital assets of approximately \$39.25 million. These funds are not liquid resources that can be used to fund ongoing operations. The largest component is the unrestricted net position of \$(130) million which reflects the impact for the implementation of GASB Statement No. 68 (pensions) and creates a negative net position.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

---

**June 30, 2017 Compared to June 30, 2016**

Cash and cash equivalents, inclusive of current and non-current assets, are invested primarily in the Santa Clara County investment pool. The decrease in the cash balances from the prior year is primarily a result of continued construction and renovation related to Measure G – 2004 and Measure G - 2010. Measure G – 2004 was closed out during 2016-17.

Receivables primarily represent funding owed to the District by students and by the Federal Government, the State Government, and Local Governments for non-capital apportionment and grants. The total owed to the District by all sources is approximately \$9.8 million.

Capital assets represent the District's original investment in land, site improvements, buildings, building improvements, construction in progress, and equipment, less the cost of accumulated depreciation. Capital assets increased by approximately a net value of \$14.7 million from the previous fiscal year.

Accounts payable and other liabilities represent amounts owed for services and goods received by the District, during Fiscal Year 2016-17, for which payment would not be made until Fiscal Year 2017-18. The accounts payable amount primarily represents amounts due to vendors and amounts owed to employees for services rendered. The District's accounts payable and other liabilities at June 30, 2017 was \$3.2 million more than at June 30, 2016.

Unearned revenues represent prepayments made to the District for which services have yet to be rendered. Approximately \$14.6 million of this amount represents cash received from the District's SVETP Grant during 2016-17. The remaining balance relates to student tuition and registration fees, received during Fiscal Year 2016-17, for the summer and fall terms of Fiscal Year 2017-18.

The District's long-term liabilities consist of the accumulated liability for compensated absence of approximately \$2.6 million: \$501.7 million in voter-approved general obligation bonds; \$47.5 million in OPEB taxable bonds; and \$92.5 million in net pension liability as a result of GASB 68. The general obligation bonds are being repaid through tax assessments on property located within the District boundaries and are not a direct obligation of the District's general fund.

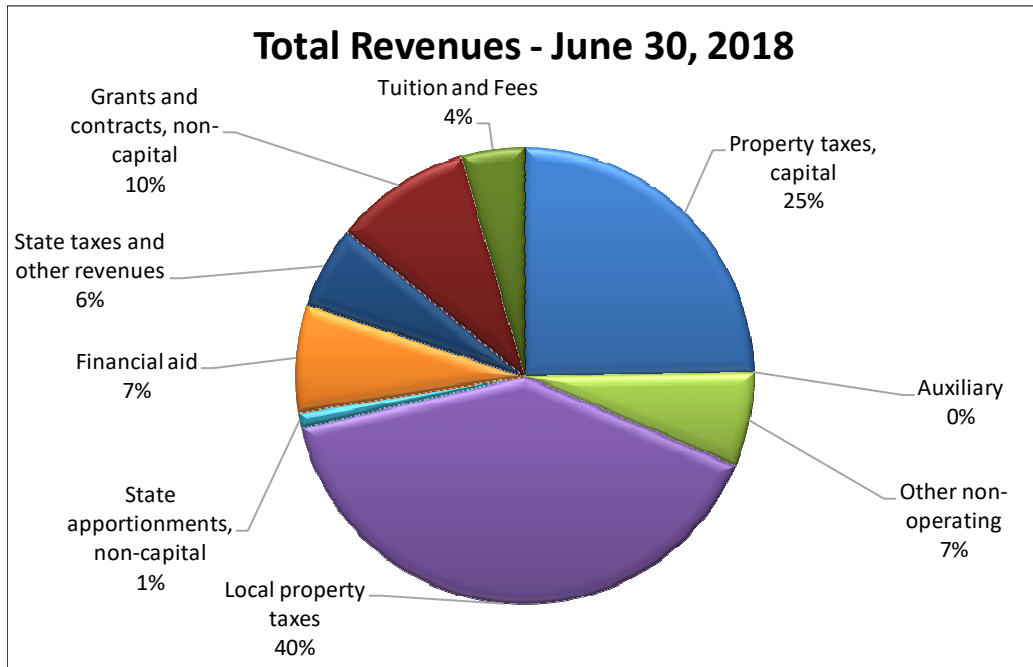
One component of the District's "Net Position" is the net investment in capital assets of approximately \$45.3 million. These funds are not liquid resources that can be used to fund ongoing operations. The largest component is the unrestricted net position of \$(94.5) million which reflects the impact for the implementation of GASB Statement No. 68 (pensions).

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Total Revenues for the Fiscal Year Ended June 30, 2018**

The following chart graphically shows the various components of revenue for the District as a whole:



The largest component of the District’s total revenue is the receipt of local property taxes, with 40% of total revenue coming from this source. This is followed by capital revenues, which comprise 25% of total revenue, and represents local property taxes state apporportionments related to the District’s bonds. Tuition and fees represent 4% of total revenue and State apporportionment was nominal given that the District transitioned into basic aid status in Fiscal Year 2012-2013.

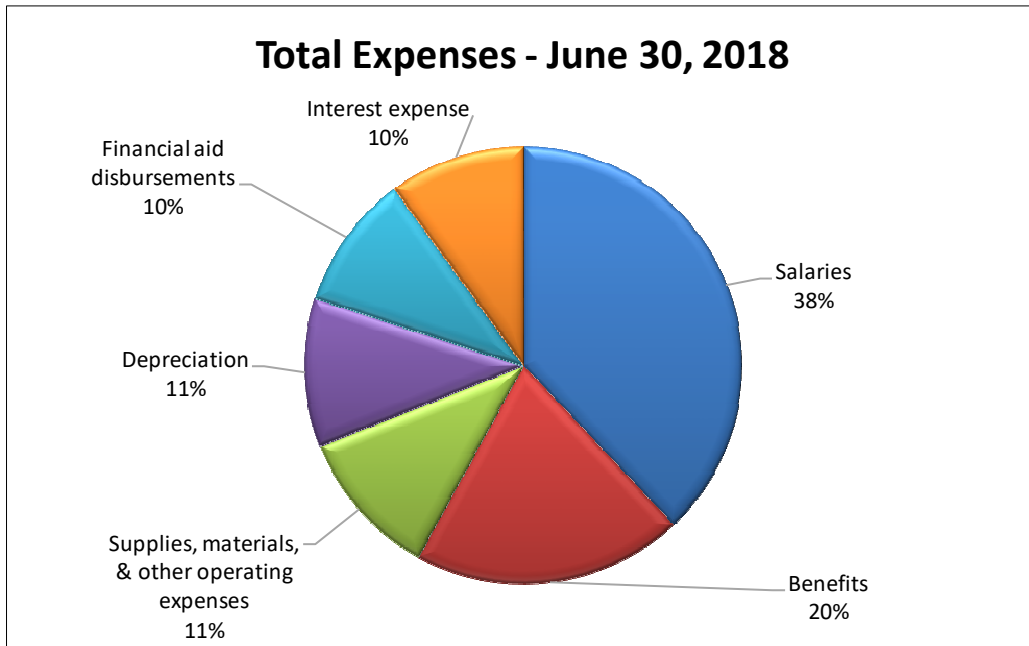


**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Total Expenses for the Fiscal Year Ended June 30, 2018**

The following chart graphically shows the various components of operating expenses for the District as a whole:



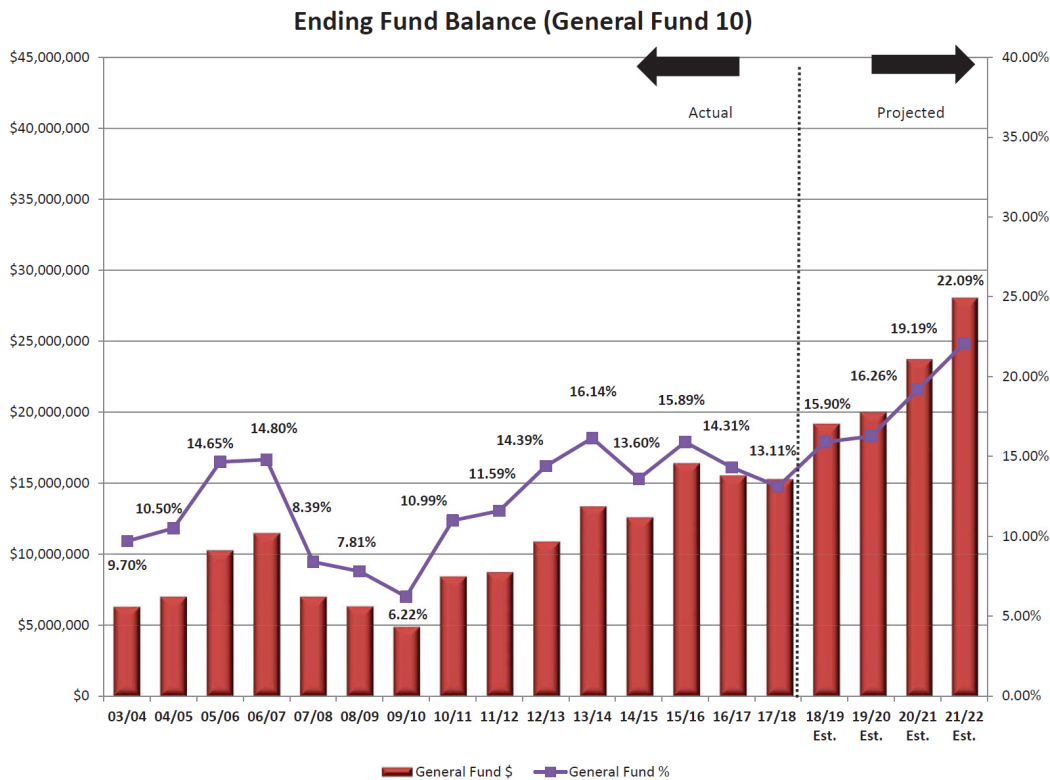
The largest component of the District’s operating expense is the cost associated with employee salaries and benefits. Almost 58% of the total expense is spent for this purpose. “Supplies, materials, and other operating expenses” represent ongoing operating costs such as utilities and supplies. “Financial aid disbursements” represents amounts paid to students primarily for financial aid.

The OPEB Trust Fund was established with proceeds from the sale of OPEB Bonds which were used to fund the GASB 43/45 (Now GASB 74/75) Actuarial Valuation of Post Retirement Employee Benefits originally estimated at \$45.7 million and projected to be \$35.1 million dollars as of June 30, 2018. As of June 30, 2018, the liability is estimated to be over-funded by \$10.6 million. The closing for the District’s OPEB Bond was May 14, 2009, with an interest rate fixed at 4.62% and a rate of 4.239% effective in May 2012. In May 2012, the District refunded the OPEB bonds locking in an “all-in interest” rate of 5.239% for 15 years. Separate financial statements for the Retiree Benefit Plan Trust are available by contacting the San José/Evergreen Community College District Office.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Economic Factors That May Affect the Future**

The Unrestricted General Fund 10 provides the resources necessary to sustain the day-to-day activities of the District and pays for most faculty, staff, administrative and other operating expenditures. Two key fiscal performance indicators are fund balance and infrastructural balance; that is current year revenues in relation to current year expenditures. In Fiscal Year 2006-2007, the District’s ending fund balance peaked at 14.80%. The ending fund balance declined over the next three years to a low of 6.22% in Fiscal Year 2009-2010. In February 2011, the Board of Trustees adopted a 7% reserve principle, which has since been codified into policy, and the District experienced an increase in its ending fund balance each subsequent year to Fiscal Year 2013-2014, which ended with an ending fund balance of 16.14%. The District anticipated a planned reduction in its ending fund balance in Fiscal Year 2014-2015 to accommodate costs associated with personnel decisions including the addition of positions and collective bargaining settlements. This plan came to fruition with an ending fund balance of 13.60%. The District received one-time funding from the State of California for reimbursements of mandated cost programs resulting in an ending fund balance of 15.89% for Fiscal Year 2015-2016. The District slightly drew from its fund balance in Fiscal Year 2016-2017 and Fiscal Year 2017-2018 to end at 14.31% and 13.11% respectively primarily to provide cost-of-living increases for employees. As the District moves forward in budget planning for Fiscal Year 2018-2019 and beyond, the District will access fund balance resources as a budget stabilization tool to establish a balanced long-term infrastructure while maintaining the integrity of the reserves in compliance with Board policies and principles while providing funding to the District Financial Stabilization General Fund 12 created in February 2015 to buttress the District against future economic downturns. Below is a graphical depiction of the District’s Ending Fund Balance for its Unrestricted General Fund 10:



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Economic Factors That May Affect the Future, continued**

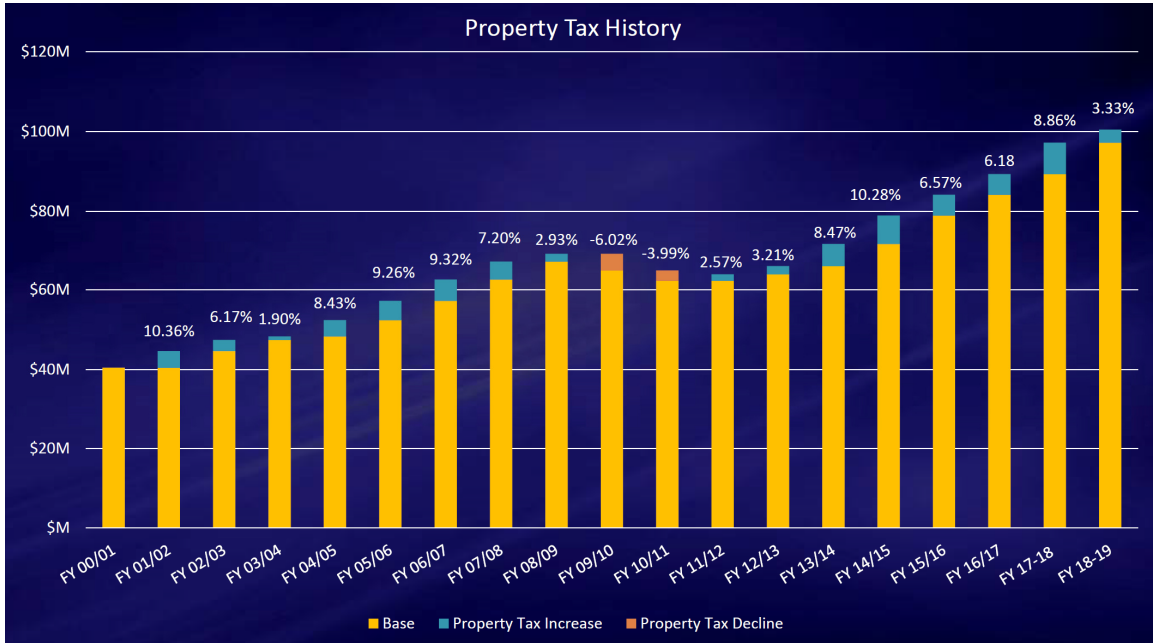
With the passage of Proposition 30 in November 2012 and a more robust economy, the fragility that the State budget had exhibited in the past has eased. The District is mindful that the Proposition 30 is temporary; in that, the sales tax increase sunsets in 2016 and the income tax increase sunsets in 2018 and has planned accordingly. With the passage of Proposition 55 in November 2016 certain provisions of Proposition 30 will be extended through 2030, which will secure funding of at least \$100 per FTES for the District. The Fiscal Year 2018-2019 State budget continues to provide categorical resources such as Full-Time Faculty Hiring, Strong Workforce, Student Equity & Achievement (formerly known as Student Success and Support, Basic Skills, and Student Equity), and other restricted resources. Although direct State funding has not been provided for the increased costs associated with CalSTRS and CalPERS, the District has included these increases in its budget projections and intends to fund these increases with excess property tax revenues.

At the local level, the District has experienced a significant increase in its health and welfare costs and has joined a Joint Powers Authority effective Fiscal Year 2018-2019 to mitigate these cost escalations. The District is also planning for the imposition of the Cadillac Tax associated with the Affordable Healthcare Act effective Fiscal Year 2021-2022. To mitigate these cost increases, the District's property tax receipts continue to exceed expectations due to the continued robust housing market in the Silicon Valley. After a few years of decline, the District's assessed valuation increased 8.2% in Fiscal Year 2013-2014, 7% in Fiscal Year 2014-2015, 6.3% in Fiscal Year 2015-2016, 4% in Fiscal Year 2016-2017, 2.6% in Fiscal Year 2017-2018, 3.8% in Fiscal Year 2018-2019, and the roll-in-progress for Fiscal Year 2019-2020 indicates an increase of 3.3%. As a result of these increases and the dissolution of redevelopment agencies, the District realized a 12.4% increase in local property taxes in Fiscal Year 2013-2014, a 6.5% increase in Fiscal Year 2014-2015, a 6.6% increase in Fiscal Year 2015-2016, a 7% increase in Fiscal Year 2016-2017, an 8.21% increase in Fiscal Year 2017-2018, and is currently estimated to receive an increase of 3.3% in Fiscal Year 2018-2019; however, will likely end higher than 3.3% as subsequent data points received from Santa Clara tend to trend upwards throughout the year. As a result, the District continues to be in basic aid (community funded) status, whereby the District's local revenues exceed the State's computational revenue entitlement. Accordingly, the student-centered funding formula, which changes the methodology upon which the State allocates general apportionment dollars does not impact the District. Local property tax receipts remain the main revenue driver for basic aid districts and the District's property taxes are projected to continue to grow significantly over the next decade as the San Jose Redevelopment Agency and the Milpitas Redevelopment Agency winds down; thereby, redirecting property tax receipts to the District. The District is conservatively projecting a 3.5% increase in the subsequent fiscal years for its budget planning and will continue to closely monitor local property tax receipts. The District has also entered into an exclusive negotiation agreement with the intent of entering into a long-term land lease with a developer to develop surplus acreage owned by the District with the goal of generating millions of dollars in unrestricted funds to support the educational mission of the District and specific student success outcomes established by the State of California and the District's Board of Trustees.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Economic Factors That May Affect the Future, continued**

Below is a graphical depiction of the District’s on-going property tax receipts supporting the Unrestricted General Fund 10:



**Progress on Capital Projects**

The District continues to make progress in implementing its Facilities Master Plan with funding from its two active general obligation bonds programs during 2017-18: Measure G - 2010 and Measure X. The Physical Education Gymnasium Project at San Jose City College and Evergreen Valley College's demolition of Roble in preparation for its relocation and replacement are examples of program progress on the Measure G - 2010 Bond Program. Measure X experienced planning activities moving forward in preparation of its first major projects: the Student Services Building at Evergreen Valley College and both the Career and Technical Education Building and Maintenance and Operations Building at San Jose City College.

**Contacting the District’s Financial Management**

This financial report is designed to provide our citizens, taxpayers, students, investors, and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have any questions about this report or need any additional financial information, please contact the District at: San José/Evergreen Community College District, 40 South Market Street, San Jose, CA 95113 or visit the District’s website at <http://www.sjeccd.edu/>.

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## **FINANCIAL SECTION**

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**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

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<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 136,755,621
Accounts receivable, net	11,331,736
Prepaid expenditures and other assets	386,090
Total Current Assets	<u>148,473,447</u>
Noncurrent Assets:	
Restricted cash and cash equivalents	105,712,248
Prepaid OPEB asset	10,587,811
Capital assets, net	465,458,602
Total Noncurrent Assets	<u>581,758,661</u>
<b>TOTAL ASSETS</b>	<u>730,232,108</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred loss on refunding	11,836,783
Deferred outflows - pensions	<u>37,546,945</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 779,615,836</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable and accrued expenses	\$ 24,803,820
Unearned revenue	19,551,609
Long-Term Debt, Current Portion	47,404,221
Total Current Liabilities	<u>91,759,650</u>
Noncurrent Liabilities:	
Compensated absences	3,148,007
Net pension liability	117,335,165
Long-Term Debt - Non-Current Portion	569,431,362
Total Noncurrent Liabilities	<u>689,914,534</u>
<b>TOTAL LIABILITIES</b>	<u>781,674,184</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows - pensions	21,501,911
Deferred inflows - OPEB	2,126,130
<b>NET POSITION</b>	
Net investment in capital assets	39,225,474
Restricted for:	
Debt Service	59,435,153
Capital Projects	6,390,813
Educational Programs	200,325
Unrestricted	<u>(130,938,154)</u>
<b>TOTAL NET POSITION</b>	<u>(25,686,389)</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 779,615,836</u>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**OPERATING REVENUES**

Tuition and fees (gross)	\$ 19,018,380
Less: Scholarship discounts and allowances	(8,280,092)
Net tuition and fees	<u>10,738,288</u>
Grants and contracts, noncapital:	
Federal	5,386,094
State	16,353,912
Local	1,862,378
Auxiliary enterprise sales, net	76,042
<b>TOTAL OPERATING REVENUES</b>	<u>34,416,714</u>

**OPERATING EXPENSES**

Salaries	86,109,065
Employee benefits	45,030,660
Supplies, materials, and other operating expenses and services	25,247,005
Student aid	21,713,282
Depreciation	24,421,708
<b>TOTAL OPERATING EXPENSES</b>	<u>202,521,720</u>

**OPERATING INCOME (LOSS)**

(168,105,006)

**NON-OPERATING REVENUES (EXPENSES)**

State apportionments, noncapital	2,696,538
Local property taxes	96,924,610
State taxes and other revenues	14,056,673
Pell grants	18,534,655
Investment income	2,995,811
Interest expense on capital asset-related debt	(22,269,731)
Transfer from trust fund	4,158,945
Other non-operating revenues	9,137,157
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<u>126,234,658</u>

**INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES**

(41,870,348)

State apportionments, capital	321,583
Local property taxes and revenues, capital	<u>59,790,985</u>

**INCREASE (DECREASE) IN NET POSITION**

18,242,220

**NET POSITION -- BEGINNING OF YEAR**

(12,147,042)

**PRIOR YEAR ADJUSTMENT (SEE NOTE 12)**

(31,781,567)

**NET POSITION -- END OF YEAR**

\$ (25,686,389)

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Tuition and fees	\$ 10,738,288
Grants and contracts	22,501,658
Payments to or on behalf of employees	(108,203,205)
Payments to vendors for supplies and services	(24,282,320)
Payment to students	(38,241,643)
Other receipts	76,042
Net Cash Used In Operating Activities	<u>(137,411,180)</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

State apportionments	2,696,538
Grants and contracts, non-capital	18,534,655
Property taxes	96,924,610
State taxes and other revenues	14,056,673
Other non-operating	13,296,102
Net Cash Provided by Non-Capital Financing Activities	<u>145,508,578</u>

**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES**

Acquisition and construction of capital assets	(27,427,244)
Proceeds from debt issuance	86,700,176
State revenue, capital projects	321,583
Local revenue, capital	59,790,985
Principal paid on capital debt	(16,940,384)
Interest paid on capital debt	(23,085,408)
Net Cash Used In Capital Financing Activities	<u>79,359,708</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Investment income	2,995,811
Net Cash Provided by (Used in) Investing Activities	<u>2,995,811</u>

<b>NET DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	90,452,917
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	152,014,952
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 242,467,869</u>



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**RECONCILIATION OF OPERATING LOSS TO NET CASH  
USED BY OPERATING ACTIVITIES**

Operating loss	\$ (168,105,006)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation expense	24,421,708
Changes in Assets and Liabilities:	
Receivables, net	(1,530,127)
Prepaid items	(250,598)
Net OPEB Asset	(2,850,520)
Deferred outflows of resources	(16,226,253)
Accounts payable and accrued liabilities	1,215,283
Deferred revenue	127,293
Compensated absences	483,520
Net pension liability	24,881,435
Deferred inflows if resources - pensions	(1,704,045)
Deferred inflows of resources - OPEB	2,126,130
Total Adjustments	<u>30,693,826</u>
<b>Net Cash Flows From Operating Activities</b>	<u>\$ (137,411,180)</u>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2018**

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	<b>OPEB</b>	
	<b>Irrevocable</b>	
	<b>Trust</b>	<b>Agency</b>
	<b>Fund</b>	<b>Fund</b>
	<hr/>	
<b>ASSETS</b>		
Investments	\$ 44,979,621	\$ -
Accounts receivable	18,352	8,780
<b>Total Assets</b>	<hr/> 44,997,973	<hr/> 8,780
<b>LIABILITIES</b>		
Deferred Revenue	-	8,780
<b>Total Liabilities</b>	<hr/> -	<hr/> 8,780
<b>NET POSITION</b>		
Held in Trust	44,997,973	-
<b>Total Net Position Held in Trust</b>	<hr/> \$ 44,997,973	<hr/> \$ -

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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	<b>OPEB Irrevocable Trust Fund</b>
<b>ADDITIONS</b>	
Net investment income	\$ 3,565,372
<b>Total Additions</b>	<u>3,565,372</u>
<b>DEDUCTIONS</b>	
Retiree benefits	4,158,944
<b>Total Deductions</b>	<u>4,158,944</u>
<b>Excess deductions over additions</b>	(593,572)
<b>NET POSITION HELD IN TRUST</b>	
<b>Beginning of Year</b>	45,591,545
<b>End of Year</b>	<u>\$ 44,997,973</u>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity

San José/Evergreen Community College District (the "District") is a political subdivision of the State of California and provides educational services to the local residents of the surrounding area. While the District is a political subdivision of the State, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Codification Section (Cod. Sec.) 2100.101. The District is classified as a state instrumentality under Internal Revenue Code Section 115.

The decision to include potential component units in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America and GASB Cod. Sec. 2100. The three criteria for requiring a legally separate, tax-exempt organization to be presented as a component unit are the "direct benefit" criterion, the "entitlement/ability to access" criterion, and the "significance" criterion. The District has no component units.

Basis of Presentation and Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. Under this model, the District's financial statements provide a comprehensive entity-wide perspective at the District's financial position and activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded with the obligation has been incurred. All significant intra-agency transactions have been eliminated.

Fiduciary funds for which the District acts only as an agent or trust are not included in the business-type activities of the District. These funds are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The District records revenues when earned and expenses when a liability is incurred regardless of the timing of the related cash flow. The budgetary and financial accounts of the District are recorded and maintained in accordance with the Chancellor's Office's *Budget and Accounting Manual*.

Cash and Cash Equivalents

For the purposes of the financial statements, cash equivalents are defined as financial instruments with an original maturity of three months or less. Funds invested in the Santa Clara County Treasury are considered cash equivalents and are stated at fairvalue.

Restricted Cash

Cash that is externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, is classified as a noncurrent asset in the Statement of Net Position.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Investments

Investments held by the OPEB Irrevocable Trust Fund are reported at fair value using quoted market prices and unrealized and realized gains and losses are included in the Statement of Changes in Fiduciary Net Position.

Receivables

Receivables consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of California. Receivables also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. The District provides for an allowance for uncollectible accounts as an estimation of amounts they may not receive. The allowance is based upon management's estimates and analysis. The allowance was estimated at \$2,620,558 for the year ended June 30, 2018.

Capital Assets

Capital assets are recorded at the date of acquisition, or fair market value at the date of donation in the case of gifts. The District's capitalization policy included all items with an estimated useful life of greater than one year and a cost of \$5,000 or more. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 15 years for portable buildings, 10 years for land improvements, 8 years for most equipment and vehicles, and 3 years for technology equipment such as computers. Land and construction in progress are considered non-depreciable capital assets; therefore, no depreciation is computed.

The District capitalizes interest paid on obligations related to the acquisition, construction or rehabilitation of District capital assets. Interest expense and interest capitalized totaled \$22,269,731 and \$1,394,515, respectively, during the year ended June 30, 2018.

Compensated Absences

Compensated absences costs are accrued when earned by employees. Accumulated unpaid employee vacation benefits are recognized at year end as liabilities of the District.

Accumulated Sick Leave

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

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Banked Faculty Load

A regular teaching load is considered by a schedule which yields one Full Time Equivalent (FTE). An overload is defined as a schedule which yields more than one FTE. The excess load is recorded as a liability in the Statement of Net Position.

Unearned Revenue

Revenue from Federal, State and local special projects and programs is recognized when qualified expenditures have been incurred. Tuition, fees and other support received but not earned are recorded as unearned revenue until earned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then. The District has recognized a deferred loss on refunding reported which reported in the statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shortened life of the refunded or refunding debt. Due to the refunding of general obligation bonds during the year ended June 30, 2015, a \$9,788,421 deferred loss on refunding was recognized. Additionally, the District has recognized a deferred outflow of resources related to the payments made subsequent to the measurement date for the pensions.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The District has recognized a deferred inflow of resources related to the recognition of the pension liability reported which is in the statement of net position.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and Public Employers Retirement Fund B (PERF B) and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fairvalue.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Net Position

The District's net position are classified as follows:

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

*Restricted net position:* Restricted expendable net position includes resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties. Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal. At June 30, 2018, there is no balance of nonexpendable restricted net position.

*Unrestricted net position:* Unrestricted net position represent resources derived from student tuition and fees, State apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources, and then towards unrestricted resources.

State Apportionments

Certain current year apportionments from the State are based on various financial and statistical information of the previous year. Any prior year corrections due to a recalculation will be recorded in the year computed by the State.

Classification of Revenue and Expenses

The District has classified its revenues as either operating or nonoperating revenues. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB Cod. Sec. Co5.101 including State appropriations, local property taxes, and investment income. Nearly all the District's expenses are from exchange transactions. Revenues and expenses are classified according to the following criteria:

*Operating revenues and expenses:* Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, (3) most Federal, State and local grants and contracts and Federal appropriations. All expenses are considered operating expenses except for interest expense on capital related debt.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Classification of Revenue and Expenses, continued

*Nonoperating revenues and expenses:* Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as Pell grants, State apportionments, taxes, gifts and contributions, investment income and other revenue sources described in GASB. Interest expense on capital related debt is the only non-operating expense.

Scholarship Discounts and Allowances

Student tuition and fee revenues are reported net of the Board of Governors fee waivers and allowances in the statement of revenues, expenses and change in net position. Certain governmental grants, and other federal, state and nongovernmental programs are recorded as operating revenues, while Federal Pell Grants are classified as non-operating revenues in the District's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the District has recorded a scholarship discount and allowance.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results may differ from those estimates.

Change in Accounting Principal

In June 2015, the GASB has issued GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which replaces the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability, which is the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments. Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan. Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees. GASB Statement No. 75 carries forward from GASB Statement No.45 the option to use a specified alternative measurement method in place of an actuarial valuation for purposes of determining the total OPEB liability for benefits provided through OPEB plans in which there are fewer than 100 plan members (active and inactive). This option was retained in order to reduce costs for smaller governments.



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

Change in Accounting Principal, continued

GASB Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. In certain circumstances (called special funding situations) GASB Statement No. 75 requires these governments to recognize in their financial statements a share of the other government's net OPEB liability. This statement is effective for the District's fiscal year ending June 30, 2018.

In June 2015, the GASB has issued GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, which reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The Statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. These changes are intended to improve financial reporting for governments by establishing a framework for the evaluation of accounting guidance that will result in governments applying that guidance with less variation. In connection with Statement 76, the GASB also recently cleared Implementation Guide No. 2015-1, which incorporates changes resulting from feedback received during the public exposure of all of implementation guidance previously issued. This statement is effective for the District's fiscal year ending June 30, 2016.

In January 2016, GASB issued Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14. This standard's primary objective is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement is effective for the District's fiscal year ending June 30, 2017.

New Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83, Certain Asset Retirement Obligations. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

New Accounting Pronouncements, continued

Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Early implementation is encouraged; however, no such asset retirement obligations are known at this time.

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all State and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Early implementation is encouraged. This statement is not expected to have a significant effect on the district financial reporting.

In June 2017, the GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged. The District is in the process of determining the effect on the financial reporting.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 2 - CASH AND INVESTMENTS**

District cash and investments at June 30, 2018, consisted of the following:

	Primary Government
Cash in county treasury	\$ 77,464,714
Cash on hand and in banks	358,638
Cash with fiscal agent	164,644,517
Total Deposits and Investments	\$ 242,467,869
	Fiduciary Funds
Investments	\$ 44,979,621
Total Deposits and Investments	\$ 44,979,621

Cash in County Treasury

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Santa Clara County Treasury for the purpose of increasing interest earning through County investment activities. The County pools and invests the cash. Those pooled funds are carried at fair value which approximates cost.

Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial risk classifications is required.

The District's deposits in the fund are considered to be highly liquid. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool. The Santa Clara County Treasurer has indicated that there are no derivatives in the pool as of June 30, 2018.

Custodial Credit Risk

The California Government Code requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the District. All cash held by financial institutions that is not insured is collateralized.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 2 - CASH AND INVESTMENTS, continued**

In accordance with Sections 53601 and 53602 of the California Government code, the District may invest in the following types of investments:

- Securities of the U.S. Government, or its agencies
- Small Business Administration Loans
- Negotiable Certificates of Deposit
- Bankers' Acceptances
- Commercial Paper
- Local Agency Investment Fund (State Pool) Deposits
- Passbook Savings Account Demand Deposits
- Repurchase Agreements

The District limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2018, the carrying amount of the District and Fiduciary cash accounts held in banks was \$358,638, of which \$250,000 was insured.

Cash with Fiscal Agent

Cash with Fiscal Agent of \$164,644,517 represents amounts held in the District's name in the County Treasury for future construction projects and repayment of long-term liabilities.

Interest Rate Risk

The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2018, the District had no significant interest rate risk related to cash held.

California Government Code, Section 53601, limits the District's investments to maturities of five years. The weighted average days to maturity of the District's investment of cash in the County treasurer's investment pool is 479 days. The District does not have an investment policy regarding interest rate risk.

The District's OPEB Trust (the "Trust") investments consisted of open-end mutual funds, therefore, there are no significant interest rate risks related to the investments held, as there are no maturities related to the mutual funds held.

Credit Risk

The District does not have a formal investment policy that limits its investment choices other than the limitations of State law.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 2 - CASH AND INVESTMENTS, continued**

The Trust has adopted an internally developed investment policy that requires all fixed income investments to be of investment grade quality or higher at purchase; that is, at the time of purchases, rated no lower than "BBB" by Standard and Poor's. The Retirement Board of Authority ("RBOA"), at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. At June 30, 2018, the Trust investments consisted of open-end mutual funds, therefore there are no credit ratings to disclose.

Concentration of Credit Risk

The District does not place limits on the amount it may invest in any one issuer. At June 30, 2018, the District had no concentration of credit risk.

Trust Investments

The Trust agreement authorizes the use of a broad range of investment choices that have distinctly different risks and return characteristics. In general, investments held in the Trust Fund are for the primary purpose of meeting present and future OPEB liability obligations and may be invested in accordance with California Government Code Sections 53600 through 53622 that, subject to applicable legal requirements, may provide greater latitude to increase purchasing power and capital growth potential if deemed prudent to do so.

The Trust Fund's policy is to provide a uniform method of investing contributions and earnings of the trust. In general, assets held in the trust will be for the primary purpose of meeting present and future OPEB liability obligations and are invested with the objective of achieving a target net annual rate of return of 6.5%. In April 2018, the RBOA amended its investment policy to consolidate its long-term and short-term portfolios.

As stated in the Investment Policy, the Trust will invest predominantly in open-end mutual funds. The fair value of the Trust's individual investments at June 30, 2018 are as follows:

Mutual funds:	
Common stocks	\$ 18,356,970
Fixed income	24,751,099
Real estate	1,871,552
Total investments	<u>\$ 44,979,621</u>

During the fiscal year ended June 30, 2018, the Trust's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated as follows:

Unrealized gains, net	\$ 1,539,115
Realized gains	279,479
Dividend and other income	1,841,442
Investment fees	(94,664)
Total investment gains	<u>\$ 3,565,372</u>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 3 - RECEIVABLES**

Receivables at June 30, 2018 totaled \$11,331,736. Significant components of the balance include \$6,506,169 in student receivables and \$4,825,567 related to grants and contracts.

The allowance for doubtful accounts is maintained at an amount which management considers sufficient to reserve and provide for the possible uncollectability of other receivable balances.

**NOTE 4 - CAPITAL ASSETS**

Capital asset activity consists of the following:

	Beginning Balance July 01, 2017		Additions	Deductions	Ending Balance June 30, 2018
Capital Assets not being Depreciated					
Land	\$ 3,441,983	\$ -	\$ -	\$ -	\$ 3,441,983
Construction in progress	65,631,111	24,124,361	22,282,714		67,472,758
Total Capital Assets not being Depreciated	69,073,094	24,124,361	22,282,714		70,914,741
Capital Assets being Depreciated					
Land improvements	85,680,333	2,975,116	-		88,655,449
Buildings & improvements	484,956,661	19,307,598	-		504,264,259
Furniture and Equipment	40,570,692	4,697,398	-		45,268,090
Total Capital Assets being Depreciated	611,207,686	26,980,112	-		638,187,798
Total Capital Assets	680,280,780	51,104,473	22,282,714		709,102,539
Less Accumulated Depreciation					
Land improvements	50,657,680	5,374,513	-		56,032,193
Buildings & improvements	143,853,263	14,703,992	-		158,557,255
Furniture and Equipment	24,711,286	4,343,203	-		29,054,489
Total Accumulated Depreciation	219,222,229	24,421,708	-		243,643,937
Net Capital Assets	\$ 461,058,551	\$ 26,682,765	\$ 22,282,714	\$ -	\$ 465,458,602

**NOTE 5 - UNEARNED REVENUE**

Unearned revenue for the District consisted of the following:

State financial awards	\$ 13,610,548
Enrollment fees	4,771,707
Other local revenue	1,169,354
Total unearned revenue	<u>\$ 19,551,609</u>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 6 - LONG TERM LIABILITIES**

General Obligation Bonds

In April 2004, the 2004 General Obligation Refunding Bonds were issued in three series and the proceeds were used to refund a portion of the outstanding principal amount of the District's election of the 1998 General Obligation Bonds, Series A, B, C, and D and to pay the costs of issuance associated with the Refunding Bonds. A portion of the bonds were refunded in 2014. The remaining capital appreciation bonds of \$3,800,995 mature through September 1, 2021 with interest rates ranging from two to five percent. Interest on the capital appreciation bonds is compounded semiannually and due only at maturity.

The general long-term liabilities maturity schedule for the 2004 General Obligation Refunding Bonds is as follows:

<b>2004 Refunding Bonds</b>			
Fiscal Year	Principal	Interest	Total
2019	\$ -	\$ -	\$ -
2020	924,660	4,575,340	5,500,000
2021	2,317,021	13,167,979	15,485,000
2022	559,314	3,640,686	4,200,000
<b>Total</b>	<b>\$ 3,800,995</b>	<b>\$ 21,384,005</b>	<b>\$ 25,185,000</b>

In May 2005, the District issued \$55,391,474 of the 2004 General Obligation Bonds as Series A under the \$185,000,000 bond measure approved by voters on November 2, 2004 for the acquisition, construction and modernization of certain District properties and facilities. A portion of the bonds were refunded in 2014 and the remaining current interest bonds of \$5,555,000 and capital appreciation bonds of \$4,466,417 were refunded in 2015.

In February 2008, the District issued \$97,999,946 of the 2004 General Obligation Bonds as Series B through \$74,365,000 of current interest bonds and \$23,634,946 of capital appreciation bonds. A portion of the current interest bonds were refunded in 2015. The remaining Bonds mature through September 1, 2032 with interest rates ranging from three to seven percent. Interest on the capital appreciation bonds is compounded semiannually and due only at maturity.

In April 2014, the District issued \$31,605,000 of the 2004 General Obligation Bonds as Series C. These current interest bonds mature through September 1, 2032 with interest rates ranging from two to five percent.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 6 - LONG TERM LIABILITIES, continued**

The general long-term liabilities maturity schedules for the 2004 General Obligation Bonds Series B and C are as follows:

**2004 Series B General Obligation Bonds**

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Fiscal Year	Principal	Interest	Total
2019	\$ 3,100,000	\$ 77,500	\$ 3,177,500
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024-2028	-	-	-
2029-2033	10,609,605	27,725,395	38,335,000
Total	<u>\$ 13,709,605</u>	<u>\$ 27,802,895</u>	<u>\$ 41,512,500</u>

**2004 Series C General Obligation Bonds**

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Fiscal Year	Principal	Interest	Total
2019	\$ 765,000	\$ 1,219,638	\$ 1,984,638
2020	870,000	1,190,763	2,060,763
2021	-	1,173,363	1,173,363
2022	1,075,000	1,146,488	2,221,488
2023	1,215,000	1,089,238	2,304,238
2024-2028	8,480,000	4,484,886	12,964,886
2029-2033	13,850,000	1,830,617	15,680,617
Total	<u>\$ 26,255,000</u>	<u>\$ 12,134,993</u>	<u>\$ 38,389,993</u>

In May 2012, The District issued \$47,450,000 of OPEB Taxable Bonds, Series B. These bonds were issued to advance refund a portion of the District's outstanding 2009 OPEB Taxable Bonds, Series A, and to pay the costs of issuance associated with the Series B bonds. The bonds mature through June 1, 2044 and bear a variable interest rate with an initial LIBOR Index Rate Period ending on April 30, 2027, subsequent to which the District can elect various rate methods with a maximum rate of 12%.



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 6 - LONG TERM LIABILITIES, continued**

The general long-term liabilities maturity schedules for the OPEB Taxable Bonds are as follows:

<b>OPEB Taxable Bonds</b>			
Fiscal Year	Principal	Interest	Total
2019	\$ -	\$ 2,477,542	\$ 2,477,542
2020	-	2,477,542	2,477,542
2021	-	2,478,117	2,478,117
2022	-	2,476,967	2,476,967
2023	210,000	2,472,714	2,682,714
2024-2028	2,665,000	12,067,440	14,732,440
2029-2033	6,295,000	10,943,277	17,238,277
2034-2038	12,090,000	8,590,166	20,680,166
2039-2043	20,705,000	4,359,846	25,064,846
2044	5,485,000	142,499	5,627,499
<b>Total</b>	<b>\$ 47,450,000</b>	<b>\$ 48,486,110</b>	<b>\$ 95,936,110</b>

In February 2012, the District issued \$70,000,000 and \$20,000,000 of General Obligation Bonds as Series A and Series B under the \$268,000,000 bond measure approved by voters on November 2, 2010 to finance the acquisition, construction, and modernization of certain District property and facilities. The Series A and Series B Bonds mature through August 1, 2041 and August 1, 2032, respectively, with interest rates ranging from two to four percent.

In April 2014, the District issued \$120,000,000 of 2010 General Obligation Bonds as Series C. The Series C Bonds mature through September 1, 2043 with interest rates ranging from two to five percent.

In May 2016, the District issued \$58,000,000 of 2010 General Obligation Bonds as Series D. The Series D Bonds mature through September 1, 2037 with interest rates ranging from two to five percent.

The general long-term liabilities maturity schedules for the 2010 General Obligation Bonds Series A, B, C and D are as follows:

<b>2010 Series A General Obligation Bonds</b>			
Fiscal Year	Principal	Interest	Total
2019	\$ -	\$ 2,221,944	\$ 2,221,944
2020	-	2,221,944	2,221,944
2021	-	2,221,944	2,221,944
2022	-	2,221,944	2,221,944
2023	-	2,221,944	2,221,944
2024-2028	355,000	11,101,122	11,456,122
2029-2033	2,855,000	10,765,625	13,620,625
2034-2038	19,455,000	8,110,625	27,565,625
2039-2042	23,660,000	2,320,900	25,980,900
<b>Total</b>	<b>\$ 46,325,000</b>	<b>\$ 43,407,992</b>	<b>\$ 89,732,992</b>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 6 - LONG TERM LIABILITIES, continued**

**2010 Series B General Obligation Bonds**

Fiscal Year	Principal	Interest	Total
2019	\$ 140,000	\$ 699,950	\$ 839,950
2020	260,000	692,650	952,650
2021	390,000	679,650	1,069,650
2022	535,000	661,150	1,196,150
2023	685,000	636,750	1,321,750
2024-2028	5,745,000	2,594,950	8,339,950
2029-2033	9,065,000	1,050,475	10,115,475
Total	\$ 16,820,000	\$ 7,015,575	\$ 23,835,575

**2010 Series C General Obligation Bonds**

Fiscal Year	Principal	Interest	Total
2019	\$ 355,000	\$ 4,909,544	\$ 5,264,544
2020	515,000	4,899,069	5,414,069
2021	690,000	4,887,019	5,577,019
2022	875,000	4,871,369	5,746,369
2023	1,065,000	4,835,994	5,900,994
2024-2028	9,130,000	23,043,345	32,173,345
2029-2033	17,350,000	19,787,844	37,137,844
2034-2038	28,565,000	14,345,218	42,910,218
2039-2043	42,705,000	6,886,436	49,591,436
2044	10,585,000	218,316	10,803,316
Total	\$ 111,835,000	\$ 88,684,154	\$ 200,519,154

**2010 Series D General Obligation Bonds**

Fiscal Year	Principal	Interest	Total
2019	\$ 2,525,000	\$ 1,954,306	\$ 4,479,306
2020	1,620,000	1,858,781	3,478,781
2021	920,000	1,803,381	2,723,381
2022	1,075,000	1,753,506	2,828,506
2023	1,250,000	1,695,381	2,945,381
2024-2028	9,285,000	7,354,955	16,639,955
2029-2033	15,225,000	5,073,209	20,298,209
2034-2038	23,620,000	1,957,941	25,577,941
Total	\$ 55,520,000	\$ 23,451,460	\$ 78,971,460

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 6 - LONG TERM LIABILITIES, continued**

In April 2014, the District issued \$50,850,000 and \$48,275,000 of 2014 General Obligation Refunding Bonds as Series A and Series B. The proceeds from the sale of the bonds were used to advance refund a portion of the District's outstanding 2004 General Obligation Refunding Bonds, 2004 General Obligation Bonds, Series A and to pay the costs of issuing the 2014 Refunding Bonds. At June 30, 2015, \$52,410,000 of the 2004 General Obligation Refunding Bonds and \$44,000,057 of the 2004 General Obligation, Series A bonds were considered defeased through the 2014 Refunding Bonds. The Series A and Series B Bonds mature through August 1, 2029 and August 1, 2019, respectively, with interest rates ranging from one to five percent.

The general long-term liabilities maturity schedules for the 2014 General Obligation Refunding Bonds Series A and B are as follows:

**2014 Refunding Bond Series A**

Fiscal Year	Principal	Interest	Total
2019	\$ -	\$ 2,530,800	\$ 2,530,800
2020	-	2,530,800	2,530,800
2021	-	2,530,800	2,530,800
2022	390,000	2,526,900	2,916,900
2023	4,120,000	2,420,000	6,540,000
2024-2028	29,240,000	8,240,750	37,480,750
2029-2030	17,100,000	875,250	17,975,250
Total	\$ 50,850,000	\$ 21,655,300	\$ 72,505,300

**2014 Refunding Bond Series B**

Fiscal Year	Principal	Interest	Total
2019	\$ 11,730,000	\$ 666,000	\$ 12,396,000
2020	7,455,000	186,375	7,641,375
Total	\$ 19,185,000	\$ 852,375	\$ 20,037,375

In June 2015, the District issued \$81,765,000 of 2015 General Obligation Refunding Bonds as Series A and Series B. The proceeds from the sale of the bonds were used to advance refund the District's outstanding 2004 General Obligation Bonds, Series A, a portion of the 2004 General Obligation Bonds, Series B and to pay the costs of issuing the 2015 Refunding Bonds. At June 30, 2015, \$10,021,418 of the 2004 General Obligation Bonds, Series A and \$71,265,000 of the 2004 General Obligation, Series B bonds were considered defeased through the 2015 Refunding Bonds. The 2015 Refunding Bonds mature through September 1, 2029, with interest rates ranging from two to five percent.

The economic gain or difference between the present value of the old debt service requirements and the present value of the new debt service requirements, discounted at the effective interest rate is \$8,155,578.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 6 - LONG TERM LIABILITIES, continued**

There was no accrued interest or sinking fund resources related to the new debt proceeds.

The general long-term liabilities maturity schedules for the 2015 General Obligation Refunding Bonds are as follows:

**2015 Refunding Bonds**

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Fiscal Year	Principal	Interest	Total
2019	\$ 125,000	\$ 3,666,250	\$ 3,791,250
2020	3,085,000	3,608,950	6,693,950
2021	3,365,000	3,487,850	6,852,850
2022	11,005,000	3,148,800	14,153,800
2023	11,965,000	2,593,025	14,558,025
2024-2028	47,740,000	5,104,775	52,844,775
2029-2030	2,940,000	104,650	3,044,650
Total	\$ 80,225,000	\$ 21,714,300	\$ 101,939,300

In May 2018, the District issued \$39,000,000 and \$46,000,000 of 2016 General Obligation Refunding Bonds as Series A and Series A-1. The proceeds from the sale of the bonds were used to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities, including technology projects. The 2016 Series A and Series A-1 Bonds mature through September 1, 2038 and September 1, 2033, respectively, with interest rates ranging from one to five percent.

The general long-term liabilities maturity schedules for the 2016 General Obligation Bonds Series A and A-1 are as follows:

**2016 Series A General Obligation Bonds**

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Fiscal Year	Principal	Interest	Total
2019	\$ 5,175,000	\$ 949,440	\$ 6,124,440
2020	5,680,000	1,166,294	6,846,294
2021	1,120,000	1,058,694	2,178,694
2022	430,000	1,027,694	1,457,694
2023	490,000	1,009,294	1,499,294
2024-2028	3,660,000	4,613,720	8,273,720
2029-2033	6,105,000	3,596,592	9,701,592
2034-2038	12,940,000	1,973,496	14,913,496
2039	3,400,000	68,000	3,468,000
Total	\$ 39,000,000	\$ 15,463,224	\$ 54,463,224

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOTE 6 - LONG TERM LIABILITIES, continued**

**2016 Series A General Obligation Bonds**

Fiscal Year	Principal	Interest	Total
2019	\$ 18,945,000	\$ 703,492	\$ 19,648,492
2020	20,220,000	554,416	20,774,416
2021	570,000	277,737	847,737
2022	230,000	263,930	493,930
2023	270,000	251,430	521,430
2024-2028	1,910,000	1,008,356	2,918,356
2029-2033	3,070,000	496,449	3,566,449
2034	785,000	16,399	801,399
<b>Total</b>	<b>\$ 46,000,000</b>	<b>\$ 3,572,209</b>	<b>\$ 49,572,209</b>

Change in Long-Term Liabilities:

A schedule of changes in long-term liabilities for the year ended June 30, 2018 is as follows:

	Balance July 01, 2017	Additions	Deductions	Balance June 30, 2018	Due Within One Year
<b>General Obligation Bonds</b>					
General obligation bonds	\$ 488,915,984	\$ 85,000,000	\$ 16,940,384	\$ 556,975,600	\$ 42,860,000
Unamortized premium	39,531,952	1,700,176	4,544,221	36,687,907	4,544,221
Accreted interest	20,721,862	3,154,830	704,616	23,172,076	-
Total general obligation bonds	549,169,798	89,855,006	22,189,221	616,835,583	47,404,221
<b>Other Long-Term Liabilities</b>					
Compensated absences	2,664,487	483,520	-	3,148,007	-
Net pension liability	92,453,730	24,881,435	-	117,335,165	-
Total Other Long-Term Liabilities	95,118,217	25,364,955	-	120,483,172	-
<b>Total Long-Term Obligations</b>	<b>\$ 644,288,015</b>	<b>\$ 115,219,961</b>	<b>\$ 22,189,221</b>	<b>\$ 737,318,755</b>	<b>\$ 47,404,221</b>

**NOTE 7 - PROPERTY TAXES**

All property taxes are levied and collected by the Tax Assessor of the County of Santa Clara and paid upon collection to the various taxing entities including the District. Secured taxes are levied on July 1 and are due in two installments on November 1 and February 1, and become delinquent on December 10 and April 10, respectively. The lien date for secured and unsecured property taxes is March 1 of the preceding fiscal year. The County of Santa Clara has elected the optional alternative method for allocating delinquent property tax revenues, the Teeter Plan. Under this plan property tax revenues are based on the total amount of property taxes billed, but not yet collected.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY**

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are member of the California State Teachers' Retirement System (CalSTRS), and Classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	\$ 66,746,495	\$ 21,894,792	\$ 20,940,088	\$ 5,980,381
CalPERS	50,588,670	15,652,153	561,823	10,747,774
Total	\$ 117,335,165	\$ 37,546,945	\$ 21,501,911	\$ 16,728,155

Pension Plans – California Public Employees' Retirement System (CalPERS)

General Information about the Pension Plan

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

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2013 annual actuarial valuation report, Schools Pool Actuarial Valuation, 2013. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: <https://www.calpers.ca.gov/page/forms-publications>.

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

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California Public Employees’ Retirement System (CalPERS), continued

General Information about the Pension Plan, continued

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

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	6.000%
Required employer contribution rate	15.53%	15.53%

*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 calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2018, are presented above and the total District contributions were \$4,779,786.

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

As of June 30, 2018, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$50,588,670. 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. The District's proportionate share for the measurement period June 30, 2017 and June 30, 2016, respectively was 0.212 percent and 0.203 percent, resulting in a net increase in the proportionate share of 0.009 percent.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California Public Employees’ Retirement System (CalPERS), continued

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

For the year ended June 30, 2018, the District recognized pension expense of \$10,747,774. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 524,976	\$ -
Differences between expected and actual experience	1,762,905	-
Changes in assumptions	7,389,271	561,823
Net changes in proportionate share of net pension liability	1,195,215	-
District contributions subsequent to the measurement date	4,779,786	-
Total	\$ 15,652,153	\$ 561,823

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	\$ 3,659,650
2020	3,665,251
2021	3,730,349
2022	(744,706)
	\$ 10,310,544

*Actuarial assumptions* - For the measurement period ended June 30, 2017 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2016 total pension liability. The June 30, 2017 and the June 30, 2016 total pension liabilities were based on the following 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	7.15%
Consumer price inflation	2.75%
Wage growth	Varies by entry age and service



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California Public Employees’ Retirement System (CalPERS), continued

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

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

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

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

*Discount Rate* - The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS’ website.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California Public Employees’ Retirement System (CalPERS), continued

*Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate* - The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is in the following table:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's net pension liability	\$ 74,432,144	\$ 50,588,670	\$ 30,808,511

*Pension plan fiduciary net position* - Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS CAFR at <https://www.calpers.ca.gov>.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California State Teachers’ Retirement System (CalSTRS)

General Information about the Pension Plan

*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.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2015, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publically available reports that can be found on the CalSTRS website under Publications at: <http://www.calstrs.com/member-publications>.

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

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP. The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans. The STRP provision and benefits in effect as June 30, 2018 are summarized as follows:

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

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

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California State Teachers’ Retirement System (CalSTRS), continued

General Information about the Pension Plan, continued

*Contributions* - Required member, District and State of California contributions 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. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2018, are presented above and the District's total contributions were \$5,997,232.

*On-Behalf Payments* - The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of State general fund contributions of approximately \$2,666,097 to CalSTRS.

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

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

Total net pension liability, including State’s share:

District's proportionate share of the net pension liability	\$ 66,746,495
State's proportionate share of the net pension liability associated with the District	39,486,984
Total	\$ 106,233,479

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. The District's proportionate share for the measurement period June 30, 2017 and June 30, 2016, respectively, was 0.072 percent and 0.065 percent, resulting in a net increase in the proportionate share of 0.007 percent.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California State Teachers’ Retirement System (CalSTRS), continued

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

For the year ended June 30, 2017, the District recognized pension expense of \$5,980,381. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ -	\$ 3,984,747
Differences between expected and actual experience	246,835	1,204,207
Changes in assumptions	12,365,259	-
Net changes in proportionate share of net pension liability	3,285,466	15,751,134
District contributions subsequent to the measurement date	5,997,232	-
Total	\$ 21,894,792	\$ 20,940,088

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	\$ (3,335,924)
2020	(3,335,925)
2021	(2,157,073)
2022	(305,677)
2023	1,990,054
Thereafter	2,102,019
	\$ (5,042,526)

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California State Teachers’ Retirement System (CalSTRS), continued

*Actuarial Assumptions*

The total pension liability for the 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 actuarial methods and assumptions, applied to all prior periods included in the measurement:

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

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

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

\*20-year geometric average

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 8 - NET PENSION LIABILITY, continued**

Pension Plans – California State Teachers’ Retirement System (CalSTRS), continued

*Discount rate* - The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increase per Assembly Bill 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those 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 the total pension liability.

*Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate* - The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.10% percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	\$ 98,005,045	\$ 66,746,495	\$ 41,378,063

*Pension plan fiduciary net position* - Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalSTRS CAFR at <http://www.calstrs.com/comprehensive-annual-financial-report>.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 8, the District provides postemployment health care benefits to eligible employees who retire from the District and their spouses. The Postemployment Benefit Plan (the "Plan") is a single-employer defined benefit healthcare plan. The Plan is administered by the District. In May 2009, the District issued OPEB Taxable Bonds for the purpose of financing the Plan. There are no required funding rates to the Plan. The OPEB Trust fund is separately presented as a fiduciary fund of the District. Separate financial statements are prepared for the Plan and may be obtained by contacting the District on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Cod. Sec. P50. 108 -109. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Employees Covered by Benefit Term

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

	Number of Participants
Inactive Employees/Dependents Receiving Benefits	296
Active Employees	330
Total	626

Contributions: Eligible employees are not permitted to make contributions to the Trust. The Plan administrator shall, on behalf of the employer, make all contribution to the Trustee. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of the trust agreement. The District does not have contractually required contributions rates, but contributes in an amount sufficient to fully fund the Net OPEB obligation over a period not to exceed 30 years. There were no contributions to the Trust from the District for the year ended June 30, 2018.

OPEB Plan Investments

The plan discount rate of 7.5 was determined using the following asset allocation and assumed rate of return:

Asset Class	Target Allocation	Rate of Long-Term Expected Real Rate of Return
Fixed Income	32%	2.75%
Domestic Equities	37%	5.50%
International Equities	21%	6.50%
Alternative Assets	10%	5.00%
Cash	0%	0.00%
Total	100%	



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS, continued**

Actuarial Assumptions

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

Valuation date	June 30, 2017
Measurement date	June 30, 2017
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.75%
Investment rate of return	7.50%
Discount rate	7.50%
Health care cost trend rate	6.50%
Payroll increase	3.00%
Mortality	For certificated employees the 2009 CalSTRS mortality tables were used. For classified employees the 2014 CalPERS active mortality for miscellaneous employees were used.

Changes in the Net OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Balance July 1, 2016	\$ 36,579,706	\$ 44,289,479	\$ (7,709,773)
Changes for the year:			
Service cost	115,771	-	115,771
Interest	2,596,426	-	2,596,426
Net investment income	-	5,815,202	(5,815,202)
Administrative expense	-	(224,967)	224,967
Benefit payments	(4,152,914)	(4,152,914)	-
Net change	(1,440,717)	1,437,321	(2,878,038)
Balance June 30, 2017	\$ 35,138,989	\$ 45,726,800	\$ (10,587,811)

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS, continued**

Sensitivity of the Net Pension Liability to Assumptions

The following presents the net OPEB liability calculated using the discount rate of 7.5 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (6.5 percent) and 1 percent higher (8.5):

	Discount Rate 1% Lower (6.50%)	Current Discount Rate (7.50%)	Discount Rate 1% Higher (8.50%)
Net OPEB liability(asset)	\$ (8,046,240)	\$ (10,587,811)	\$ (12,831,387)

The following table presents the net OPEB liability calculated using the health care cost trend rate of 6.5 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percent lower (5.5 percent) and 1 percent higher (7.5 percent):

	Healthcare Cost Trent Rates 1% Lower (5.50%)	Healthcare Cost Trent Rates Current Rate (6.50%)	Healthcare Cost Trent Rates 1% Higher (7.50%)
Net OPEB liability(asset)	\$ (12,906,662)	\$ (10,587,811)	\$ (7,984,543)

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss. For differences between projected and actual earnings on OPEB plan investments; the recognition period is 5 years. All other sources are recognized over the expected average remaining service lifetime.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS, continued**

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

For the fiscal year ended June 30, 2018, the Authority recognized OPEB expense(revenue) of \$(751,908). As of the year ended June 30, 2018, the Authority reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	_____	_____
Differences between projected and actual earnings on plan investments	\$ -	\$ 2,126,130
	\$ -	\$ 2,126,130

The deferred outflows/(inflows) of resources related to OPEB will be recognized as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
_____	_____
2019	\$ (531,532)
2020	(531,532)
2021	(531,532)
2022	(531,534)
	\$ (2,126,130)

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 10 - COMMITMENTS AND CONTINGENCIES**

Contingent Liabilities

The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

The District has received Federal and State funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in expenditure disallowances under terms of the grants, it is management's opinion that any required reimbursements or future revenue offsets subsequently determined will not have a material effect on the District's financial statements.

Operating Leases

The District has entered into a long-term operating lease for land on which the San Jose City Technology Center is located. Terms of the lease are for a period of 60 years, expiring in 2062, and containing provisions for extension, if desired. This agreement does not contain a purchase option. The agreement does contain a clause providing for cancellation by the landlord after a specified number of days written notice. Rent expenses were \$353,774 for the year ended June 30, 2018. Future minimum rental payments under this agreement as of June 30, 2018 are as follows:

Fiscal Year		
2019	\$	371,463
2020		406,840
2021		406,840
2022		406,840
2023		406,840
2024-2028		2,298,647
2029-2033		2,643,444
2034-2038		3,039,960
2039-2043		3,093,765
2044-2048		3,093,765
2049-2053		3,093,765
2054-2058		3,093,765
2059-2062		1,959,385
Total	\$	24,315,319

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**NOTE 10 - COMMITMENTS AND CONTINGENCIES, continued**

Construction Commitments

As of June 30, 2018, the District has approximately \$9.0 million in outstanding encumbered commitments on construction contracts.

**NOTE 11 - JOINT POWERS AGREEMENTS**

The District is a participant in public entity risk pool joint powers agreements (JPAs). The District is a member of Bay Area Community Colleges Districts JPA (BACCD) and Northern California Community College Pool (NCCCP). The District pays annual premiums for property and liability and workers' compensation coverage commensurate with the level of coverage requested. There have been no significant reductions in insurance coverage from coverage in the prior year. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

The JPAs are governed by boards consisting of representatives from member districts. The boards control the operations of the JPAs, including the selection of management and approval of operating budgets, independent of any influence by the member district beyond their representation on the governing board.

Member districts share surpluses and deficits proportionate to their participation in the JPAs. The JPAs are independently accountable for their fiscal matters and maintain their own accounting records. Budgets are not subject to any approval other than that of the governing board.

The relationship between San José/Evergreen Community College District and the joint powers authorities is such that the JPAs are not component units of the District for financial reporting purposes.

**NOTE 12 – PRIOR PERIOD ADJUSTMENT**

The beginning net position decreased by \$31,781,567. This was due to adjustments made to bring on the net OPEB liabilities following the District's implementation of GASB Statements No. 75 during the year ended June 30, 2018. See Note 1, Summary of Significant Accounting Policies, Change in Accounting Principles for further details on the implementation of GASB Statements No. 75.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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	2018
Total OPEB liability	
Service cost	\$ 115,771
Interest on Total OPEB Liability	2,596,426
Benefit payments	(4,152,914)
Net change in total OPEB liability	(1,440,717)
Total OPEB liability, beginning of year	36,579,706
Total OPEB liability, end of year (a)	\$ 35,138,989
Plan fiduciary net position	
Net investment income	\$ 5,815,202
Administrative expense	(224,967)
Benefit payments	(4,152,914)
Change in plan fiduciary net position	1,437,321
Fiduciary trust net position, beginning of year	44,289,479
Fiduciary trust net position, end of year (b)	\$ 45,726,800
Net OPEB liability(asset), ending (a) - (b)	\$ (10,587,811)
Covered payroll	\$ 35,025,000
Plan fiduciary net position as a percentage of the total OPEB liability(asset)	130.13%
Net OPEB liability(asset) as a percentage of covered payroll	-30.23%

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

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<b>CalSTRS</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
District's proportion of the net pension liability	0.072%	0.065%	0.086%	0.072%
District's proportionate share of the net pension liability	\$ 66,746,495	\$ 52,429,400	\$ 57,846,104	\$ 42,112,000
State's proportionate share of the net pension liability associated with the District	39,486,984	29,851,517	30,594,131	25,268,362
Total	\$ 106,233,479	\$ 82,280,917	\$ 88,440,235	\$ 67,380,362
District's covered - employee payroll	\$ 41,560,859	\$ 55,036,542	\$ 61,406,589	\$ 32,097,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	160.60%	95.26%	214.00%	131.00%
Plan fiduciary net position as a percentage of the total pension liability	69.00%	70.04%	74.00%	77.00%
<b>CalPERS</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
District's proportion of the net pension liability	0.212%	0.203%	0.200%	0.187%
District's proportionate share of the net pension liability	\$ 50,588,670	\$ 40,024,330	\$ 29,463,496	\$ 22,140,000
District's covered - employee payroll	\$ 34,411,706	\$ 27,232,628	\$ 24,615,273	\$ 20,472,000
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	147.01%	146.97%	119.70%	108.15%
Plan fiduciary net position as a percentage of the total pension liability	71.90%	73.90%	79.40%	83.44%



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<b>Reporting Fiscal Year</b>			
	2018	2017	2016	2015
<b>CaISTRS</b>				
Statutorily required contribution	\$ 5,997,232	\$ 6,923,597	\$ 6,588,927	\$ 3,070,323
District's contributions in relation to the statutorily required contribution	5,997,232	6,923,597	6,588,927	3,070,323
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 41,560,859	\$ 55,036,542	\$ 61,406,589	\$ 32,097,000
District's contributions as a percentage of covered-employee payroll	14.43%	12.58%	10.73%	9.57%
	<b>Reporting Fiscal Year</b>			
	2018	2017	2016	2015
<b>CaIPERS</b>				
Statutorily required contribution	\$ 4,779,786	\$ 3,782,612	\$ 2,900,278	\$ 2,611,383
District's contributions in relation to the statutorily required contribution	4,779,786	3,782,612	2,900,278	2,611,383
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 34,411,706	\$ 27,232,628	24,615,273	20,472,000
District's contributions as a percentage of covered-employee payroll	13.89%	13.89%	11.78%	12.76%

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**Schedule of Changes in the Net OPEB Liability and Related Ratios**

The Schedule of Changes in Net OPEB liability is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**Schedule of the District's Proportionate Share of the Net Pension Liability**

The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**Schedule of the District's Contributions**

The Schedule of the District's Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**Changes of Benefit Terms**

There are no changes in benefit terms reported in the Required Supplementary Information.

**Changes of Assumptions**

There are no changes in assumptions reported in the Required Supplementary Information.

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## **SUPPLEMENTARY INFORMATION**

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**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
ORGANIZATION  
JUNE 30, 2018**

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San José/Evergreen Community College District was established on July 1, 1964, and is comprised of an area of approximately 303 square miles in Santa Clara County, California. There were no changes in the boundaries of the District during the current year. The District's two colleges are each accredited by the Western Association of Schools and Colleges.

The Board of Trustees and Administration for the fiscal year ended June 30, 2018 were composed of the following members:

**BOARD OF TRUSTEES**

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<b>MEMBERS</b>	<b>OFFICE</b>	<b>TERM EXPIRES</b>
Ms. Mayra Cruz	President	December 2020
Dr. Jeffrey Lease	Vice President	December 2018
Mr. Craig Mann	Member	December 2020
Ms. Huong H. Nguyen	Member	December 2018
Mr. Scott Pham	Member	December 2018
Ms. Wendy Ho	Member	December 2020
Mr. Rudy Nasol	Member	December 2020

**DISTRICT ADMINISTRATION**

Dr. Deborah Budd  
*Chancellor*

Mr. Douglas R. Smith  
*Vice Chancellor, Administrative Services*

Ms. Kim Garcia  
*Vice Chancellor, Human Resources*

Dr. Ben Seaberry  
*Vice Chancellor, Information Technology & Institutional Effectiveness*

Dr. Byron Breland  
*President, San José City College*

Mr. Keith Aytch  
*Interim President, Evergreen Valley College*

Mr. Peter Fitzsimmons  
*Executive Director, Fiscal Services*

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
COMBINING FUND BALANCE SHEET  
JUNE 30, 2018**

**(UNAUDITED)**

	General Fund		Special Revenue Funds		Debt Service Funds	
	Unrestricted	Restricted	Cafeteria Fund	Child Development Fund	Bond Interest and Redemption Fund	Other Debt Service Fund
<b>ASSETS</b>						
Cash and cash equivalents	\$ 34,094,037	\$ 12,001,404	\$ 40,807	\$ 15,560	\$ 59,229,533	\$ (209,294)
Accounts receivable	7,725,603	2,159,312	-	-	205,620	-
Prepaid expenses	133,519	1,301	-	-	-	228,079
<b>Total Assets</b>	<b>41,953,159</b>	<b>14,162,017</b>	<b>40,807</b>	<b>15,560</b>	<b>59,435,153</b>	<b>18,785</b>
<b>LIABILITIES</b>						
Accounts payable	10,224,204	18,621	-	15,560	-	-
Accrued expenses	9,114,916	31,813	504	-	-	-
Deferred revenue	4,799,018	13,911,258	-	-	-	-
<b>Total Liabilities</b>	<b>24,138,138</b>	<b>13,961,692</b>	<b>504</b>	<b>15,560</b>	<b>-</b>	<b>-</b>
<b>FUND EQUITY</b>						
Fund Balance	17,815,021	200,325	40,303	-	59,435,153	18,785
<b>Total Fund Equity</b>	<b>17,815,021</b>	<b>200,325</b>	<b>40,303</b>	<b>-</b>	<b>59,435,153</b>	<b>18,785</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 41,953,159</b>	<b>\$ 14,162,017</b>	<b>\$ 40,807</b>	<b>\$ 15,560</b>	<b>\$ 59,435,153</b>	<b>\$ 18,785</b>

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
 COMBINING FUND BALANCE SHEET  
 JUNE 30, 2018**

**(UNAUDITED)**

	<b>Capital Project Funds</b>				<b>Total Governmental Funds</b>
	<b>Capital Outlay Projects Fund</b>	<b>2010 General Obligation Bond Fund</b>	<b>Measure X Fund</b>	<b>Financial Aid Fund</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 6,130,551	\$ 48,746,748	\$ 82,568,924	\$ (150,401)	\$ 242,467,869
Accounts receivable	-	348,996	728,181	164,024	11,331,736
Prepaid expenses	23,191	-	-	-	386,090
<b>Total Assets</b>	<b>6,153,742</b>	<b>49,095,744</b>	<b>83,297,105</b>	<b>13,623</b>	<b>254,185,695</b>
<b>LIABILITIES</b>					
Accounts Payable	-	-	-	12,370	10,270,755
Accrued Expenses	-	26	-	-	9,147,259
Deferred Revenue	840,080	-	-	1,253	19,551,609
<b>Total Liabilities</b>	<b>840,080</b>	<b>26</b>	<b>-</b>	<b>13,623</b>	<b>38,969,623</b>
<b>FUND EQUITY</b>					
Fund Balance	5,313,662	49,095,718	83,297,105	-	215,216,072
<b>Total Fund Equity</b>	<b>5,313,662</b>	<b>49,095,718</b>	<b>83,297,105</b>	<b>-</b>	<b>215,216,072</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 6,153,742</b>	<b>\$ 49,095,744</b>	<b>\$ 83,297,105</b>	<b>\$ 13,623</b>	<b>\$ 254,185,695</b>

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
RECONCILIATION FROM FUND BALANCE TO NET POSITION  
JUNE 30, 2018**

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<b>Total Fund Equity - District Funds Included in the Reporting Entity</b>		\$	215,216,072
Assets recorded within the statements of net position not included in the District fund financial statements:			
Nondepreciable capital assets	\$	70,914,741	
Depreciable capital assets		638,187,798	
Accumulated depreciation		<u>(243,643,937)</u>	465,458,602
Unmatured Interest			(5,385,806)
Liabilities recorded within the statements of net position not recorded in the District fund financial statements:			
Net pension liability			(117,335,165)
Compensated absences			(3,148,007)
Long-term debt			(616,835,583)
Deferred outflows and inflows of resources:			
Deferred loss on refunding			11,836,783
Deferred outflows of resources - pensions			37,546,945
Deferred inflows of resources - pensions			(21,501,911)
Deferred inflows of resources - OPEB			(2,126,130)
Net OPEB Asset			<u>10,587,811</u>
<b>Net Position Reported Within the Statement of Net Position</b>		\$	<u>(25,686,389)</u>

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER*	FEDERAL EXPENDITURES
<b>U.S. Department of Education</b>			
Direct			
Student Financial Assistance Cluster			
Federal Pell Grant Programs (PELL)	84.063	*	\$ 18,510,170
Federal Pell Grant Program - Administrative Allowance	84.063	00127300/00127500/01182000/02241600	24,485
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007	*	824,130
Federal College Work Study Program (FWS)	84.033	POO033A90065	734,068
Direct Loans	84.268	*	951,411
Subtotal Student Financial Aid Cluster			<u>21,044,264</u>
TRIO Cluster:			
Talent Search	84.044	*	356,627
Upward Bound	84.047	*	324,648
Subtotal TRIO Cluster			<u>681,275</u>
Title V, Higher Education - Institutional Aid	84.031		1,344,775
Passed through California Community Colleges Chancellor's Office:			
Career and Technical Education Program:			
VTEA	84.048A	*	385,773
Perkins Title I-C Reserve	84.243	*	83,184
Subtotal Career and Technical Education Program			<u>468,957</u>
Total U.S. Department of Education			<u>23,539,271</u>
<b>U.S. Department of Health and Human Services</b>			
Passed through Foundation for California Community Colleges:			
YESS - Independent Living Program	93.674	*	22,169
Passed through Yosemite Community College:			
Child Care and Development Improvement	93.575	15-15-4474	9,675
Passed through California Community Colleges Chancellor's Office:			
Temporary Assistance for Needy Families (TANF)	93.558	*	86,158
Total U.S. Department of Health and Human Services			<u>118,002</u>
<b>U.S. Department of Labor</b>			
Direct Program:			
Veterans' Administrative Reporting Fee	17.802	*	1,004
Silicon Valley High Tech Apprenticeship Initiative	17.285	*	30,900
Workforce Investment Act Cluster:			
Passed through City of San Jose:			
SEASSE	17.278	*	283,156
Passed through California Employment Development Department:			
Workforce Accelerator 4.0 - Technest	17.258	*	119,260
Subtotal Workforce Investment Act Cluster			<u>402,416</u>
Total U.S. Department of Labor			<u>434,320</u>
Total Federal Programs			<u>\$ 24,091,593</u>

See accompanying notes to the supplementary information



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF STATE FINANCIAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Program Title	Program Revenues						Total Program Expenditures
	Cash Received	Accounts Receivable	Prepaid Expenses	Accounts Payable	Deferred Revenue	Total Revenue	
Adult Education Block Grant	\$ 93,070	\$ -	\$ -	\$ -	\$ -	\$ 93,070	\$ 93,070
Adult Education Block Grant Yr 2	1,037,937	-	-	-	-	1,037,937	1,037,937
Adult Education Block Grant Yr3	1,490,633	-	-	-	(868,997)	621,636	621,636
Adult Education Planning	-	-	-	-	-	-	-
Apprenticeship	424,493	38,748	-	(270)	(82,534)	380,437	380,437
Basic Skills	398,001	-	-	-	(149,307)	248,694	248,694
CA Apprenticeship Initiative	-	36,603	-	-	-	36,603	36,603
CA College Completion Grant	144,500	-	-	-	(45,500)	99,000	99,000
CA College Promose Innovation	1,445,276	-	-	-	(884,137)	561,139	561,139
California Student Aid Commission /Cal Grant	1,427,570	2,926	-	(1,672)	(1,253)	1,427,571	1,427,571
CALWORKS County	313,169	13,011	-	(46)	-	326,134	326,134
CALWORKS State	474,279	-	-	(5,699)	-	468,580	468,580
Campus Safety & Sexual Assault CARE	34,017	-	-	-	(33,372)	645	645
CARE	214,560	-	-	(3,296)	-	211,264	211,264
CTE Data Unlocked Init	70,264	-	-	-	(50,000)	20,264	20,264
CTE Enhancement Fund	-	-	-	-	(4,989)	-	-
CUHSD WIOA Title II AEFLA	24,999	62,552	-	-	-	87,551	87,551
Disabled Students Program	1,251,804	-	1,301	-	5,054	1,258,159	1,258,159
Eastside Alliance Career Path	94,196	22,895	-	-	-	117,091	117,091
Entrepre'ship Course Offering	16,015	-	-	(7,500)	(8,515)	-	-
Equal Employment Opportunity	94,970	-	-	-	(66,522)	28,448	28,448
Extended Opportunity Programs & Services	1,777,126	-	-	-	-	1,777,126	1,777,126
Financial Aid Administration Allowance (B-FAP)	730,735	-	-	(1,054)	-	729,681	729,681
Foster Care Education	-	-	-	(11)	-	-	-
FT Student Success (FTSSG)	702,714	-	-	-	(33,914)	668,800	668,800
Guided Pathways Allocation	401,183	-	-	-	(289,999)	111,184	111,184
Hunger Free Campus Support	25,782	-	-	-	(14,284)	11,498	11,498
IDRC 21st Century - Chabot	12,250	-	-	-	-	12,250	12,250
Innovation in Higher Education	2,000,000	-	-	-	(1,707,116)	292,884	292,884
Instructional Equipment	745,636	-	-	-	(382,716)	362,920	362,920
MetroEd Silicon Valley Career	25,349	59,848	-	-	-	85,197	85,197
Nursing Assessment & Ret	-	55,400	-	-	-	51,300	51,300
NURSING/Enrollment Growth	-	154,000	-	-	-	154,000	154,000
One Time Emerg Aid (Dreamer)	85,624	-	-	-	(46,237)	39,387	39,387
Restricted Lottery	1,094,530	-	-	-	(518,384)	576,146	576,146
Scheduled Maintenance	1,370,476	-	-	-	(810,496)	559,980	559,980
Sci, Tech, Eng, Math (STEM)	5,481	-	-	-	-	5,481	5,481
Self Employment Pathways (Gig)	-	5,000	-	-	-	5,000	5,000
Song-Brown RN Special Program	-	22,814	-	-	-	-	-
Strong Workforce Local Yr1	4,365,307	-	-	-	(2,527,775)	1,837,532	1,837,532
Strong Workforce Regional Yr1	613,637	-	-	-	(321,748)	291,889	291,889
Student Equity	1,814,175	-	-	-	(373,591)	1,440,584	1,440,584
Student Success and Support Program - Credit	2,889,290	-	-	-	(291,902)	2,597,388	2,597,388
Student Success and Support Program - Non-Credit	1,512	-	-	-	-	1,512	1,512
SVETP (SV Eng Tech PW)	7,768,483	-	-	-	(4,062,588)	3,705,895	3,705,895
Veteran Resource Center	22,033	-	-	-	(22,033)	-	-
Waste Water Training	17,663	-	-	-	(17,693)	(30)	(30)
Zero Textbook Cost Degree	94,247	34,813	-	-	-	129,060	129,060
General Child Care & Dev. Program	58,045	-	-	(58,045)	-	-	-
California State Preschool Program	130,133	-	-	(130,133)	-	-	-
<b>Total State District Funding</b>	<b>\$ 35,801,164</b>	<b>\$ 508,610</b>	<b>\$ 1,301</b>	<b>\$ (207,726)</b>	<b>\$ (13,610,548)</b>	<b>\$ 22,470,887</b>	<b>\$ 22,470,887</b>

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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<b>CATEGORIES</b>	Reported Data	Audit Adjustments	Audited Data
<b>A. Summer Intersession (Summer 2017 only)</b>			
1. Noncredit	14.64	-	14.64
2. Credit	1,027.72	-	1,027.72
<b>B. Summer Intersession (Summer 2018 - Prior to July 1, 2018)</b>			
1. Noncredit	2.10	-	2.10
2. Credit	4.57	-	4.57
<b>C. Primary Terms (Exclusive of Summer Intersession)</b>			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	8,578.88	-	8,578.88
(b) Daily Census Contact Hours	645.29	-	645.29
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	180.37	-	180.37
(b) Credit	328.67	-	328.67
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	788.19	-	788.19
(b) Daily Census Contact Hours	342.61	-	342.61
<b>D. Total FTES</b>	11,913.04	-	11,913.04
<b>F. Basic Skills Courses and Immigrant Education</b>			
1. Credit	1,309.23	-	1,309.23
2. Noncredit	177.37	-	177.37
Total Basic Skills FTES	1,486.60	-	1,486.60

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311) WITH  
AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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There were no adjustments necessary to reconcile the funds of the District to the audited financial statements.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF ECS 84362 (50 PERCENT LAW) CALCULATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Object/ TOP Codes	Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	16,565,080	-	16,565,080	16,505,502	-	16,505,502
Other	1300	21,320,970	-	21,320,970	21,443,361	-	21,443,361
Total Instructional Salaries		37,886,050	-	37,886,050	37,948,863	-	37,948,863
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	8,375,389	-	8,375,389
Other	1400	-	-	-	1,054,737	-	1,054,737
Total Non-Instructional Salaries		-	-	-	9,430,126	-	9,430,126
Total Academic Salaries		37,886,050	-	37,886,050	47,378,989	-	47,378,989
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	20,042,386	-	20,042,386
Other	2300	-	-	-	1,292,412	-	1,292,412
Total Non-Instructional Salaries		-	-	-	21,334,798	-	21,334,798
Instructional Aides							
Regular Status	2200	2,121,820	-	2,121,820	2,121,820	-	2,121,820
Other	2400	877,164	-	877,164	880,604	-	880,604
Total Instructional Aides		2,998,984	-	2,998,984	3,002,424	-	3,002,424
Total Classified Salaries		2,998,984	-	2,998,984	24,337,222	-	24,337,222
Employee Benefits	3000	13,515,371	-	13,515,371	27,481,501	-	27,481,501
Supplies and Materials	4000	-	-	-	1,029,343	-	1,029,343
Other Operating Expenses	5000	295,264	-	295,264	11,162,054	-	11,162,054
Equipment Replacement	6420	-	-	-	5,990	-	5,990
Total Expenditures Prior to Exclusions		54,695,669	-	54,695,669	111,395,099	-	111,395,099
<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	-	-	-	-	-	-
Std. Health Svcs. Above Amount Collected	6441	-	-	-	113,921	-	113,921
Student Transportation	6491	-	-	-	-	-	-
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	-	-	-
Object to Exclude							
Rents and Leases	5060	-	-	-	424,389	-	424,389
Lottery Expenditures							
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000						
Software	4100	-	-	-	1,498	-	1,498
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	22,126	-	22,126
Non-inst. Supplies & Materials	4400	-	-	-	1,005,718	-	1,005,718
Total Supplies and Materials		-	-	-	1,029,342	-	1,029,342
Other Operating Expenses and Services	5000	-	-	-	-	-	-
Capital Outlay	6000	-	-	-	-	-	-
Library Books	6300	-	-	-	26,473	-	26,473
Equipment	6400						
Equipment - Additional	6410	-	-	-	393,568	-	393,568
Equipment - Replacement	6420	-	-	-	5,990	-	5,990
Total Equipment		-	-	-	399,558	-	399,558
Total Capital Outlay		-	-	-	426,031	-	426,031
Other Outgo	7000	-	-	-	92,549	-	92,549
Total Exclusions		\$ -	\$ -	\$ -	\$ 2,086,232	\$ -	\$ 2,086,232
Total for ECS 84362, 50% Law		\$ 54,695,669	\$ -	\$ 54,695,669	\$ 109,308,867	\$ -	\$ 109,308,867
Percent of CEE (Instructional Salary Cost/Total CEE)		50.04%	0.00%	50.04%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 54,654,434	\$ -	\$ 54,654,434

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
DISTRICT PROP 30 EPA EXPENDITURE REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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EPA Revenue	1,132,425
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Activity Classification	Activity Code	Salaries and Benefits	Operating Expenses	Capital Outlay	Total
		(Obj 1000-3000)	(Obj 4000-5000)	(Obj 6000)	
Instructional Activities	0100-5900	1,132,425	-	-	1,132,425
Total		1,132,425	-	-	1,132,425

See accompanying notes to the supplementary information

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2018**

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**NOTE 1 - PURPOSE OF SCHEDULES**

**Combining Fund Balance Sheet**

These statements report the financial position and operational results of the individual funds of the District and the reconciling adjusting entries under GASB. The information is presented at the request of District management and has been derived from audited information.

**Reconciliation from Fund Balance to Net Position**

This schedule provides a reconciliation of the adjustments necessary to bring the District's internal fund financial statements, prepared on a modified accrual basis, to the entity-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

**Schedule of Expenditure of Federal Awards**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**Schedule of State Financial Awards**

The accompanying Schedule of Expenditures of State Awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State Chancellor's Office.

**Schedule of Workload Measures for State General Apportionment**

Full-time equivalent students is a measurement of the number of students 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 community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

**Reconciliation of Annual Financial and Budget Report (CCFS-311) with Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the CCFS-311 to the audited financial statements.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2018**

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**Reconciliation of the ECS 84362 (50 Percent Law) Calculation**

ECS 84362 requires the District to expend a minimum of 50 percent of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

**District Prop 30 EPA Expenditure Report**

This schedule provides the District's summary of receipts and uses of the monies received through the EPA.

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**OTHER INDEPENDENT  
AUDITORS' REPORTS**

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

The Board of Trustees  
San José/Evergreen Community College District  
San Jose, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the San José/Evergreen Community College District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the San José/Evergreen Community College District's basic financial statements, and have issued our report thereon dated October 23, 2018.

**Emphasis of Matter – Change in Accounting Principles**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered San José/Evergreen Community College District 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 San José/Evergreen Community College District internal control. Accordingly, we do not express an opinion on the effectiveness of the San José/Evergreen Community College District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Audit Findings and Questioned Costs that we consider to be significant deficiencies (Finding #2018-01 to 2018-03).

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the San José/Evergreen Community College 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 noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*CWDL, Certified Public Accountants*

San Diego, California  
October 23, 2018



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

The Board of Trustees  
San José/Evergreen Community College District  
San Jose, California

**Report on Compliance for Each Major Federal Program**

We have audited San José/Evergreen Community College District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of San José/Evergreen Community College District's major federal programs for the year ended June 30, 2018. San José/Evergreen Community College District's major federal programs are identified in the summary of auditor's 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.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of San José/Evergreen Community College 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 San José/Evergreen Community College District 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 San José/Evergreen Community College District compliance.

### **Opinion on Each Major Federal Program**

In our opinion, San José/Evergreen Community College 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 San José/Evergreen Community College 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 San José/Evergreen Community College District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San José/Evergreen Community College 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 in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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

*CWDL, Certified Public Accountants*

San Diego, California  
October 23, 2018



## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Trustees  
San José/Evergreen Community College District  
San Jose, California

### **Report on State Compliance**

We have audited San José/Evergreen Community College District's compliance with the types of compliance requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2017-18*, issued by the California Community Colleges Chancellor's Office for the year ended June 30, 2018.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on San José/Evergreen Community College District's compliance with the 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 *California Community Colleges Contracted District Audit Manual (CDAM) 2017-18*, issued by the California Community Colleges Chancellor's Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below. An audit includes examining, on a test basis, evidence about San José/Evergreen Community College 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 with the requirements referred to above. However, our audit does not provide a legal determination of San José/Evergreen Community College District's compliance with those requirements.

### **Opinion on State Compliance**

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2018.

## ***Procedures Performed***

In connection with the audit referred to above, we selected and tested transactions and records to determine San José/Evergreen Community College District's compliance with the state laws and regulations applicable to the following items:

Section 421 – Salaries of Classroom Instructors (50 Percent Law)  
Section 423 – Apportionment for Instructional Service Agreements/Contracts  
Section 424 – State General Apportionment Funding System  
Section 425 – Residency Determination for Credit Courses  
Section 426 – Students Actively Enrolled  
Section 427 – Dual Enrollment (CCAP and Non-CCAP)  
Section 428 – Student Equity  
Section 429 – Student Success and Support Program (SSSP)  
Section 430 – Scheduled Maintenance Program  
Section 431 – Gann Limit Calculation  
Section 435 – Open Enrollment  
Section 439 – Proposition 39 Clean Energy  
Section 440 – Intersession Extension Program  
Section 444 – Apprenticeship Related and Supplemental Instruction (RSI) Funds  
Section 475 – Disabled Student Programs and Services (DSPS)  
Section 479 – To Be Arranged Hours (TBA)  
Section 490 – Proposition 1D State Bond Funded Projects  
Section 491 – Proposition 55 Education Protection Account Funds

## ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2017-18*. Accordingly, this report is not suitable for any other purpose.

*CWDL, Certified Public Accountants*

San Diego, California  
October 23, 2018

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**FINANCIAL STATEMENTS**

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>Yes</u>
Non-compliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None reported</u>
Type of auditors' report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards	<u>No</u>
Identification of major programs:	

<u>CFDA Numbers</u>	<u>Name of Federal Program of Cluster</u>
84.007, 84.033, 84.063, 84.268	Student Financial Assistance Cluster
<u>84.031</u>	<u>Title V, Higher Education - Institutional Aid</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**STATE AWARDS**

Internal control over State programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>No</u>
Type of auditors' report issued on compliance for State programs:	<u>Unmodified</u>

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**2018-01 – FORM 700 FILING**

**Finding:** During our review of District Form 700s, we noted that that three (3) persons, required to file under the Fair Political Practices Commission (FPPC), did not have completed form 700s on file for the 2017-18 fiscal year by the required deadline.

- One executive staff did not complete form 700 filing by the due date of April 1<sup>st</sup>, 2018.
- One MSC member did not complete form 700 filing by the due date of April 1<sup>st</sup>, 2018.
- An employee recently promoted to an MSC role, should have a completed their form 700 filing no later than 30 days after the promotion date. The form was late as of February 28<sup>th</sup> 2018.

Per AP 2717, Conflict of Interest Code, the following pertains to Form 700s:

- Initial Statements - All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.
- Assuming Office Statements - All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.
- Annual Statements - All designated employees shall file statements no later than April 1.
- Leaving Office Statements - All persons who leave designated positions shall file statements within 30 days after leaving office.

**Recommendation:** We recommend the District develop a monitoring system to ensure compliance with filing deadlines.

**District Response:** The District primarily relied upon the many email notifications sent to individual filers by the County's eDisclosure automated system. Since the District's Human Resources Department has record of the individuals in the positions required to file the Form 700 at any given time, effective FY2018-19 the administration of this program will transfer from the District's Chancellor's Office to the District's Human Resources Department. The Human Resources Department will monitor compliance to ensure that all filings are timely.



**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Section II – Financial Statement Findings, continued**

**2018-02 – CASH COLLECTIONS**

**Finding:** In our detailed testing and walkthrough of the cash collection process at San Jose City College, we noted the following:

- For all employees who turn cash into the business office, a prenumbered receipt should be provided to evidence receipt of cash and establish a paper trail of all cash that is received at the campus business office. This process was done through approximately February 2018, but we noted in several departments including Cosmetology that no receipts have been provided subsequent to February 2018 through the current period.
- Monthly revenue/activity reports should be provided to all departments, allowing them the opportunity to reconcile their activity and third party systems to the revenue posted to their account through the business office.

**Recommendation:** We recommend the District implement a pre-numbered cash receipt log to monitor and track all activity, and provide all departments with a monthly cash receipt report.

**District Response:** A pre-numbered receipt will be provided to all employees/departments who turn cash into the business office and a monthly report will be generated by the business office and provided to all departments turning in cash illustrating the receipts so that they can reconcile their departmental records.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Section II – Financial Statement Findings, continued**

**2018-03 – HUMAN RESOURCES AND PAYROLL FOR ADJUNCT**

**Finding:** While obtaining our understanding of controls over the HR and Payroll functions at each campus, we noted that the persons in-charge of this area at each campus within the Office of Academic Support have access to Colleague, including the ability to add new adjunct employees to the system and input the payroll for all employees. Typically, these functions would be separated by individuals with restricted access to certain portions of both the HR and Payroll screens.

**Recommendation:** We recommend that any employees hired under the District, including adjunct faculty, be entered into the HR system at the Human Resources department located at the District Office. This will prevent any issues of employees being added that have not been approved by the District. In addition, any changes to pay done at the campus level should have an exception report showing history.

**District Response:** The following corrective action plan has been accepted by the District Office, San Jose City College, Evergreen Valley College, and our external auditors'. Human Resources has been asked to evaluate its ability to implement the following corrective action plan.

The management of adjunct faculty including the on-boarding, scheduling, and payroll functions have historically been the responsibility of the colleges, except for the transmitting and generation of payroll checks, which has been managed by the District Office's Payroll Department.

The District Office's Human Resources Department has developed the suggested exception report, which will be reviewed and approved by the Campus Supervisor of Academic Affairs on a monthly basis effective the Spring 2019 Term.

Also, effective the Spring 2019 Term, the District will revise its roles and responsibilities to ensure that pertinent new-hire paperwork for newly-hired adjunct faculty is submitted from the campuses to the District Office's Human Resources Department to create the new employee record in Colleague to remedy the internal control deficiency identified.

Lastly, the District Office's Fiscal Services Office will work with Information Technology Support Services to disable campus personnel from having edit access to the mnemonic in Colleague that allows for the creation of an employee record; thereby, allowing only read-only access to campus personnel.

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Section III – Federal Award Findings and Questioned Costs**

This section identifies the audit findings required to be reported by the *Uniform Guidance* (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

***There were no federal award findings or questioned costs identified during 2017-18.***

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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**Section IV – State Award Findings and Questioned Costs**

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

***There were no state award findings or questioned costs identified during 2017-18.***

**SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT  
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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*There were no findings or questioned costs identified during 2016-17.*

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**APPENDIX B**

**FORM OF OPINION OF BOND COUNSEL**

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

\_\_\_\_\_, 2019

Board of Trustees  
San Jose-Evergreen Community College District

Members of the Board of Trustees:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of \$ \_\_\_\_\_ San Jose-Evergreen Community College District (Santa Clara County, California) 2019 General Obligation Refunding Bonds (Federally Taxable) (the “Bonds”). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Trustees of the San Jose-Evergreen Community College District (the “District”) on August 27, 2019 (the “Resolution”).
2. The Bonds constitute valid and binding general obligations of the District, payable as to both principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.
3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”).
4. Interest on the Bonds is exempt from State of California personal income tax.
5. Except for certain exceptions, the difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated payment price at maturity with respect to such Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by a Bond owner will increase the Bond owner’s basis in the applicable Bond.
6. The amount by which a Bond owner’s original basis for determining gain or loss on sale or exchange of the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which the owner of Bond may elect to amortize under Section 171 of the Code. Such amortizable bond

premium reduces the Bond owner's basis in the applicable Bond (and the amount of taxable interest received) for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in the owner of a Bond realizing a taxable gain when a Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the owner. The owners of the Bonds that have a basis in the Bonds that is greater than the principal amount of the Bonds should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code.

Except as expressly set forth in paragraphs (3), (4), (5) and (6), we express no opinion regarding any tax consequences with respect to the Bonds

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

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

Respectfully submitted,

Stradling Yocca Carlson & Rauth



## APPENDIX C

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the San Jose-Evergreen Community College District (the “District”) in connection with the issuance of \$ \_\_\_\_\_ of the District’s 2019 General Obligation Refunding Bonds (Federally Taxable) (the “Bonds”). The Bonds are being issued pursuant to a Resolution of the Board of Trustees of the District adopted on August 27, 2019. The District covenants and agrees as follows:

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

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

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

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

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

“Financial Obligation” shall mean (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“Holders” shall mean the registered owners of the Bonds.

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

“Official Statement” shall mean the Official Statement, dated as of \_\_\_\_\_, 2019, relating to the offer and sale of the Bonds.

“Participating Underwriter” shall mean Piper Jaffray & Co. or any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

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

“State” shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District’s fiscal year (presently ending June 30), commencing with the report for the 2018-19 Fiscal Year, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided* that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

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

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

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

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

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

- (A) State funding received by the District for the last completed fiscal year;
- (B) Full time equivalent student counts of the District for the last completed fiscal year;

- (C) Outstanding District indebtedness;
- (D) Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the current fiscal year.
- (E) secured *ad valorem* tax charges and delinquencies within the District, for the last completed year, except and to the extent Santa Clara County continues to implement the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds for secured tax levies within the District.
- (F) Total assessed valuation of taxable property within the District, for the then-current fiscal year

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

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

**SECTION 5. Reporting of Significant Events.**

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

1. principal and interest payment delinquencies.
2. tender offers.
3. defeasances.
4. rating changes.
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, or Notices of Proposed Issue (IRS Form 5701-TEB).
6. unscheduled draws on the debt service reserves reflecting financial difficulties.
7. unscheduled draws on credit enhancement reflecting financial difficulties.
8. substitution of the credit or liquidity providers or their failure to perform.
9. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.
10. bankruptcy, insolvency, receivership or similar event (within the meaning of the Rule) of the District. For the purposes of the event identified in this Section 5(a)(10), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent

or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

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

1. non-payment related defaults.
2. modifications to rights of Bondholders.
3. unless described under Section 5(a)(5) above, material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
4. release, substitution or sale of property securing repayment of the Bonds.
5. 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.
6. appointment of a successor or additional trustee or paying agent with respect to the Bonds or the change of name of such a trustee or paying agent.
7. appointment of a successor or additional paying agent with respect to the Bonds or the change of name of such paying agent.
8. incurrence of a Financial Obligation or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect Bondowners.

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

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

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

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign upon fifteen (15) days written notice to the District. Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

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

- (a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;
- (b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;
- (c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and
- (d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

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

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

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

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

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Signature. This Disclosure Certificate has been executed by the undersigned on the date hereof, and such signature binds the District to the undertaking herein provided.

Dated: \_\_\_\_\_, 2019

SAN JOSE-EVERGREEN COMMUNITY COLLEGE  
DISTRICT

By: \_\_\_\_\_  
Vice Chancellor of Administrative Services

**EXHIBIT A**

**NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Name of District: SAN JOSE-EVERGREEN COMMUNITY COLLEGE DISTRICT

Name of Bond Issue: 2019 General Obligation Refunding Bonds (Federally Taxable)

Date of Issuance: \_\_\_\_\_, 2019

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

Dated: \_\_\_\_\_

SAN JOSE-EVERGREEN COMMUNITY COLLEGE  
DISTRICT

By \_\_\_\_\_ [form only; no signature required]

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## APPENDIX D

### ECONOMIC AND DEMOGRAPHIC INFORMATION FOR SANTA CLARA COUNTY AND THE CITY OF SAN JOSE

*The following economic data for Santa Clara County and the City of San Jose is presented for information purposes only. The Bonds are not a debt or obligation of either Santa Clara County or the City of San Jose.*

#### General

Santa Clara County (the “County”) is one of the nine counties in the greater metropolitan San Francisco Bay Area. As the home of “Silicon Valley,” the area is the birthplace of the semiconductor and computer industries in the United States.

The City of San Jose (the “City”) is the third most populous city in the State of California (the “State”) and the tenth in the United States. Located on the southern end of the San Francisco Bay, the City is sometimes referred to as the “Capital of Silicon Valley.” The City is the home to many of the largest technology companies. The City is a charter city with a council-manager government, and a city manager nominated by the mayor and confirmed by the city council.

#### Population

The following table summarizes 10 years of population estimates for the City, County and State from 2010 through 2019.

<b>POPULATION ESTIMATES</b>			
<b>2010 through 2019</b>			
<b>City of San Jose, Santa Clara County and State of California</b>			
<u>Year<sup>(1)</sup></u>	<u>City of San Jose</u>	<u>Santa Clara County</u>	<u>State of California</u>
2010 <sup>(2)</sup>	945,942	1,781,642	37,253,956
2011	963,666	1,805,767	37,594,781
2012	980,754	1,832,983	37,971,427
2013	995,657	1,860,687	38,321,459
2014	1,008,841	1,882,230	38,622,301
2015	1,003,285	1,906,511	38,952,462
2016	1,032,423	1,925,306	39,214,803
2017	1,038,271	1,936,052	39,504,609
2018	1,042,900	1,947,798	39,740,508
2019	1,043,058	1,954,286	39,927,315

<sup>(1)</sup> As of January 1.

<sup>(2)</sup> As of April 1.

Source: 2010: U.S. Department of Commerce, Bureau of the Census, for April 1.  
2011-19 (2010 Census Benchmark): California Department of Finance for January 1.

## Personal Income

The following table summarizes per capita personal income in the County, State of California and the United States from 2008 through 2017.

**PER CAPITA PERSONAL INCOME<sup>(1)</sup>**  
**2008 through 2017**  
**Santa Clara County, State of California, and the United States**

<u>Year</u>	<u>Santa Clara County</u>	<u>State of California</u>	<u>United States</u>
2008	\$61,511	\$43,895	\$40,904
2009	57,106	42,050	39,284
2010	61,289	43,609	40,545
2011	66,366	46,145	42,727
2012	72,704	48,751	44,582
2013	72,754	49,173	44,826
2014	78,955	52,237	47,025
2015	86,141	55,679	48,940
2016	92,168	57,497	49,831
2017	98,032	59,796	51,640

Note: Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. Estimates for 2010 through 2017 reflect county population estimates available as of March 2018. All dollar estimates are in current dollars (not adjusted for inflation). Data for 2018 is not yet available.

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

## Industry

The County is entirely within the San Jose-Santa Clara-Sunnyvale Metropolitan Statistical Area (the "MSA"). The following table summarizes the annual average industry employment in the MSA from 2014 through 2018.

**INDUSTRY EMPLOYMENT & LABOR FORCE ANNUAL AVERAGES**  
**2014 through 2018**  
**San Jose-Santa Clara-Sunnyvale MSA**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Farm	5,300	5,500	6,100	5,800	5,800
Mining and Logging	300	200	300	200	200
Construction	39,700	43,900	48,300	49,300	49,400
Manufacturing	161,700	164,800	166,600	166,400	172,300
Wholesale Trade	35,800	35,800	35,200	32,900	31,700
Retail Trade	85,300	86,600	85,800	85,800	86,300
Transportation, Warehousing & Utilities	14,400	14,600	15,500	15,400	16,000
Information	63,300	68,400	74,700	84,700	91,700
Financial Activities	34,100	34,600	35,600	36,100	37,100
Professional and Business Services	210,000	224,000	233,000	237,400	237,300
Education and Health Services	150,000	156,300	162,500	168,800	172,700
Leisure and Hospitality	92,900	96,800	100,600	103,400	105,000
Other Services	26,400	26,900	27,600	28,900	28,800
Government	93,400	92,900	94,100	95,500	96,800
Total All Industries	1,012,500	1,051,500	1,086,000	1,110,700	1,131,000

Note: The "Total, All Industries" data is not directly comparable to the employment data found herein.

Source: State of California, Employment Development Department, Labor Market Information Division, Industry Employment & Labor Force – by Annual Average. March 2018 Benchmark.

## Employment

The following table summarizes civilian labor force, employment and unemployment statistics for the City of San Jose, Santa Clara County, the State of California and the United States from 2014 through 2018.

### CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT 2014 through 2018<sup>(1)</sup>

#### City of San Jose, Santa Clara County, the State of California and the United States

<u>Year</u>	<u>Area</u>	<u>Labor Force</u>	<u>Employment</u> <sup>(2)</sup>	<u>Unemployment</u>	<u>Unemployment Rate (%)</u> <sup>(1)</sup>
2014	City of San Jose	528,900	498,500	30,400	5.8
	Santa Clara County	989,900	938,900	51,000	5.2
	State of California	18,714,700	17,310,900	1,403,800	7.5
	United States	155,922,000	146,305,000	9,617,000	6.2
2015	City of San Jose	539,900	514,900	25,100	4.6
	Santa Clara County	1,013,200	971,100	42,000	4.1
	State of California	18,851,100	17,681,800	1,169,200	6.2
	United States	157,130,000	148,834,000	8,296,000	5.3
2016	City of San Jose	545,100	523,700	21,400	3.9
	Santa Clara County	1,028,700	989,900	38,800	3.8
	State of California	19,044,500	18,002,800	1,041,700	5.5
	United States	159,187,000	151,436,000	7,751,000	4.9
2017	City of San Jose	550,800	532,400	18,400	3.3
	Santa Clara County	1,039,900	1,006,500	33,400	3.2
	State of California	19,205,300	18,285,500	919,800	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018	City of San Jose	555,400	540,300	15,100	2.7
	Santa Clara County	1,048,800	1,021,500	27,300	2.6
	State of California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9

Note: Data is not seasonally adjusted.

<sup>(1)</sup> Annual averages, unless otherwise specified.

<sup>(2)</sup> Includes persons involved in labor-management trade disputes.

<sup>(3)</sup> The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.

Source: U.S. Department of Labor – Bureau of Labor Statistics, California Employment Development Department. March 2018 Benchmark.

## Largest Employers

The following tables list the largest employers in the City and the County in 2018.

### PRINCIPAL EMPLOYERS

2018

#### City of San Jose

<u>Employer</u>	<u>Industry</u>	<u>Number of Employees</u>
County of Santa Clara	Public Administration	18,000
Cisco Systems	Manufacturing: Computer Equipment	9,800
City of San Jose	Services: Education	6,412
Paypal, Inc.	Computer Related Services	3,300
eBay	Computer Related Services	3,280
Adobe Systems, Inc.	Computer Related Services: Prepackaged Software	2,750
Kaiser Permanente	Services: Health	2,175
Good Samaritan Health System	Services: Health	2,050
Western Digital	Manufacturing: Computer Equipment	2,000
Super Micro	Manufacturing: Computer Equipment	1,700
Brocade Communications	Data and storage networking products	1,700

Source: City of San Jose Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2018.

### PRINCIPAL EMPLOYERS

2018

#### Santa Clara County

<u>Employer</u>	<u>Industry</u>	<u>Number of Employees</u>
Apple Computer, Inc.	Manufacturing: Computer Equipment	25,000
Google Inc.	Computer Related Services	20,000
County of Santa Clara	Public Administration	18,806
Stanford University	Educational Services	16,919
Cisco Systems Inc.	Manufacturing: Computer Equipment	14,120
Kaiser Permanente Northern California	Services: Health	12,500
Stanford Healthcare	Services: Health	10,034
Tesla Motors Inc.	Manufacturing: Motor Vehicles	10,000
Intel Corporation	Manufacturing: Computer Equipment	8,450
City of San Jose	Public Administration	6,159

Source: County of Santa Clara Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2018.

## Commercial Activity

The following tables summarize taxable sales in the City and the County from 2013 through 2017.

**TAXABLE SALES  
2013 through 2017  
City of San Jose  
(Dollars in Thousands)**

	<u>Retail Permits</u>	<u>Retail Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2013	13,947	\$9,531,713	20,454	\$13,959,504
2014	14,176	9,934,775	20,683	14,693,838
2015	14,464	10,155,744	23,059	15,172,853
2016	14,183	10,246,143	22,891	15,124,341
2017	--	10,558,372	--	15,054,364

Note: Beginning in 2015, the outlet counts in these reports show the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers. Industry-level data for 2015 are not comparable to that of prior years. Data not available for 2018.

Source: "Taxable Sales in California (Sales & Use Tax)," California State Board of Equalization.

**TAXABLE SALES  
2013 through 2017  
Santa Clara County  
(Dollars in Thousands)**

	<u>Retail Permits</u>	<u>Retail Taxable Transactions</u>	<u>Total Permits</u>	<u>Total Taxable Transactions</u>
2013	29,535	\$22,424,642	45,310	\$37,621,606
2014	30,058	23,271,753	45,852	39,628,655
2015	30,516	23,700,907	50,573	41,231,759
2016	30,146	24,158,590	50,519	41,831,669
2017	--	24,862,883	--	42,805,399

Note: Beginning in 2015, the outlet counts in these reports show the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers. Industry-level data for 2015 are not comparable to that of prior years. Data not available for 2018.

Source: "Taxable Sales in California (Sales & Use Tax)," California State Board of Equalization.

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## Construction Activity

The following tables summarize new building permits and valuations in the City and the County from 2014 through 2018.

### BUILDING PERMITS AND VALUATIONS 2014 through 2018 City of San Jose (Dollars in Thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Residential	\$660,884	\$428,603	\$434,898	\$586,114	\$467,091
Non-Residential	<u>504,077</u>	<u>722,921</u>	<u>1,394,435</u>	<u>1,170,478</u>	<u>794,544</u>
TOTAL	\$1,164,961	\$1,151,524	\$1,829,333	\$1,756,592	\$1,261,635
New Dwelling Units					
Single-Family	390	152	201	176	302
Multi-Family	<u>4,074</u>	<u>1,864</u>	<u>1,871</u>	<u>2,903</u>	<u>2,607</u>
TOTAL	4,464	2,016	2,072	3,079	2,909

Note: Totals may not add to sum because of rounding.

Source: Construction Industry Research Board.

### BUILDING PERMITS AND VALUATIONS 2014 through 2018 Santa Clara County (Dollars in Thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Residential	\$2,230,348	\$1,866,596	\$1,709,883	\$2,308,296	\$2,385,259
Non-Residential	<u>2,655,413</u>	<u>3,589,801</u>	<u>4,698,159</u>	<u>3,359,316</u>	<u>4,132,146</u>
TOTAL	\$4,885,761	\$5,456,397	\$6,408,042	\$5,667,612	\$6,517,405
New Dwelling Units					
Single-Family	1,602	1,710	1,608	2,022	2,011
Multi-Family	<u>8,310</u>	<u>3,906</u>	<u>3,297</u>	<u>6,629</u>	<u>6,342</u>
TOTAL	9,912	5,616	4,905	8,651	8,353

Note: Totals may not add to sum because of rounding.

Source: Construction Industry Research Board.

## APPENDIX E

### SANTA CLARA COUNTY INVESTMENT POOL

*The following information concerning the Santa Clara County Investment Pool (the "Investment Pool") has been provided by the Controller-Treasurer (the "Treasurer") of Santa Clara County (the "County"), and has not been confirmed or verified by the District, the Municipal Advisor or the Underwriter. The District, Municipal Advisor and the Underwriter have not made an independent investigation of the investments in the Investment Pool and have made no assessment of the current County investment policy. The value of the various investments in the Investment Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer, with the consent of the County Board of Supervisors, may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Investment Pool will not vary significantly from the values described herein. Finally, none of the District, Municipal Advisor nor the Underwriter make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained or incorporated hereby by reference is correct as of any time subsequent to its date. Additional information regarding the Investment Pool may be obtained from the Treasurer's website at <http://www.sccgov.org/>; however, the information presented on such website is not incorporated herein by any reference.*

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# Quarterly Investment Report

June 30, 2019

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### Quarterly Investment Report Table of Contents

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Board of Supervisors: Mike Wasserman, Cindy Chavez, Dave Cortese, Susan Ellenberg, S. Joseph Simitian

County Executive: Jeffrey V. Smith



## Santa Clara County Commingled Pool and Segregated Investments

June 30, 2019

Fund	Cost Value**	Market Value	Variance	% Variance
Commingled Investment Pool	\$8,564,901,892	\$8,588,362,464	\$23,460,572	0.27%
Worker's Compensation	\$28,864,161	\$29,138,699	\$274,538	0.95%
Park Charter Fund	\$4,251,185	\$4,285,156	\$33,971	0.80%
San Jose-Evergreen	\$17,178,643	\$17,191,225	\$12,582	0.07%
Medical Malpractice Insurance Fund (1)	\$9,374,782	\$9,457,199	\$82,417	0.88%
<b>Total</b>	<b>\$8,624,570,662</b>	<b>\$8,648,434,743</b>	<b>\$23,864,081</b>	<b>0.28%</b>

(1) Managed by Chandler Asset Management, Inc.

### Summary of Yields\* for Select Santa Clara County Investment Funds

Fund	2019			2018
	<u>Apr 30</u>	<u>May 31</u>	<u>Jun 30</u>	<u>Jun 30</u>
Commingled Investment Pool	2.28%	2.29%	2.27%	1.79%
Worker's Compensation	2.94%	2.38%	2.37%	1.67%
<b>Weighted Yield</b>	<b>2.28%</b>	<b>2.29%</b>	<b>2.27%</b>	<b>1.79%</b>

\*Yield to maturity (YTM) is the rate of return paid on a bond, note, or other fixed income security if the investor buys and holds it to its maturity date and if the coupon interest paid over the life of the bond is reinvested at the same rate as the coupon rate. The calculation for YTM is based on the coupon rate, length of time to maturity, and market price at time of purchase.

Yield is a snapshot measure of the yield of the portfolio on the day it was measured based on the current portfolio holdings on that day. This is not a measure of total return, and is not intended to be, since it does not factor in unrealized capital gains and losses and reinvestment rates are dependent upon interest rate changes

\*\*Cost Value is the amortized book value of the securities as of the date of this report.



## Santa Clara County Commingled Pool and Segregated Investments

### Portfolio Strategy

June 30, 2019

Escalating trade tensions, so far, have not seriously hindered the U.S. domestic economy. Consumer strength continues to support the economy bolstered by a strong labor market and steady wage growth. With current unemployment at 3.7 percent, the lowest since 1969, the U.S. by most measures is at or very close to full employment. In June, U.S. retail sales and factory output exceeded expectations and underscored steady economic growth. Most of the slowing in world growth is coming from outside of the U.S., those economies not resilient enough to withstand headwinds from tariff disputes between the U.S. and China.

Insulated from global trade frictions, domestic service sectors including health care, finance and education remain solidly in expansion mode. U.S. manufacturing and factory output, while still expanding, has decelerated in the past year. New and proposed tariffs have forced domestic producers to contemplate alternative supply chains through other low wage countries, impacting production. But more importantly, the uncertainty over resolution of current trade spats have delayed big spending decisions including capital expenditures and eroded business sentiment. Of note, other issues have also weighed on American manufacturers including the strength of the dollar which has made domestic goods less competitive abroad.

In June 2019, President Donald Trump decided, pending upcoming negotiations, to temporarily hold off imposing higher tariffs on \$300 billion of imported goods from China, the world's second largest economy. Since the onset of this trade dispute, the U.S. had previously increased tariffs by 25 percent on approximately half of all Chinese exports to the U.S.

Evidence of slower growth has been found in widespread weakness in manufacturing and factory output contraction from Europe to Asia. Tariffs have been a heavy burden on China's export sector. In the April-June period, China's economy slowed to the weakest pace since quarterly data began in 1992. Germany with close to 50 percent of its gross domestic product (GDP) coming from exports (mostly autos), is on the verge of a recession, a circumstance exacerbated by U.S. tariffs and faltering global trade. Waning demand for electronics is affecting an industry vital to numerous Asian economies who are export dependent. South Korean exports now have fallen 13.5 percent over the past year.



## Santa Clara County Commingled Pool and Segregated Investments

### Portfolio Strategy

June 30, 2019

By reducing interest rates, the Fed would also be bringing U.S. bond yields into closer alignment with bond yields in other sovereign debt markets. They are substantially lower than in the U.S., and even in some cases, below zero. The United Kingdom 10-year note is around multi-year lows at 81 basis points while the German benchmark yield has pushed significantly below zero and currently yields – 36 basis points. In contrast, as of June 30, 2019, the U.S. Treasury ten-year and two-year note yielded 2 percent and 1.756 percent, respectively. Bloomberg L.P, a provider of financial markets news and data estimates that the current global stockpile of negative yielding debt is approximately \$13 trillion.

The portfolio strategy continues to focus on the:

- (1) acquisition of high-quality issuers;
- (2) identifying and selecting bonds with attractive valuations;
- (3) appropriately sizing the liquidity portion of the portfolio to ensure adequate cash for near term obligations; and
- (4) ensuring that monies targeted for longer term investments are deployed in vehicles with favorable risk-adjusted yields.

Broker-dealers have generally down-sized the amount of securities carried in inventories in response to risk-curbing rules crafted after the 2008 financial crisis. These risk curbing rules include the international regulatory framework for banks called Basel III and the U.S. 2010 Dodd-Frank Law. The Treasury Division has increased its capability to review a larger volume of inventory listings to find attractive bonds. Portfolio structuring does not solely rely on interest rate anticipation strategies, which primarily speculate on the direction of interest rates to earn favorable returns.



# Santa Clara County Commingled Pool and Segregated Investments

## Portfolio Compliance, Review, and Monitoring

June 30, 2019

### **Yield and Weighted Average Maturity**

The yield of the Commingled Pool is 2.27 and the weighted average life is 436 days.

### **Compliance**

The County Treasurer believes the Commingled Pool contains sufficient cash flow from liquid and maturing securities, bank deposits and incoming cash to meet the next six months of expected expenditures.

### **Review and Monitoring**

FTN Financial Main Street Advisors, the County's investment advisor, currently monitors the Treasury Department's investment activities.

### **Additional Information**

Securities are purchased with the expectation that they will be held to maturity, so unrealized gains or losses are not reflected in the yield calculations.

The market values of securities were taken from pricing services provided by the Bank of New York Mellon, Bloomberg Analytics, dealer quotes, and an independent pricing service.

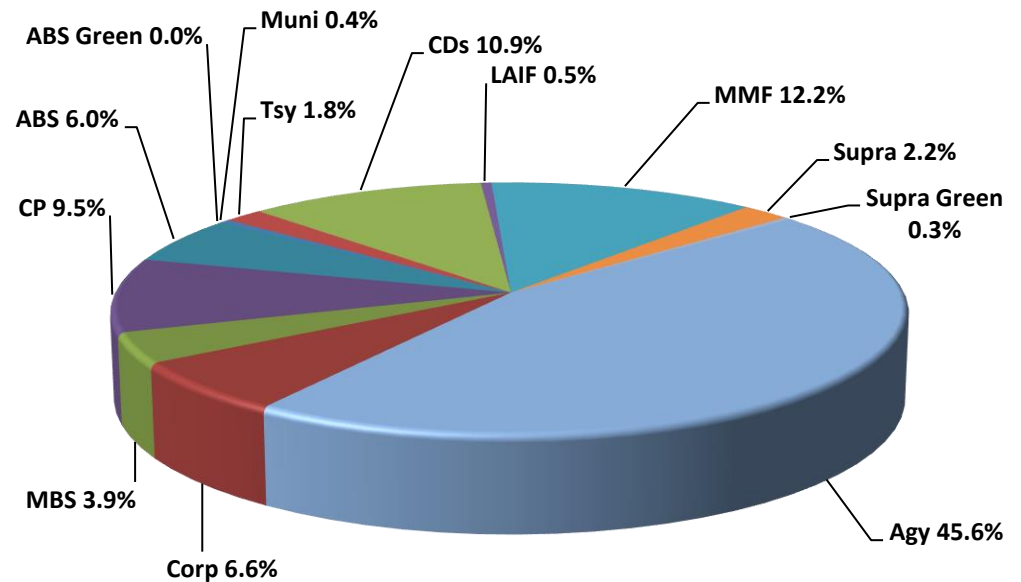


## Santa Clara County Commingled Pool

### Allocation by Security Types

June 30, 2019

Sector	6/30/2019	3/31/2019	% Chng
Federal Agencies	45.58%	53.97%	-8.4%
Corporate Bonds	6.62%	6.81%	-0.2%
Mortgage Backed Securities	3.90%	4.03%	-0.1%
Commercial Paper	9.47%	4.02%	5.4%
ABS	6.04%	6.90%	-0.9%
ABS Green Bonds	0.00%	0.01%	0.0%
Municipal Securities	0.40%	0.53%	-0.1%
U.S. Treasuries	1.81%	1.95%	-0.1%
Negotiable CDs	10.92%	13.43%	-2.5%
LAIF	0.49%	0.58%	-0.1%
Money Market Funds	12.24%	5.05%	7.2%
Supranationals	2.25%	2.38%	-0.1%
Supranationals Green Bonds	0.29%	0.35%	-0.1%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	



Sector	6/30/2019	3/31/2019
Federal Agencies	3,903,465,859	3,858,898,880
Corporate Bonds	567,061,231	487,053,767
Mortgage Backed Securities	334,163,847	287,861,462
Commercial Paper	811,221,473	287,618,194
ABS	517,437,678	493,457,483
ABS Green Bonds	36,538	516,634
Municipal Securities	34,436,493	37,693,061
U.S. Treasuries	154,865,330	139,576,407
Negotiable CDs	935,000,000	960,000,000
LAIF	41,780,631	41,520,182
Money Market Funds	1,048,124,051	361,362,983
Supranational	192,308,761	170,121,967
Supranationals Green Bonds	25,000,000	25,000,000
<b>Total</b>	<b>8,564,901,892</b>	<b>7,150,681,019</b>

Amounts are based on book value

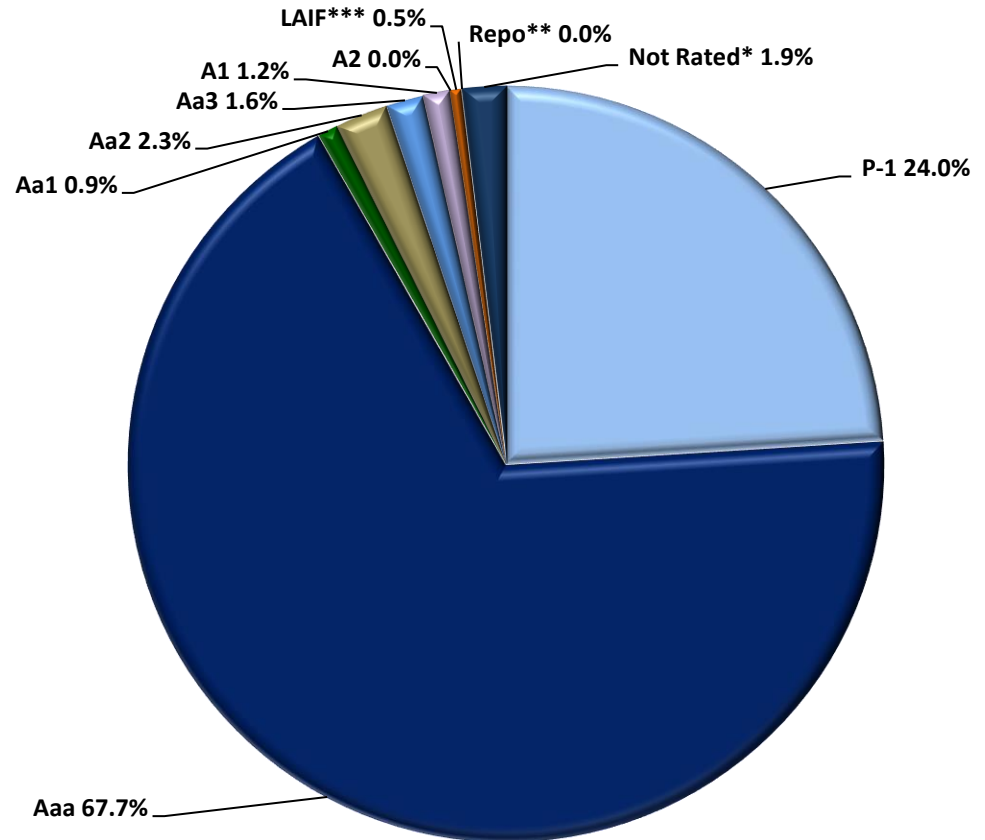


## Santa Clara County Commingled Pool

### Allocation by Ratings

June 30, 2019

Moody's Rating	Portfolio \$	Portfolio %
P-1	2,056,219,442	24.0%
Aaa	5,800,759,441	67.7%
Aa1	74,981,917	0.9%
Aa2	193,780,975	2.3%
Aa3	136,535,047	1.6%
A1	100,022,515	1.2%
A2	-	0.0%
A3	-	0.0%
LAIF***	41,780,631	0.5%
Repo**	-	0.0%
Not Rated*	160,821,924	1.9%
<b>Total</b>	<b>8,564,901,892</b>	<b>100.0%</b>



\*Not Rated by Moody's but A-1+ by S&P

\*\*Repurchase Agreements are not rated, but are collateralized by U.S. Treasury securities or securities issued by the Federal Agencies of the U.S.

\*\*\*LAIF is not rated, but is comprised of State Code allowable securities

Amounts are based on book values

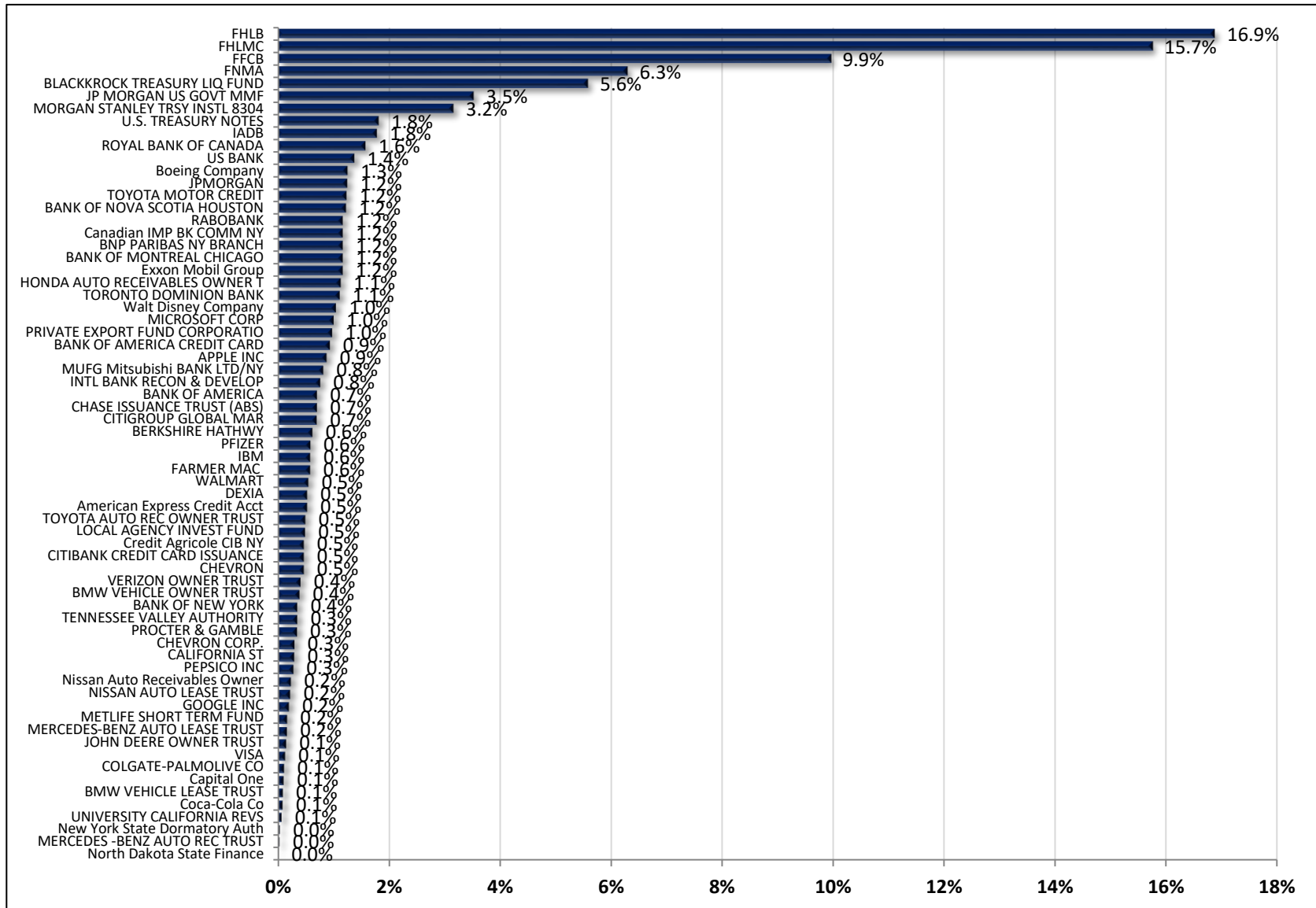




## Santa Clara County Commingled Pool

### Holdings by Issuer - Percent of Commingled Pool

June 30, 2019



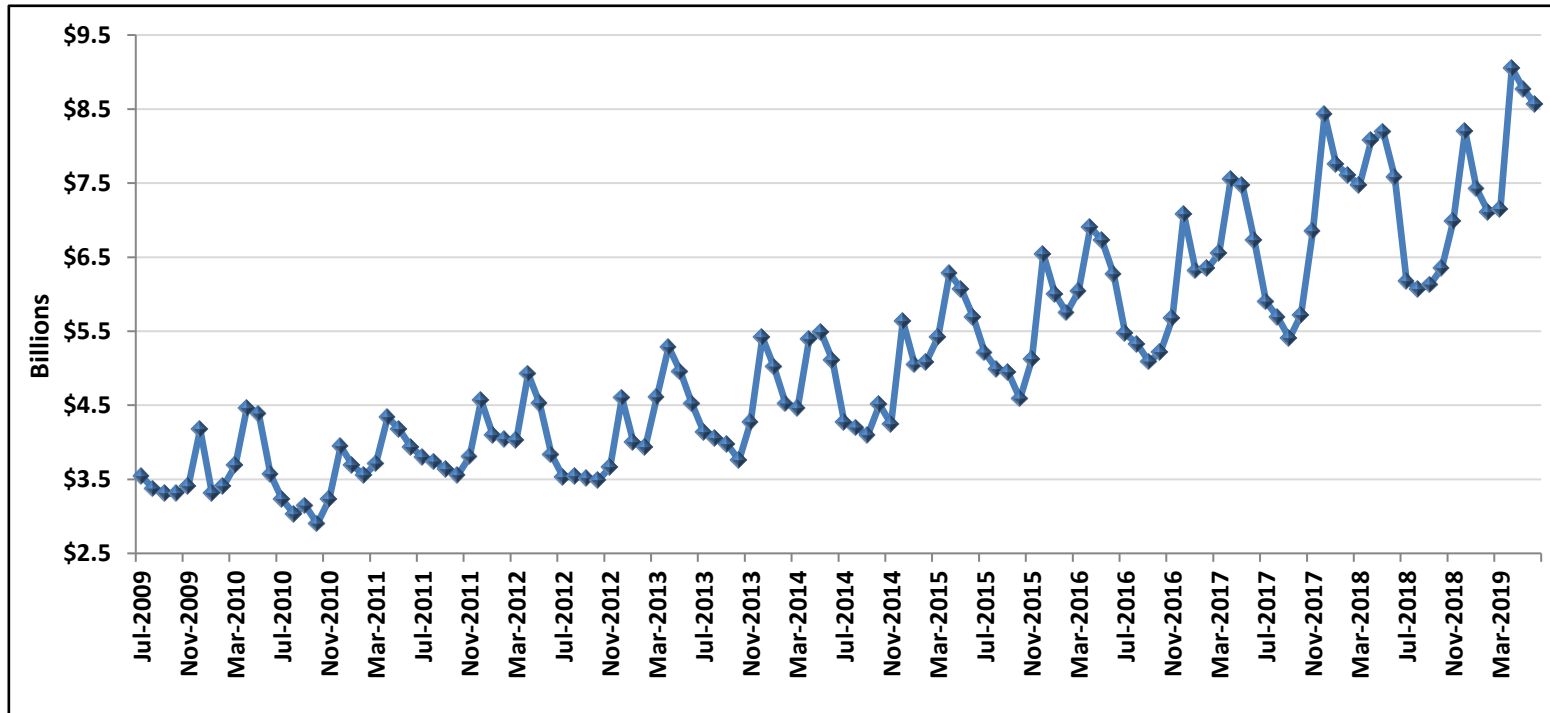
Amounts are based on book values



## Santa Clara County Commingled Pool

### Historical Month End Book Values

June 30, 2019



Fiscal Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2010	\$3.541	\$3.373	\$3.307	\$3.307	\$3.408	\$4.175	\$3.307	\$3.408	\$3.687	\$4.463	\$4.384	\$3.536
FY 2011	\$3.230	\$3.032	\$3.143	\$2.898	\$3.227	\$3.943	\$3.695	\$3.551	\$3.712	\$4.339	\$4.179	\$3.935
FY 2012	\$3.801	\$3.736	\$3.637	\$3.555	\$3.805	\$4.567	\$4.097	\$4.040	\$4.032	\$4.926	\$4.525	\$3.833
FY 2013	\$3.508	\$3.517	\$3.515	\$3.469	\$3.645	\$4.600	\$3.918	\$3.982	\$4.606	\$5.286	\$4.952	\$4.521
FY 2014	\$4.133	\$4.052	\$3.975	\$3.758	\$4.271	\$5.419	\$5.019	\$4.520	\$4.461	\$5.386	\$5.487	\$5.108
FY 2015	\$4.267	\$4.194	\$4.096	\$4.051	\$4.247	\$5.639	\$5.045	\$5.085	\$5.420	\$6.284	\$6.065	\$5.690
FY 2016	\$5.212	\$4.990	\$4.941	\$4.587	\$5.120	\$6.543	\$5.997	\$5.752	\$6.040	\$6.911	\$6.728	\$6.263
FY 2017	\$5.469	\$5.328	\$5.088	\$5.220	\$5.671	\$7.082	\$6.319	\$6.348	\$6.550	\$7.556	\$7.469	\$6.730
FY 2018	\$5.898	\$5.689	\$5.408	\$5.720	\$6.850	\$8.427	\$7.754	\$7.608	\$7.472	\$8.079	\$8.192	\$7.584
FY 2019	\$6.180	\$6.068	\$6.127	\$6.350	\$6.987	\$8.199	\$7.425	\$7.105	\$7.151	\$9.054	\$8.767	\$8.565

Amounts in billions

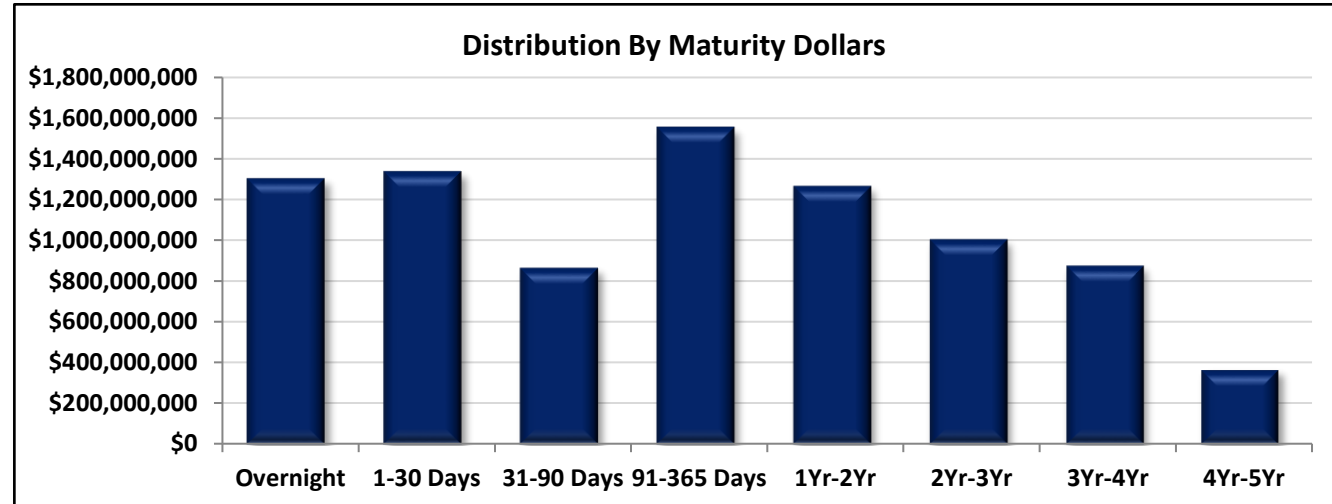


## Santa Clara County Commingled Pool

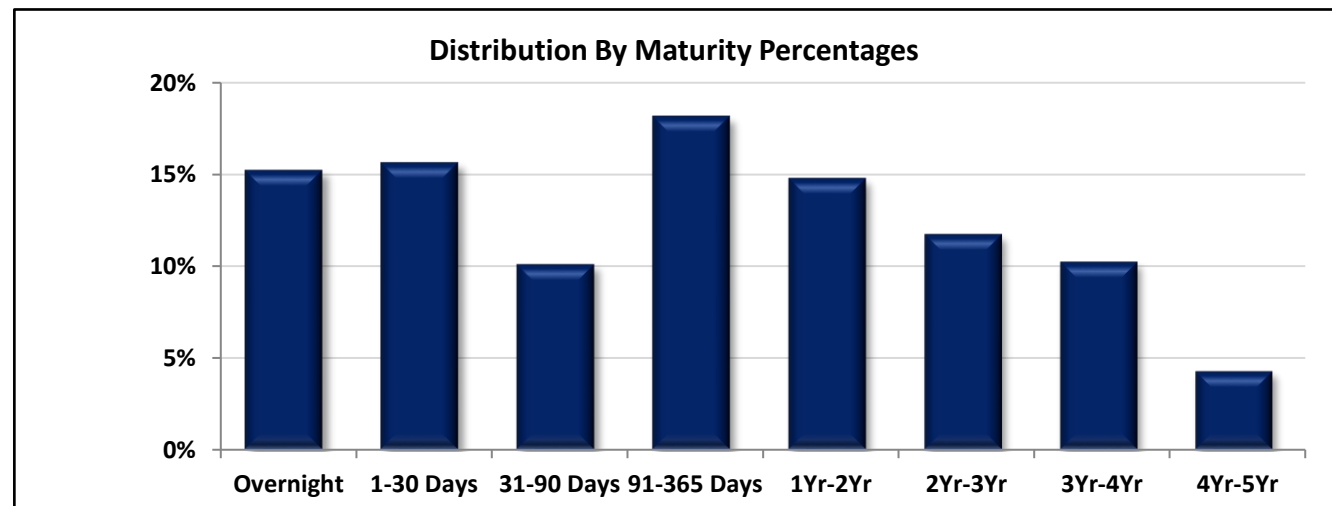
### Distribution by Maturity

June 30, 2019

Maturity	Amount*
Overnight	1,302,904,682
1-30 Days	1,337,512,644
31-90 Days	863,211,086
91-365 Days	1,554,531,312
1Yr-2Yr	1,264,662,326
2Yr-3Yr	1,003,045,780
3Yr-4Yr	874,967,917
4Yr-5Yr	364,066,145
	8,564,901,892



Maturity	Amount*
Overnight	15.21%
1-30 Days	15.62%
31-90 Days	10.08%
91-365 Days	18.15%
1Yr-2Yr	14.77%
2Yr-3Yr	11.71%
3Yr-4Yr	10.22%
4Yr-5Yr	4.25%
	100.00%



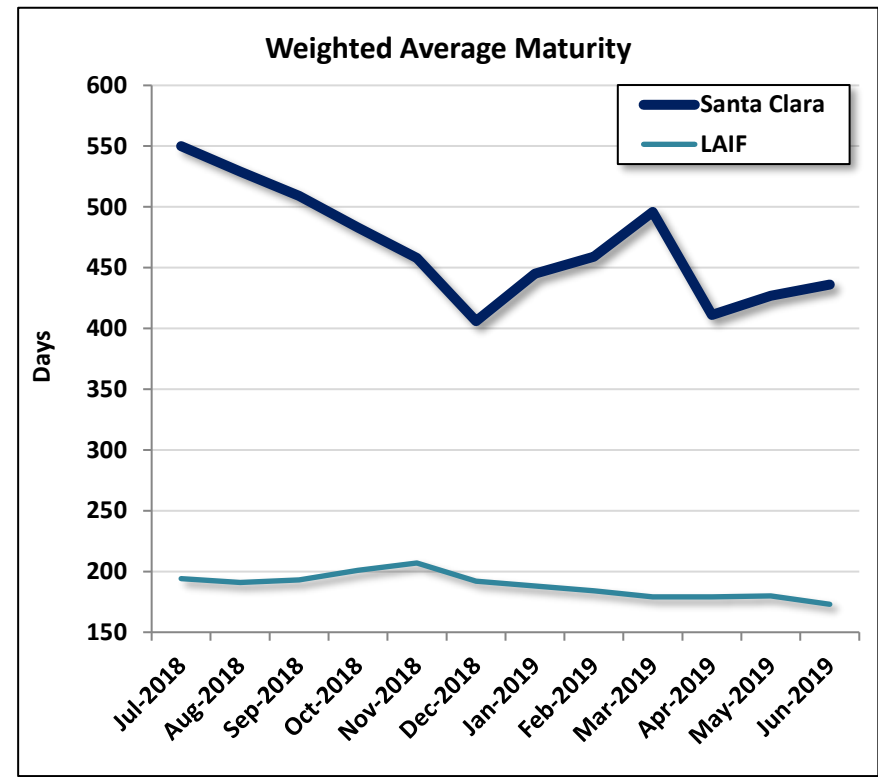
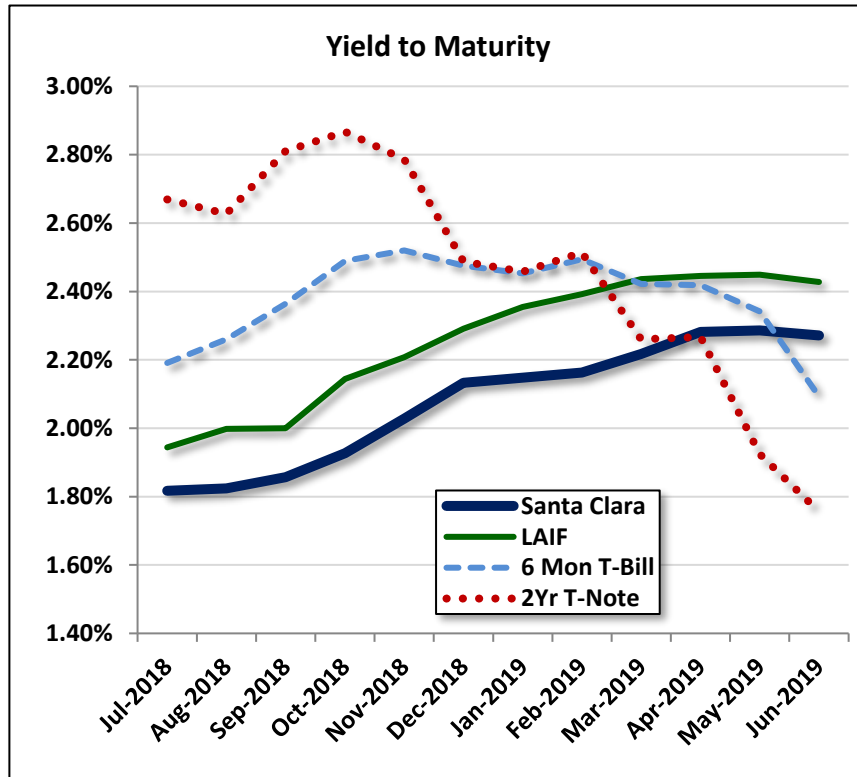
\*Amounts are based on book value



## Santa Clara County Commingled Pool

### Yield to Maturity and Weighted Average Maturity

June 30, 2019



Item	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
SCC YTM	1.82%	1.82%	1.86%	1.93%	2.03%	2.13%	2.15%	2.16%	2.22%	2.28%	2.29%	2.27%
LAIF YTM	1.94%	2.00%	2.00%	2.14%	2.21%	2.29%	2.36%	2.39%	2.44%	2.45%	2.45%	2.43%
6 Mon T-Bill	2.19%	2.26%	2.36%	2.49%	2.52%	2.48%	2.45%	2.49%	2.42%	2.42%	2.34%	2.09%
2Yr T-Note	2.67%	2.63%	2.81%	2.87%	2.79%	2.49%	2.46%	2.51%	2.26%	2.27%	1.92%	1.76%
SCC WAM	550	529	509	483	458	406	445	459	496	411	427	436
LAIF WAM	194	191	193	201	207	192	188	184	179	179	180	173



## Santa Clara County

### Approved Issuers and Broker/Dealers

June 30, 2019

#### Direct Commercial Paper Issuers

Toyota Motor Credit  
US Bank, NA  
Dexia Credit Local, NY

#### Broker/Dealers

Academy Securities, Inc  
Bank of America Merrill Lynch  
Barclays Capital, Inc  
BMO Capital Markets  
BNP Paribas Securities Corp  
BNY Mellon Capital Markets, LLC  
BOK Financial Securities (Bank of Oklahoma)  
Brean Capital LLC  
Cantor Fitzgerald & Co  
Citigroup Global Markets Inc  
Daiwa Capital Markets America Inc  
Deutsche Bank Securities Inc  
FTN Financial Capital Markets  
Incapital LLC  
Jefferies & Co  
JP Morgan Securities, Inc  
Keybanc Capital Markets, Inc  
Loop Capital Markets LLC  
Mizuho Securities USA, Inc  
MUFG Securities USA LLC  
Raymond James, Inc.  
RBC Capital Markets, Inc  
UBS Financial Serviec Inc  
Vining Sparks LP  
Williams Capital

**Santa Clara County Commingled Pool**  
**Compliance with Investment Policy**  
**June 30, 2019**



Item/Sector	Parameters	In Compliance
Maturity	Weighted Average Maturity (WAM) must be less than 24 months	Yes
Interest Periods	Securities must pay interest within one year of the initial investment and at least semiannually in subsequent years	Yes
Investment Swaps	Similar maturity swaps, so as not to affect cash flow needs, should have minimum 5 basis point gain	Yes
Issuer Limits	No more than 5% of the portfolio shall be invested in aggregate of any single institution of the following types: Bankers Acceptances, CP, Negotiable CDs, and Corporate Notes	Yes
U.S. Treasuries	No sector limit, no issuer limit, max maturity 5 years	Yes
U.S. Federal Agencies	No sector limit, no issuer limit, max maturity 5 years	Yes
LAIF	No sector limit, no issuer limit, CA State's deposit limit \$65 million	Yes
Repurchase Agreements	No sector limit, no Issuer limit, max maturity 92 days, treasury and agency collateral at 102% of investment, if maturity exceeds 15 days, must be collateralized by securities with 5 years or less maturities	Yes
Commercial Paper	Sector limit 40%, issuer limit 5%, max maturity 270 days, rated by at least two: A-1 (S&P), P-1 (Moody's), F-1 (Fitch), issued by domestic corporation w/ at least \$500 mil of assets, and long term debt rated by at least two: AA- (S&P/Fitch)/Aa3 (Moody's)	Yes
Corporate Bonds	Sector limit 30%, issuer limit 5%, max maturity 5 years, rated by at least two: AA- (S&P/Fitch)/Aa3 (Moody's), issued by domestic corps/depositories	Yes
Money Market Funds	Sector limit 20%, issuer limit 10%, rated by at least two: AAA-m (S&P/Fitch)/Aaa-mf (Moody's), MMF has at least \$500 mil managed	Yes
Negotiable Certificates of Deposit	Sector limit 30%, issuer limit 5%, max maturity 5 years, if under 1 year rated by at least two: A-1 (S&P), P-1 (Moody's), F-1 (Fitch), if greater than 1 year rated by at least two: AA- (S&P/Fitch)/Aa3 (Moody's)	Yes
Municipal Securities	Sector limit 10%, no issuer limit, State of CA, local CA agencies, and other municipal securities of the other 49 states, if long-term rated, then by at least two: A- (S&P/Fitch)/A3 (Moody's), if short-term rated, then by at least two: SP-1 (S&P), MIG-1 (Moody's), F-1 (Fitch), revenue based bonds payable solely out of the States' or local agencies' revenues	Yes
Mortgage-Backed Securities	Sector limit 20% in aggregate with ABS, no issuer limit, max maturity 5 years, collateralized by pools of conforming residential mortgage loans insured by FHLMC/FNMA and residential mortgages guaranteed by FHA (GNMA)	Yes
Asset-Backed Securities	Sector limit 20% in aggregate with ABS, no issuer limit, max maturity 5 years, collateralized by pools of loans such as installment/receivables, security must be rated by at least two: AA- (S&P/Fitch), Aa3 (Moody's), issuer rated by at least two: A- (S&P/Fitch), A3 (Moody's)	Yes
Supranational Debt Obligations	Sector limit 10%, max maturity 5 years, issued or unconditionally guaranteed by the IBRD, rated by at least two: AAA (S&P/Fitch), Aaa (Moody's)	Yes
Bankers' Acceptances	Sector limit 40%, issuer limit 5%, max maturity 180 days, rated by at least two: A-1 (S&P), P-1 (Moody's), F-1 (Fitch), issued by commercial banks , collateral must exceed market value of security by 2%	Yes, None in Portfolio
Securities Lending	Sector limit 20%, max maturity 92 days for loans and reinvestment, loan counterparty must be a primary dealer, loaned securities must be owned for at least 30 days	Yes, None in Portfolio



## Santa Clara County Commingled Pool

### Allocation by Security Types

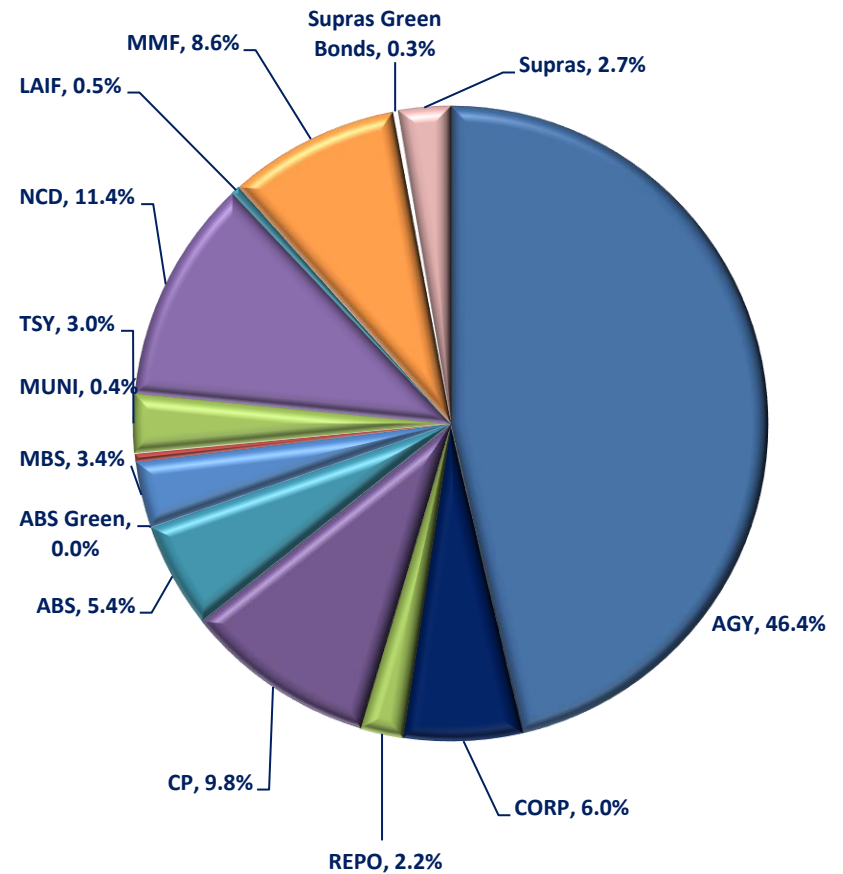
For the Month Ended April 30, 2019

<b>Average Daily Balance</b>	<b>\$ 8,608,998,788.43</b>
<b>Book Yield</b>	<b>2.282%</b>
<b>Weighted Average Maturity</b>	<b>411 Days</b>

Investment Type	Par Value (Millions)	Book Value* (Millions)	Value (Millions)
Federal Agencies	\$ 4,207.81	\$ 4,204.31	\$ 4,192.72
Corporate Bonds	544.56	544.27	543.87
Repurchase Agreements	200.00	200.00	200.00
Commercial Paper	886.63	882.62	882.60
Asset-Backed Securities	485.15	485.02	485.63
Asset-Backed Sec Green Bds	0.35	0.35	0.35
Mortgage Backed Securities	304.28	304.20	305.99
Municipal Securities	37.64	37.69	37.43
U.S. Treasuries	275.00	274.23	274.17
Negotiable CDs	1,030.00	1,030.00	1,030.65
LAIF	41.78	41.78	41.78
Money Market Funds	782.30	782.30	782.30
Suprationals Green Bonds	25.00	25.00	25.01
Suprationals	242.00	242.14	241.46
<b>Total</b>	<b>\$ 9,062.50</b>	<b>\$ 9,053.89</b>	<b>\$ 9,043.97</b>

\*Represents Amortized Book Value

Asset Allocation By Market Value





## Santa Clara County Commingled Pool

### Allocation by Security Types

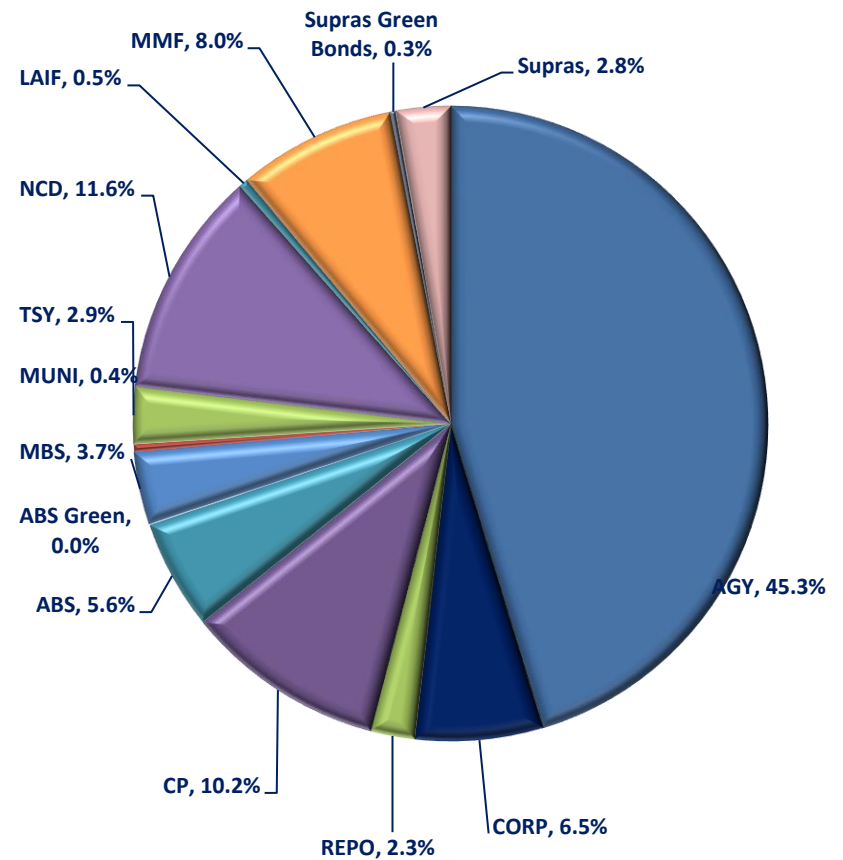
For the Month Ended May 31, 2019

<b>Average Daily Balance</b>	<b>\$ 8,920,878,183.75</b>
<b>Book Yield</b>	<b>2.286%</b>
<b>Weighted Average Maturity</b>	<b>427 Days</b>

Investment Type	Par Value (Millions)	Book Value* (Millions)	Value (Millions)
Federal Agencies	\$ 3,979.70	\$ 3,976.55	\$ 3,978.86
Corporate Bonds	567.30	567.05	568.53
Repurchase Agreements	200.00	200.00	200.00
Commercial Paper	896.63	893.52	893.21
Asset-Backed Securities	489.35	489.21	491.14
Asset-Backed Sec Green Bds	0.19	0.19	0.19
Mortgage Backed Securities	322.97	322.55	327.90
Municipal Securities	34.39	34.44	34.34
U.S. Treasuries	255.00	254.60	254.64
Negotiable CDs	1,015.00	1,015.00	1,015.55
LAIF	41.78	41.78	41.78
Money Market Funds	704.65	704.65	704.65
Suprationals Green Bonds	25.00	25.00	25.01
Suprationals	242.00	242.23	242.09
<b>Total</b>	<b>\$ 8,773.96</b>	<b>\$ 8,766.76</b>	<b>\$ 8,777.90</b>

\*Represents Amortized Book Value

Asset Allocation By Market Value





**SANTA CLARA COUNTY INVESTMENTS**  
**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Negotiable CDs</b>											
06052TD80	39143	BANK OF AMERICA	01/09/2019	60,000,000.00	60,000,000.00	60,006,780.00	2.810	2.755	2.794	07/08/2019	7
06370RNQ8	38957	BANK OF MONTREAL CHICAGO	11/07/2018	50,000,000.00	50,000,000.00	50,021,500.00	2.880	2.880	2.920	07/31/2019	30
06370RRU5	39081	BANK OF MONTREAL CHICAGO	12/18/2018	50,000,000.00	50,000,000.00	50,011,000.00	2.880	2.880	2.920	07/15/2019	14
05586FGN1	38949	BNP PARIBAS NY BRANCH	11/05/2018	50,000,000.00	50,000,000.00	50,027,600.00	2.930	2.930	2.970	08/05/2019	35
05586FXA0	39304	BNP PARIBAS NY BRANCH	03/13/2019	50,000,000.00	50,000,000.00	50,192,450.00	2.690	2.690	2.727	02/21/2020	235
06417G3L0	39046	BANK OF NOVA SCOTIA HOUSTON	12/10/2018	60,000,000.00	60,000,000.00	60,006,780.00	2.880	2.880	2.920	07/08/2019	7
06417G5U8	39351	BANK OF NOVA SCOTIA HOUSTON	03/27/2019	45,000,000.00	45,000,000.00	44,996,940.00	2.580	2.580	2.615	01/17/2020	200
22535CAQ4	39008	Credit Agricole CIB NY	11/27/2018	40,000,000.00	40,000,000.00	40,043,520.00	2.980	2.980	3.021	08/26/2019	56
13606BK54	39015	Canadian IMP BK COMM NY	11/28/2018	50,000,000.00	50,000,000.00	50,052,900.00	2.970	2.970	3.011	08/26/2019	56
13606BQ33	39252	Canadian IMP BK COMM NY	02/20/2019	50,000,000.00	50,000,000.00	50,024,650.00	2.580	2.580	2.615	08/26/2019	56
25215FES9	39336	DEXIA	03/22/2019	45,000,000.00	45,000,000.00	45,010,170.00	2.550	2.550	2.585	01/22/2020	205
55379WF68	39391	MUFG Mitsubishi BANK LTD/NY	04/08/2019	50,000,000.00	50,000,000.00	50,007,950.00	2.540	2.621	2.658	07/31/2019	30
55379WF68	39392	MUFG Mitsubishi BANK LTD/NY	04/08/2019	20,000,000.00	20,000,000.00	20,003,180.00	2.540	2.621	2.658	07/31/2019	30
21685V7C7	39087	RABOBANK	12/18/2018	50,000,000.00	50,000,000.00	50,012,450.00	2.850	2.850	2.889	07/19/2019	18
21685V6U8	38984	RABOBANK	11/20/2018	50,000,000.00	50,000,000.00	50,012,300.00	2.850	2.850	2.889	07/19/2019	18
78012UGJ8	38848	ROYAL BANK OF CANADA	08/29/2018	20,000,000.00	20,000,000.00	20,000,700.00	2.630	2.630	2.666	07/05/2019	4
78012UJP1	38908	ROYAL BANK OF CANADA	10/24/2018	25,000,000.00	25,000,000.00	25,011,575.00	2.890	2.890	2.930	08/02/2019	32
78012UKV6	39045	ROYAL BANK OF CANADA	12/07/2018	45,000,000.00	45,000,000.00	45,008,280.00	2.900	2.900	2.940	07/12/2019	11
78012UMJ1	39300	ROYAL BANK OF CANADA	03/12/2019	45,000,000.00	45,000,000.00	45,102,600.00	2.640	2.640	2.676	01/13/2020	196
89114MMK0	38991	TORONTO DOMINION BANK	11/21/2018	45,000,000.00	45,000,000.00	45,033,705.00	3.000	3.000	3.041	08/16/2019	46
90333VZU7	38907	US BANK	10/24/2018	35,000,000.00	35,000,000.00	35,013,230.00	2.910	2.873	2.913	07/22/2019	21
<b>Subtotal and Average</b>				<b>935,000,000.00</b>	<b>935,000,000.00</b>	<b>935,600,260.00</b>	<b>2.795</b>	<b>2.833</b>		<b>63</b>	
<b>Mortgage Backed Securities (MBS)</b>											
3137AYCE9	38387	FHLMC Multi-Family	01/12/2018	20,157,000.00	20,000,000.00	20,389,200.00	2.682	2.443	2.477	10/25/2022	1,212
3137AYCE9	38391	FHLMC Multi-Family	01/16/2018	7,555,078.13	7,500,000.00	7,645,950.00	2.682	2.454	2.488	10/25/2022	1,212
3137AWQH1	38465	FHLMC Multi-Family	02/22/2018	5,460,553.13	5,580,000.00	5,625,543.40	2.307	3.155	3.198	08/25/2022	1,151
3137B36J2	38643	FHLMC Multi-Family	03/20/2018	20,345,312.50	20,000,000.00	20,837,182.00	3.320	2.865	2.905	02/25/2023	1,335
3137AYCE9	38666	FHLMC Multi-Family	04/17/2018	11,616,539.06	11,745,000.00	11,973,557.70	2.682	2.879	2.919	10/25/2022	1,212
3137AYCE9	38744	FHLMC Multi-Family	06/05/2018	19,788,281.25	20,000,000.00	20,389,200.00	2.682	2.877	2.917	10/25/2022	1,212
3137B4WB8	38854	FHLMC Multi-Family	09/12/2018	4,768,285.16	4,775,000.00	4,945,438.85	3.060	2.968	3.009	07/25/2023	1,485

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Mortgage Backed Securities (MBS)</b>											
3137B5JM6	38864	FHLMC Multi-Family	09/25/2018	10,135,937.50	10,000,000.00	10,533,540.00	3.531	2.710	2.748	07/25/2023	1,485
3137B3NA2	38945	FHLMC Multi-Family	11/02/2018	10,605,782.00	10,605,782.00	11,032,498.21	3.250	3.173	3.217	04/25/2023	1,394
3137B5KW2	39026	FHLMC Multi-Family	12/03/2018	10,092,187.50	10,000,000.00	10,510,040.00	3.458	3.164	3.208	08/25/2023	1,516
3137FBUV6	39093	FHLMC Multi-Family	12/20/2018	19,987,500.00	20,000,000.00	19,987,084.00	2.723	2.561	2.597	07/25/2020	390
3137B04Y7	39295	FHLMC Multi-Family	03/11/2019	26,755,312.50	27,000,000.00	27,443,869.20	2.615	2.792	2.831	01/25/2023	1,304
3137BQR90	39342	FHLMC Multi-Family	03/26/2019	23,034,375.00	23,400,000.00	23,425,842.96	2.272	2.637	2.674	01/25/2023	1,304
3138LAYM5	38477	FNMA Multi-Family	02/27/2018	3,468,688.12	3,508,154.87	3,528,721.67	2.550	2.795	2.834	09/01/2022	1,158
3136B1XP4	38664	FNMA Multi-Family	04/30/2018	3,393,346.30	3,327,165.65	3,392,542.13	3.560	2.746	2.784	09/25/2021	817
3136B1XP4	38665	FNMA Multi-Family	04/30/2018	3,393,346.30	3,327,165.65	3,392,542.13	3.560	2.746	2.784	09/25/2021	817
31381N7G2	38884	FNMA Multi-Family	10/11/2018	3,438,753.11	3,429,643.12	3,457,188.95	3.270	3.045	3.088	10/01/2020	458
31381TYT1	39150	FNMA Multi-Family	01/14/2019	29,751,474.87	29,808,530.26	30,316,526.04	2.750	2.670	2.707	03/01/2022	974
31381RZ23	39158	FNMA Multi-Family	01/16/2019	14,784,276.79	14,452,876.84	14,856,635.01	3.840	2.825	2.865	08/01/2021	762
31381RLL6	39218	FNMA Multi-Family	02/07/2019	12,075,691.35	11,822,613.53	12,155,834.37	3.840	2.833	2.872	07/01/2021	731
31381RLL6	39219	FNMA Multi-Family	02/07/2019	2,015,711.56	1,973,467.03	2,029,089.28	3.840	2.833	2.872	07/01/2021	731
3138LGKH8	39319	FNMA Multi-Family	03/19/2019	24,609,375.00	25,000,000.00	25,136,139.00	2.470	2.794	2.833	01/01/2024	1,645
3138EKX67	39457	FNMA Multi-Family	04/18/2019	16,522,461.47	16,589,207.10	16,801,791.15	2.537	2.575	2.611	03/01/2023	1,339
3138LEYD7	39587	FNMA Multi-Family	05/30/2019	18,582,585.77	18,919,590.99	18,869,833.22	1.970	2.656	2.693	11/01/2023	1,584
3138LGF8	39609	FNMA Multi-Family	06/11/2019	4,976,953.13	5,000,000.00	4,946,507.65	2.150	2.249	2.280	01/01/2024	1,645
3138L2BU0	39632	FNMA Multi-Family	06/24/2019	6,849,039.79	6,857,611.80	6,829,421.87	2.310	2.315	2.347	12/01/2022	1,249
<b>Subtotal and Average</b>				<b>334,163,847.29</b>	<b>334,621,808.84</b>	<b>340,451,718.79</b>		<b>2.739</b>	<b>2.777</b>		<b>1,198</b>
<b>Federal Agency Bonds</b>											
3133EGWH4	37018	FFCB NOTES	09/30/2016	10,004,221.90	10,000,000.00	9,886,120.00	1.280	1.243	1.260	09/29/2021	821
3133EGT47	37194	FFCB NOTES	12/08/2016	10,000,000.00	10,000,000.00	10,035,310.00	2.010	1.982	2.010	12/08/2021	891
3133EG2D6	37305	FFCB NOTES	12/30/2016	25,002,287.23	25,000,000.00	24,974,225.00	1.550	1.490	1.511	09/27/2019	88
3133EG5D3	37378	FFCB NOTES	01/27/2017	5,000,000.00	5,000,000.00	5,028,240.00	2.030	2.002	2.030	01/27/2022	941
3133EG6C4	37404	FFCB NOTES	02/03/2017	14,999,587.78	15,000,000.00	14,961,510.00	1.550	1.533	1.554	02/03/2020	217
3133EHBA0	37502	FFCB NOTES	03/02/2017	19,995,001.48	20,000,000.00	19,938,160.00	1.520	1.537	1.558	03/02/2020	245
3133EHEZ2	37639	FFCB NOTES	04/06/2017	15,000,000.00	15,000,000.00	14,949,420.00	1.600	1.578	1.600	04/06/2020	280
3133EHFL2	37665	FFCB NOTES	04/13/2017	14,998,499.92	15,000,000.00	14,947,920.00	1.550	1.541	1.563	04/13/2020	287
3133EHFL2	37666	FFCB NOTES	04/13/2017	9,999,190.56	10,000,000.00	9,965,280.00	1.550	1.539	1.560	04/13/2020	287
3133EHFL2	37667	FFCB NOTES	04/13/2017	9,999,190.56	10,000,000.00	9,965,280.00	1.550	1.539	1.560	04/13/2020	287

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds</b>											
3133EHGA5	37725	FFCB NOTES	04/21/2017	25,001,008.33	25,000,000.00	24,958,250.00	1.440	1.406	1.426	10/21/2019	112
3133EHHG1	37761	FFCB NOTES	05/03/2017	5,000,000.00	5,000,000.00	4,997,085.00	1.750	1.726	1.750	05/03/2021	672
3133EHHG1	37762	FFCB NOTES	05/03/2017	10,000,000.00	10,000,000.00	9,994,170.00	1.750	1.726	1.750	05/03/2021	672
3133EHJA2	37793	FFCB NOTES	05/08/2017	34,996,816.30	35,000,000.00	34,872,075.00	1.550	1.539	1.561	05/08/2020	312
3133EHHK5	37841	FFCB NOTES	05/23/2017	12,003,337.47	12,000,000.00	11,935,944.00	1.570	1.522	1.543	07/23/2020	388
3133EHWM1	38024	FFCB NOTES	09/01/2017	3,003,315.00	3,000,000.00	2,993,862.00	1.700	1.624	1.647	09/01/2021	793
3133EHWM1	38025	FFCB NOTES	09/01/2017	5,000,000.00	5,000,000.00	4,989,770.00	1.700	1.676	1.700	09/01/2021	793
3133EHWM1	38026	FFCB NOTES	09/01/2017	7,008,455.42	7,000,000.00	6,985,678.00	1.700	1.619	1.642	09/01/2021	793
3133EHZA4	38046	FFCB NOTES	09/20/2017	9,982,965.76	10,000,000.00	9,969,890.00	1.660	1.715	1.739	09/20/2021	812
3133EHJ95	38081	FFCB NOTES	10/26/2017	9,998,460.65	10,000,000.00	9,979,620.00	1.750	1.737	1.762	10/26/2020	483
3133EHJ95	38082	FFCB NOTES	10/26/2017	4,998,020.83	5,000,000.00	4,989,810.00	1.750	1.756	1.780	10/26/2020	483
3133EHP31	38126	FFCB NOTES	11/10/2017	9,973,828.36	9,975,000.00	9,989,174.48	1.950	1.928	1.955	11/02/2021	855
3133EHW58	38169	FFCB NOTES	11/27/2017	14,997,891.67	15,000,000.00	15,003,750.00	1.900	1.943	1.970	11/27/2020	515
3133EHW58	38204	FFCB NOTES	12/01/2017	21,525,982.16	21,550,000.00	21,555,387.50	1.900	1.954	1.982	11/27/2020	515
3133EGYC3	38310	FFCB NOTES	12/20/2017	8,380,930.17	8,550,000.00	8,534,242.35	1.730	2.338	2.371	10/12/2022	1,199
3133EJGH6	38506	FFCB NOTES	03/15/2018	23,003,213.08	23,000,000.00	23,152,674.00	2.440	2.395	2.429	10/15/2020	472
3133EJHL6	38545	FFCB NOTES	03/27/2018	9,996,748.89	10,000,000.00	10,028,620.00	2.375	2.387	2.420	03/27/2020	270
3133EJLU1	38629	FFCB NOTES	04/24/2018	14,997,583.33	15,000,000.00	15,036,135.00	2.420	2.829	2.869	01/24/2020	207
3133EJLU1	38630	FFCB NOTES	04/24/2018	29,997,293.33	30,000,000.00	30,072,270.00	2.420	2.814	2.854	01/24/2020	207
3133EJPX1	38718	FFCB NOTES	05/21/2018	4,983,295.45	5,000,000.00	5,169,850.00	2.875	3.253	3.299	12/21/2022	1,269
3133EJSU4	38831	FFCB NOTES	06/29/2018	10,000,879.89	10,000,000.00	10,018,090.00	2.530	2.476	2.511	12/26/2019	178
3133EJTT6	38837	FFCB NOTES	07/05/2018	4,997,461.33	5,000,000.00	5,057,410.00	2.625	2.623	2.659	01/05/2021	554
3133EJTT6	38838	FFCB NOTES	07/05/2018	4,997,461.33	5,000,000.00	5,057,410.00	2.625	2.623	2.659	01/05/2021	554
3133EJZH5	38878	FFCB NOTES	10/05/2018	13,899,797.12	14,000,000.00	14,418,894.00	2.800	2.997	3.038	09/13/2022	1,170
3133EJK24	38943	FFCB NOTES	11/01/2018	14,998,371.91	15,000,000.00	15,402,840.00	3.000	2.963	3.004	10/19/2021	841
3133EJW70	38999	FFCB NOTES	11/26/2018	34,977,889.72	35,000,000.00	35,710,500.00	2.875	2.869	2.909	05/26/2021	695
3133EJW70	39023	FFCB NOTES	11/30/2018	26,805,312.37	26,825,000.00	27,369,547.50	2.875	2.875	2.915	05/26/2021	695
3133EJ3B3	39075	FFCB NOTES	12/17/2018	9,989,663.33	10,000,000.00	10,225,150.00	2.800	2.805	2.844	12/17/2021	900
3133EJY60	39105	FFCB NOTES	12/24/2018	12,593,192.68	12,500,000.00	13,027,250.00	3.020	2.765	2.803	03/03/2023	1,341
3133EJ3B3	39108	FFCB NOTES	12/24/2018	4,306,781.66	4,300,000.00	4,396,814.50	2.800	2.695	2.732	12/17/2021	900
3133EJ4Q9	39157	FFCB NOTES	01/16/2019	19,985,692.31	20,000,000.00	20,211,020.00	2.550	2.562	2.598	01/11/2021	560
3133EJ5V7	39165	FFCB NOTES	01/18/2019	14,849,145.18	14,875,000.00	15,254,595.13	2.625	2.640	2.676	01/18/2023	1,297

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds</b>											
3133EJ5P0	39173	FFCB NOTES	01/25/2019	9,987,266.26	10,000,000.00	10,193,630.00	2.600	2.615	2.652	01/18/2022	932
3133EKCS3	39296	FFCB NOTES	03/11/2019	20,014,233.33	20,000,000.00	20,248,920.00	2.550	2.472	2.506	03/11/2021	619
3133EKEW2	39357	FFCB NOTES	03/28/2019	19,987,388.33	20,000,000.00	20,249,420.00	2.280	2.272	2.303	03/28/2022	1,001
3133EKLA2	39565	FFCB NOTES	05/22/2019	9,597,369.91	9,590,000.00	9,731,155.21	2.300	2.247	2.279	05/15/2023	1,414
3133EKNR3	39594	FFCB NOTES	06/03/2019	10,004,578.15	10,000,000.00	10,100,300.00	2.200	2.153	2.183	06/03/2022	1,068
3133EKS7	39639	FFCB NOTES	06/26/2019	9,959,441.32	10,000,000.00	9,968,770.00	1.770	1.850	1.876	06/26/2023	1,456
313383VN8	35826	FHLB NOTES	04/09/2015	9,472,079.84	9,460,000.00	9,454,787.54	2.000	1.321	1.340	09/13/2019	74
313383VN8	35827	FHLB NOTES	04/09/2015	25,186,576.00	25,155,000.00	25,141,139.60	2.000	1.332	1.351	09/13/2019	74
3130A5Z77	36288	FHLB NOTES	10/21/2015	5,017,604.54	5,000,000.00	4,990,335.00	1.830	1.469	1.490	07/29/2020	394
3130A5Z77	36289	FHLB NOTES	10/19/2015	5,020,009.07	5,000,000.00	4,990,335.00	1.830	1.424	1.444	07/29/2020	394
3130A5Z77	36298	FHLB NOTES	10/23/2015	5,019,592.19	5,000,000.00	4,990,335.00	1.830	1.432	1.452	07/29/2020	394
3130A5Z77	36308	FHLB NOTES	10/26/2015	10,032,163.46	10,000,000.00	9,980,670.00	1.830	1.498	1.519	07/29/2020	394
3130A5Z77	36310	FHLB NOTES	10/26/2015	5,016,512.08	5,000,000.00	4,990,335.00	1.830	1.490	1.511	07/29/2020	394
3130A7PU3	36679	FHLB NOTES	04/11/2016	10,003,928.57	10,000,000.00	9,933,610.00	1.200	1.131	1.147	04/06/2020	280
313378J77	36756	FHLB NOTES	05/12/2016	15,077,324.40	15,000,000.00	14,976,675.00	1.875	1.105	1.120	03/13/2020	256
313378J77	36760	FHLB NOTES	05/13/2016	6,029,725.04	6,000,000.00	5,990,670.00	1.875	1.133	1.149	03/13/2020	256
3133834H1	36877	FHLB NOTES	07/12/2016	15,044,402.55	15,000,000.00	14,904,540.00	1.375	1.040	1.055	06/12/2020	347
313378J77	36886	FHLB NOTES	07/15/2016	15,081,708.80	15,000,000.00	14,976,675.00	1.875	1.055	1.069	03/13/2020	256
313380WG8	36993	FHLB NOTES	09/30/2016	19,558,948.73	19,500,000.00	19,370,676.00	1.375	1.100	1.115	09/11/2020	438
313380WG8	37022	FHLB NOTES	10/06/2016	12,020,603.53	12,000,000.00	11,920,416.00	1.375	1.210	1.227	09/11/2020	438
3133834H1	37037	FHLB NOTES	10/13/2016	10,012,254.28	10,000,000.00	9,936,360.00	1.375	1.225	1.242	06/12/2020	347
313380WG8	37054	FHLB NOTES	10/24/2016	10,018,468.15	10,000,000.00	9,933,680.00	1.375	1.199	1.216	09/11/2020	438
313383HU8	37058	FHLB NOTES	10/19/2016	15,081,380.31	15,000,000.00	14,962,200.00	1.750	1.147	1.163	06/12/2020	347
313380WG8	37072	FHLB NOTES	10/28/2016	13,877,498.62	13,860,000.00	13,768,080.48	1.375	1.248	1.266	09/11/2020	438
3130AA3R7	37108	FHLB NOTES	11/17/2016	34,998,999.35	35,000,000.00	34,904,100.00	1.375	1.363	1.382	11/15/2019	137
3130AABG2	37149	FHLB NOTES	11/30/2016	14,971,195.33	15,000,000.00	15,031,605.00	1.875	1.931	1.957	11/29/2021	882
3130A8Y72	37372	FHLB NOTES	01/26/2017	34,981,397.25	35,000,000.00	34,954,500.00	0.875	1.430	1.450	08/05/2019	35
313382K69	37711	FHLB NOTES	04/13/2017	25,875,138.84	25,860,000.00	25,808,771.34	1.750	1.690	1.714	03/12/2021	620
313378CR0	37726	FHLB NOTES	04/19/2017	25,276,356.41	25,000,000.00	25,308,125.00	2.250	1.794	1.819	03/11/2022	984
313378J77	37778	FHLB NOTES	04/28/2017	14,032,450.78	14,000,000.00	13,978,230.00	1.875	1.513	1.535	03/13/2020	256
313379RB7	37961	FHLB NOTES	06/30/2017	5,011,995.07	5,000,000.00	5,001,325.00	1.875	1.722	1.746	06/11/2021	711
3130ACE26	38033	FHLB NOTES	09/08/2017	21,971,302.60	22,000,000.00	21,854,712.00	1.375	1.462	1.482	09/28/2020	455

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds</b>											
3130A3UQ5	38102	FHLB NOTES	11/03/2017	10,009,581.40	10,000,000.00	9,996,330.00	1.875	1.781	1.806	12/11/2020	529
3130ACUK8	38178	FHLB NOTES	11/28/2017	25,000,000.00	25,000,000.00	25,030,675.00	2.000	1.972	2.000	05/28/2021	697
313383HU8	38247	FHLB NOTES	12/08/2017	24,958,035.12	25,000,000.00	24,937,000.00	1.750	1.905	1.932	06/12/2020	347
3130A66T9	38269	FHLB NOTES	12/13/2017	24,894,567.31	25,000,000.00	24,898,375.00	1.625	1.961	1.989	09/11/2020	438
3130ADJH6	38418	FHLB NOTES	01/29/2018	7,613,790.06	7,615,000.00	7,613,659.76	2.100	2.099	2.128	01/29/2020	212
313370US5	38436	FHLB NOTES	02/05/2018	5,031,721.69	5,000,000.00	5,055,180.00	2.875	2.292	2.324	09/11/2020	438
3130ADUY6	38570	FHLB NOTES	04/06/2018	31,571,546.37	31,575,000.00	31,758,892.80	2.450	2.425	2.459	09/21/2020	448
3130ADXU1	38578	FHLB NOTES	04/09/2018	19,994,747.94	20,000,000.00	20,014,260.00	2.320	2.340	2.372	01/09/2020	192
3130A02T6	38596	FHLB NOTES	04/13/2018	25,002,576.47	25,000,000.00	25,007,625.00	2.375	2.289	2.321	09/13/2019	74
3130A8Y72	38615	FHLB NOTES	04/19/2018	24,965,580.47	25,000,000.00	24,967,500.00	0.875	2.330	2.363	08/05/2019	35
3130AECJ7	38733	FHLB NOTES	05/21/2018	9,998,380.74	10,000,000.00	10,053,060.00	2.625	2.607	2.643	05/28/2020	332
3130AFB63	38896	FHLB NOTES	10/22/2018	14,989,091.67	15,000,000.00	15,235,440.00	2.950	2.958	2.999	01/22/2021	571
3130AFB63	38901	FHLB NOTES	10/23/2018	4,996,359.39	5,000,000.00	5,078,480.00	2.950	2.958	2.999	01/22/2021	571
3130AFB63	38920	FHLB NOTES	10/26/2018	25,004,524.19	25,000,000.00	25,392,400.00	2.950	2.898	2.939	01/22/2021	571
3130AFB63	38922	FHLB NOTES	10/26/2018	5,000,591.63	5,000,000.00	5,078,480.00	2.950	2.902	2.943	01/22/2021	571
313370E38	38978	FHLB NOTES	11/19/2018	20,100,785.79	20,000,000.00	20,253,080.00	3.375	2.787	2.826	06/12/2020	347
3130AFE78	39016	FHLB NOTES	11/29/2018	14,343,996.55	14,350,000.00	14,919,651.95	3.000	2.970	3.012	12/09/2022	1,257
3130A0F70	39069	FHLB NOTES	12/14/2018	10,185,248.44	10,000,000.00	10,638,710.00	3.375	2.883	2.923	12/08/2023	1,621
3130A0F70	39106	FHLB NOTES	12/24/2018	3,580,302.07	3,500,000.00	3,723,548.50	3.375	2.778	2.817	12/08/2023	1,621
3130ABFD3	39138	FHLB NOTES	01/08/2019	15,003,479.90	15,000,000.00	15,359,205.00	2.625	2.580	2.616	06/07/2022	1,072
3130AB3H7	39362	FHLB NOTES	03/29/2019	14,316,078.91	14,250,000.00	14,560,279.50	2.375	2.238	2.269	03/08/2024	1,712
313370E38	39383	FHLB NOTES	04/08/2019	10,086,778.07	10,000,000.00	10,126,540.00	3.375	2.404	2.438	06/12/2020	347
313370E38	39393	FHLB NOTES	04/08/2019	23,497,524.20	23,295,000.00	23,589,774.93	3.375	2.402	2.436	06/12/2020	347
313379Q69	39545	FHLB NOTES	05/16/2019	24,946,762.23	25,000,000.00	25,217,525.00	2.125	2.169	2.200	06/10/2022	1,075
3130A5P45	39552	FHLB NOTES	05/20/2019	15,065,994.95	15,000,000.00	15,239,895.00	2.375	2.188	2.219	06/10/2022	1,075
3133834G3	39559	FHLB NOTES	05/21/2019	9,958,179.70	10,000,000.00	10,120,390.00	2.125	2.205	2.236	06/09/2023	1,439
3130A1W95	39563	FHLB NOTES	05/22/2019	24,975,608.93	25,000,000.00	25,183,900.00	2.250	2.269	2.301	06/11/2021	711
3133834G3	39592	FHLB NOTES	06/03/2019	9,988,918.81	10,000,000.00	10,120,390.00	2.125	2.124	2.154	06/09/2023	1,439
3137EADM8	35873	FHLMC NOTES	04/16/2015	29,995,257.35	30,000,000.00	29,927,250.00	1.250	1.296	1.314	10/02/2019	93
3137EADM8	36322	FHLMC NOTES	10/29/2015	9,997,250.04	10,000,000.00	9,975,750.00	1.250	1.343	1.362	10/02/2019	93
3137EADM8	36332	FHLMC NOTES	11/04/2015	18,339,836.21	18,350,000.00	18,305,501.25	1.250	1.456	1.476	10/02/2019	93
3137EADM8	36337	FHLMC NOTES	11/06/2015	7,994,325.12	8,000,000.00	7,980,600.00	1.250	1.519	1.540	10/02/2019	93

Portfolio SCL2  
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**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds</b>											
3137EADM8	36340	FHLMC NOTES	11/09/2015	9,991,496.72	10,000,000.00	9,975,750.00	1.250	1.576	1.598	10/02/2019	93
3137EAEC9	36989	FHLMC NOTES	09/27/2016	19,937,212.08	20,000,000.00	19,715,680.00	1.125	1.261	1.278	08/12/2021	773
3137EAEC9	36992	FHLMC NOTES	09/29/2016	9,971,261.72	10,000,000.00	9,857,840.00	1.125	1.248	1.265	08/12/2021	773
3137EAEE5	37443	FHLMC NOTES	02/09/2017	20,002,408.32	20,000,000.00	19,929,100.00	1.500	1.456	1.477	01/17/2020	200
3134G3A91	37454	FHLMC NOTES	01/19/2017	19,999,857.88	20,000,000.00	19,975,580.00	1.400	1.385	1.404	08/22/2019	52
3134GA6W9	37580	FHLMC NOTES	02/28/2017	11,150,000.00	11,150,000.00	11,136,196.30	1.500	1.479	1.500	08/28/2019	58
3137EAEF2	37835	FHLMC NOTES	04/20/2017	44,958,817.50	45,000,000.00	44,771,490.00	1.375	1.471	1.491	04/20/2020	294
3137EAEJ4	38057	FHLMC NOTES	09/29/2017	14,988,737.78	15,000,000.00	14,949,000.00	1.625	1.663	1.687	09/29/2020	456
3137EAEK1	38135	FHLMC NOTES	11/15/2017	24,988,998.15	25,000,000.00	24,992,125.00	1.875	1.881	1.908	11/17/2020	505
3137EAEB1	38403	FHLMC NOTES	01/19/2018	24,986,050.00	25,000,000.00	24,979,775.00	0.875	1.985	2.013	07/19/2019	18
3137EDEL9	38462	FHLMC NOTES	02/16/2018	44,935,650.00	45,000,000.00	45,389,655.00	2.375	2.433	2.466	02/16/2021	596
3135G0UU5	35847	FNMA NOTES	04/13/2015	7,011,683.01	7,000,000.00	6,984,509.00	1.750	1.474	1.494	03/06/2020	249
3135G0UU5	35856	FNMA NOTES	04/14/2015	14,608,800.66	14,584,000.00	14,551,725.61	1.750	1.469	1.489	03/06/2020	249
3135G0A78	36347	FNMA NOTES	11/13/2015	9,997,427.06	10,000,000.00	9,974,140.00	1.625	1.650	1.672	01/21/2020	204
3135G0A78	36361	FNMA NOTES	11/18/2015	20,000,825.02	20,000,000.00	19,948,280.00	1.625	1.585	1.607	01/21/2020	204
3135G0A78	36383	FNMA NOTES	11/24/2015	9,998,223.11	10,000,000.00	9,974,140.00	1.625	1.635	1.658	01/21/2020	204
3135G0A78	36384	FNMA NOTES	11/24/2015	9,998,329.99	10,000,000.00	9,974,140.00	1.625	1.633	1.656	01/21/2020	204
3135G0N33	37253	FNMA NOTES	12/19/2016	19,988,875.50	20,000,000.00	19,975,760.00	0.875	1.515	1.536	08/02/2019	32
3135G0S38	37582	FNMA NOTES	02/09/2017	10,025,748.13	10,000,000.00	10,052,460.00	2.000	1.866	1.892	01/05/2022	919
3135G0T45	37783	FNMA NOTES	04/10/2017	39,900,544.62	40,000,000.00	40,071,680.00	1.875	1.943	1.970	04/05/2022	1,009
3135G0S38	38079	FNMA NOTES	10/25/2017	9,998,203.97	10,000,000.00	10,052,460.00	2.000	1.979	2.007	01/05/2022	919
3135G0S38	38142	FNMA NOTES	11/16/2017	11,392,163.57	11,395,000.00	11,454,778.17	2.000	1.982	2.010	01/05/2022	919
3135G0T78	38163	FNMA NOTES	11/22/2017	4,972,407.99	5,000,000.00	5,034,990.00	2.000	2.149	2.179	10/05/2022	1,192
3135G0T60	38209	FNMA NOTES	12/04/2017	9,958,821.34	10,000,000.00	9,950,080.00	1.500	1.866	1.892	07/30/2020	395
3135G0N33	38367	FNMA NOTES	01/05/2018	39,962,909.35	40,000,000.00	39,951,520.00	0.875	1.946	1.973	08/02/2019	32
880591EV0	38503	TENNESSEE VALLEY AUTHORITY	03/08/2018	19,984,906.74	20,000,000.00	20,022,060.00	2.250	2.327	2.360	03/15/2020	258
880591EV0	38815	TENNESSEE VALLEY AUTHORITY	06/21/2018	9,975,902.56	10,000,000.00	10,011,030.00	2.250	2.535	2.570	03/15/2020	258
<b>Subtotal and Average</b>				<b>2,050,582,352.04</b>	<b>2,050,064,000.00</b>	<b>2,057,569,619.40</b>		<b>1.946</b>	<b>1.973</b>		<b>496</b>
<b>Federal Agency Bonds - CALLABLE</b>											
31422BDZ0	39341	FARMER MAC	03/25/2019	25,000,000.00	25,000,000.00	25,083,050.00	2.610	2.574	2.610	03/25/2022	998
3133EF2L0	36688	FFCB NOTES	04/13/2016	20,000,000.00	20,000,000.00	19,883,340.00	1.400	1.380	1.400	04/13/2020	287

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds - CALLABLE</b>											
3133EF2L0	36689	FFCB NOTES	04/13/2016	15,000,000.00	15,000,000.00	14,912,505.00	1.400	1.380	1.400	04/13/2020	287
3133EF2L0	36690	FFCB NOTES	04/13/2016	15,000,000.00	15,000,000.00	14,912,505.00	1.400	1.380	1.400	04/13/2020	287
3133EGKA2	36866	FFCB NOTES	07/06/2016	20,000,000.00	20,000,000.00	19,841,320.00	1.500	1.479	1.500	07/06/2021	736
3133EG2P9	37300	FFCB NOTES	12/29/2016	10,000,000.00	10,000,000.00	10,000,180.00	2.320	2.288	2.320	12/29/2021	912
3133EG2P9	37301	FFCB NOTES	12/29/2016	15,000,000.00	15,000,000.00	15,000,270.00	2.320	2.288	2.320	12/29/2021	912
3133EHKT9	38272	FFCB NOTES	12/13/2017	10,852,023.76	10,915,000.00	10,915,021.83	2.220	2.368	2.400	11/25/2022	1,243
3133EGG82	38326	FFCB NOTES	12/26/2017	1,965,070.85	2,000,000.00	1,977,728.00	1.520	2.262	2.293	11/15/2021	868
3133EGNK7	38341	FFCB NOTES	12/29/2017	4,414,961.14	4,450,000.00	4,425,204.60	1.320	2.049	2.077	07/27/2020	392
3133EGAH8	38342	FFCB NOTES	12/29/2017	10,752,716.43	10,875,000.00	10,782,845.25	1.550	2.144	2.174	05/17/2021	686
3133EGKD6	38346	FFCB NOTES	12/29/2017	6,910,243.89	7,000,000.00	6,970,481.00	1.625	2.188	2.218	10/05/2021	827
3133EFF28	38368	FFCB NOTES	01/05/2018	5,198,598.37	5,245,000.00	5,218,224.28	1.650	2.171	2.202	03/01/2021	609
3133EHFD0	39022	FFCB NOTES	11/30/2018	4,727,148.98	4,850,000.00	4,850,082.45	2.400	3.079	3.121	04/11/2023	1,380
3133EFX44	39107	FFCB NOTES	12/24/2018	5,354,512.21	5,490,000.00	5,490,076.86	2.050	2.814	2.853	10/05/2022	1,192
3133EGXA8	39206	FFCB NOTES	02/04/2019	17,444,400.56	18,020,000.00	17,969,093.50	1.730	2.658	2.695	01/04/2023	1,283
3133EKDR4	39340	FFCB NOTES	03/25/2019	12,050,000.00	12,050,000.00	12,063,026.05	2.730	2.691	2.728	09/19/2022	1,176
3133EKRP3	39628	FFCB NOTES	06/21/2019	15,000,000.00	15,000,000.00	15,026,850.00	2.220	2.189	2.220	06/21/2024	1,817
3133EKRP3	39629	FFCB NOTES	06/21/2019	10,000,000.00	10,000,000.00	10,017,900.00	2.220	2.189	2.220	06/21/2024	1,817
3130A3XL3	36117	FHLB NOTES	07/09/2015	7,243,787.48	7,250,000.00	7,220,804.25	1.500	1.624	1.646	02/10/2020	224
3130A9W49	37131	FHLB NOTES	11/25/2016	15,000,000.00	15,000,000.00	14,914,815.00	1.250	1.232	1.250	02/24/2020	238
3130AANA2	37382	FHLB NOTES	01/30/2017	25,000,000.00	25,000,000.00	24,942,100.00	1.750	1.726	1.750	07/30/2020	395
3130AANA2	37383	FHLB NOTES	01/30/2017	5,000,000.00	5,000,000.00	4,988,420.00	1.750	1.726	1.750	07/30/2020	395
3130AB3T1	37641	FHLB NOTES	04/24/2017	20,000,000.00	20,000,000.00	19,950,860.00	1.750	1.726	1.750	07/24/2020	389
3130ABZE9	38016	FHLB NOTES	08/28/2017	8,400,000.00	8,400,000.00	8,368,365.60	1.650	1.627	1.650	08/28/2020	424
3130ACK52	38389	FHLB NOTES	01/12/2018	24,858,442.52	25,000,000.00	24,928,450.00	1.700	2.134	2.164	10/05/2020	462
3130AEXG0	38855	FHLB NOTES	09/25/2018	15,000,000.00	15,000,000.00	15,112,080.00	3.000	2.958	3.000	03/25/2022	998
3130A9MR9	38858	FHLB NOTES	09/17/2018	9,277,292.44	9,685,000.00	9,548,964.49	1.650	2.981	3.023	10/12/2022	1,199
3130AC2P8	38859	FHLB NOTES	09/17/2018	9,880,194.29	10,000,000.00	9,981,230.00	1.800	2.831	2.870	08/28/2020	424
3130AFA72	38921	FHLB NOTES	10/26/2018	12,000,000.00	12,000,000.00	12,203,856.00	3.250	3.205	3.250	04/26/2023	1,395
3130A8R54	39014	FHLB NOTES	11/28/2018	4,746,811.52	5,000,000.00	4,981,440.00	1.800	3.102	3.145	07/28/2023	1,488
3130ACF66	39151	FHLB NOTES	01/15/2019	24,510,279.86	25,000,000.00	24,981,850.00	2.150	2.752	2.790	09/26/2022	1,183
3130AG2J3	39301	FHLB NOTES	03/12/2019	50,000,000.00	50,000,000.00	50,044,950.00	2.570	2.534	2.570	03/12/2020	255
3130AG2H7	39358	FHLB NOTES	03/28/2019	20,009,350.00	20,000,000.00	20,013,240.00	2.650	2.582	2.618	12/18/2020	536

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds - CALLABLE</b>											
3130ACF66	39372	FHLB NOTES	04/04/2019	20,551,877.63	20,765,000.00	20,749,924.61	2.150	2.448	2.482	09/26/2022	1,183
3134G8JT7	36583	FHLMC NOTES	02/24/2016	12,500,000.00	12,500,000.00	12,453,537.50	1.500	1.479	1.500	02/24/2020	238
3134G8S83	36648	FHLMC NOTES	03/30/2016	20,000,000.00	20,000,000.00	19,929,820.00	1.500	1.479	1.500	12/30/2019	182
3134G8PD5	36649	FHLMC NOTES	03/30/2016	19,999,717.46	20,000,000.00	19,956,540.00	1.350	1.337	1.355	09/30/2019	91
3134G8PD5	36650	FHLMC NOTES	03/30/2016	3,714,947.52	3,715,000.00	3,706,927.31	1.350	1.337	1.355	09/30/2019	91
3134G8PD5	36651	FHLMC NOTES	03/30/2016	6,375,000.00	6,375,000.00	6,361,147.13	1.350	1.331	1.350	09/30/2019	91
3134G8PD5	36654	FHLMC NOTES	03/30/2016	12,499,867.56	12,500,000.00	12,472,837.50	1.350	1.335	1.354	09/30/2019	91
3134G9AV9	36729	FHLMC NOTES	04/28/2016	14,998,607.14	15,000,000.00	14,952,135.00	1.250	1.261	1.279	10/28/2019	119
3134G9AV9	36730	FHLMC NOTES	04/28/2016	4,249,605.36	4,250,000.00	4,236,438.25	1.250	1.261	1.279	10/28/2019	119
3134G9HM2	36785	FHLMC NOTES	05/26/2016	9,000,000.00	9,000,000.00	8,966,646.00	1.300	1.282	1.300	11/26/2019	148
3134G9HW0	36787	FHLMC NOTES	05/26/2016	5,250,000.00	5,250,000.00	5,229,493.50	1.250	1.232	1.250	11/26/2019	148
3134G3K90	37344	FHLMC NOTES	01/19/2017	10,001,138.46	10,000,000.00	9,974,270.00	1.700	1.667	1.690	09/25/2020	452
3134GBBM3	37518	FHLMC NOTES	03/29/2017	25,000,000.00	25,000,000.00	25,072,325.00	2.000	1.972	2.000	03/29/2021	637
3134GA5T7	37578	FHLMC NOTES	02/28/2017	3,500,000.00	3,500,000.00	3,531,619.00	2.125	2.095	2.125	01/26/2022	940
3134GA5T7	37579	FHLMC NOTES	02/28/2017	20,000,000.00	20,000,000.00	20,180,680.00	2.125	2.096	2.125	01/26/2022	940
3134GBEW8	37621	FHLMC NOTES	04/26/2017	25,000,000.00	25,000,000.00	24,986,650.00	1.500	1.479	1.500	07/26/2019	25
3134GBEW8	37668	FHLMC NOTES	04/26/2017	8,000,000.00	8,000,000.00	7,995,728.00	1.500	1.479	1.500	07/26/2019	25
3134GBGZ9	37669	FHLMC NOTES	04/27/2017	15,000,000.00	15,000,000.00	15,078,390.00	2.000	1.972	2.000	01/27/2022	941
3134GBEF5	37696	FHLMC NOTES	04/27/2017	3,640,000.00	3,640,000.00	3,632,588.96	1.700	1.676	1.700	04/27/2020	301
3134GBJJ2	37741	FHLMC NOTES	04/26/2017	10,000,000.00	10,000,000.00	9,978,490.00	1.750	1.726	1.750	01/26/2021	575
3134GBJJ2	37742	FHLMC NOTES	04/26/2017	25,000,000.00	25,000,000.00	24,946,225.00	1.750	1.726	1.750	01/26/2021	575
3134GBLR1	37801	FHLMC NOTES	05/25/2017	20,000,000.00	20,000,000.00	19,961,200.00	1.750	1.726	1.750	11/25/2020	513
3134GBLQ3	37804	FHLMC NOTES	05/22/2017	20,000,000.00	20,000,000.00	19,942,040.00	1.650	1.627	1.650	05/22/2020	326
3134GBPM8	37817	FHLMC NOTES	05/24/2017	15,000,000.00	15,000,000.00	15,086,670.00	2.000	1.972	2.000	02/24/2022	969
3134GBRR5	37849	FHLMC NOTES	06/15/2017	20,000,000.00	20,000,000.00	19,995,120.00	1.800	1.775	1.800	06/15/2021	715
3134GBRU8	37861	FHLMC NOTES	06/22/2017	30,000,000.00	30,000,000.00	29,904,570.00	1.625	1.602	1.625	06/22/2020	357
3134GBSM5	37880	FHLMC NOTES	06/22/2017	5,450,000.00	5,450,000.00	5,436,157.00	1.700	1.676	1.700	09/22/2020	449
3134GBRZ7	37893	FHLMC NOTES	06/20/2017	15,000,000.00	15,000,000.00	14,949,810.00	1.500	1.479	1.500	12/20/2019	172
3134GBSW3	37894	FHLMC NOTES	06/22/2017	5,000,000.00	5,000,000.00	4,989,875.00	1.750	1.726	1.750	12/22/2020	540
3134GBYF3	37988	FHLMC NOTES	07/27/2017	5,750,000.00	5,750,000.00	5,741,950.00	1.800	1.775	1.800	01/27/2021	576
3134GBF64	38055	FHLMC NOTES	09/28/2017	6,000,000.00	6,000,000.00	5,977,176.00	1.600	1.578	1.600	09/28/2020	455
3134GBU83	38090	FHLMC NOTES	10/30/2017	15,000,000.00	15,000,000.00	15,057,435.00	2.000	1.972	2.000	10/29/2021	851



**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds - CALLABLE</b>											
3134GBZ70	38170	FHLMC NOTES	11/27/2017	25,000,000.00	25,000,000.00	24,969,575.00	1.875	1.849	1.875	11/27/2020	515
3134GBZ70	38171	FHLMC NOTES	11/27/2017	10,000,000.00	10,000,000.00	9,987,830.00	1.875	1.849	1.875	11/27/2020	515
3134GSAC9	38334	FHLMC NOTES	12/28/2017	10,000,000.00	10,000,000.00	10,018,000.00	2.050	2.021	2.050	12/28/2020	546
3134GSAX3	38352	FHLMC NOTES	01/08/2018	25,000,000.00	25,000,000.00	25,096,350.00	2.220	2.189	2.220	07/01/2022	1,096
3134G9Q75	38408	FHLMC NOTES	01/23/2018	19,988,950.28	20,000,000.00	19,986,100.00	1.250	2.033	2.062	07/26/2019	25
3134GSFE0	38466	FHLMC NOTES	02/26/2018	20,000,000.00	20,000,000.00	20,234,580.00	2.500	2.465	2.500	02/26/2021	606
3134GSMY8	38796	FHLMC NOTES	06/15/2018	15,000,000.00	15,000,000.00	15,138,855.00	2.750	3.426	3.474	06/15/2023	1,445
3134GSB95	39006	FHLMC NOTES	11/27/2018	10,000,000.00	10,000,000.00	10,040,280.00	3.000	2.958	3.000	11/27/2020	515
3134G94B0	39118	FHLMC NOTES	12/26/2018	1,975,036.84	2,000,000.00	2,000,548.00	2.250	2.824	2.863	08/16/2021	777
3134GSL60	39122	FHLMC NOTES	12/27/2018	25,000,000.00	25,000,000.00	25,125,900.00	3.000	2.959	3.000	09/27/2022	1,184
3134GSJ48	39123	FHLMC NOTES	12/27/2018	30,000,000.00	30,000,000.00	30,159,690.00	3.100	3.057	3.100	06/27/2022	1,092
3134GSS63	39188	FHLMC NOTES	01/30/2019	15,000,000.00	15,000,000.00	15,064,185.00	2.800	2.761	2.800	01/30/2023	1,309
3134GSS63	39189	FHLMC NOTES	01/30/2019	10,000,000.00	10,000,000.00	10,042,790.00	2.800	2.761	2.800	01/30/2023	1,309
3134GSS63	39199	FHLMC NOTES	02/01/2019	10,185,000.00	10,185,000.00	10,228,581.61	2.800	2.761	2.799	01/30/2023	1,309
3134GS6T7	39353	FHLMC NOTES	03/27/2019	15,000,000.00	15,000,000.00	15,072,675.00	2.625	2.589	2.625	09/27/2022	1,184
3134GS6F7	39354	FHLMC NOTES	03/27/2019	30,000,000.00	30,000,000.00	30,128,250.00	2.720	2.682	2.720	03/27/2023	1,365
3134GTBP7	39376	FHLMC NOTES	04/05/2019	25,000,000.00	25,000,000.00	25,001,500.00	2.700	2.663	2.700	04/05/2022	1,009
3134GTGT4	39472	FHLMC NOTES	04/24/2019	25,000,000.00	25,000,000.00	25,074,625.00	2.550	2.515	2.550	01/24/2023	1,303
3134GTFW8	39473	FHLMC NOTES	04/24/2019	25,000,000.00	25,000,000.00	25,130,525.00	2.560	2.525	2.560	07/24/2023	1,484
3134GTJV6	39478	FHLMC NOTES	04/25/2019	40,000,000.00	40,000,000.00	40,078,240.00	2.590	2.554	2.590	10/25/2022	1,212
3134GTMQ3	39564	FHLMC NOTES	05/22/2019	12,300,000.00	12,300,000.00	12,350,749.80	2.500	2.465	2.500	05/22/2023	1,421
3134GTQS5	39593	FHLMC NOTES	06/03/2019	10,260,090.56	10,250,000.00	10,284,583.50	2.625	2.567	2.603	06/03/2024	1,799
3134GTX6	39649	FHLMC NOTES	06/28/2019	25,000,000.00	25,000,000.00	24,981,650.00	2.100	2.073	2.102	06/26/2024	1,822
3136G3PR0	36797	FNMA NOTES	05/27/2016	24,978,105.89	25,000,000.00	24,861,550.00	1.500	1.526	1.548	05/26/2021	695
3135G0L50	36875	FNMA NOTES	07/12/2016	30,000,000.00	30,000,000.00	29,988,600.00	1.050	1.035	1.050	07/12/2019	11
3136G3SY2	36880	FNMA NOTES	07/13/2016	7,500,000.00	7,500,000.00	7,484,992.50	1.250	1.232	1.250	09/30/2019	91
3136G3A62	36902	FNMA NOTES	07/26/2016	15,000,000.00	15,000,000.00	14,987,160.00	1.050	1.035	1.050	07/26/2019	25
3136G4BV4	37017	FNMA NOTES	09/30/2016	20,004,677.08	20,000,000.00	19,904,320.00	1.450	1.411	1.430	09/30/2020	457
3135G0Q30	37103	FNMA NOTES	10/21/2016	29,999,755.68	30,000,000.00	29,924,040.00	1.180	1.167	1.183	09/27/2019	88
3136G4MD2	37509	FNMA NOTES	03/16/2017	3,000,000.00	3,000,000.00	2,995,143.00	1.850	1.824	1.850	09/16/2020	443
3136G4NP4	38233	FNMA NOTES	12/06/2017	39,914,350.21	40,000,000.00	39,891,200.00	1.800	1.979	2.007	07/24/2020	389
3136G4NP4	38235	FNMA NOTES	12/07/2017	5,986,896.30	6,000,000.00	5,983,680.00	1.800	1.983	2.011	07/24/2020	389

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Subtotal and Average</b>				<b>1,518,169,458.27</b>	<b>1,521,160,000.00</b>	<b>1,521,172,293.33</b>		<b>2.066</b>	<b>2.095</b>		<b>715</b>
<b>US Treasury Notes</b>											
912828S43	38300	U.S. TREASURY NOTES	12/15/2017	19,992,114.38	20,000,000.00	19,988,660.00	0.750	1.770	1.794	07/15/2019	14
912828TN0	38302	U.S. TREASURY NOTES	12/19/2017	24,966,563.76	25,000,000.00	24,946,850.00	1.000	1.792	1.817	08/31/2019	61
9128282K5	38457	U.S. TREASURY NOTES	02/15/2018	24,984,717.07	25,000,000.00	24,981,850.00	1.375	2.102	2.132	07/31/2019	30
912828Y46	39102	U.S. TREASURY NOTES	12/21/2018	14,989,345.51	15,000,000.00	15,110,160.00	2.625	2.654	2.691	07/31/2020	396
912828S43	39103	U.S. TREASURY NOTES	12/21/2018	34,975,841.93	35,000,000.00	34,980,155.00	0.750	2.527	2.562	07/15/2019	14
912828TH3	39438	U.S. TREASURY NOTES	04/12/2019	34,956,747.16	35,000,000.00	34,960,240.00	0.875	2.340	2.372	07/31/2019	30
<b>Subtotal and Average</b>				<b>154,865,329.81</b>	<b>155,000,000.00</b>	<b>154,967,915.00</b>		<b>2.213</b>	<b>2.243</b>		<b>64</b>
<b>Corporate Bonds</b>											
037833CB4	36918	APPLE INC	08/04/2016	29,999,137.29	30,000,000.00	29,970,000.00	1.100	1.118	1.134	08/02/2019	32
037833DJ6	38124	APPLE INC	11/13/2017	44,982,780.00	45,000,000.00	44,975,970.00	2.000	2.001	2.029	11/13/2020	501
06405LAA9	39031	BANK OF NEW YORK	12/04/2018	25,000,000.00	25,000,000.00	25,025,325.00	2.803	2.845	2.885	12/04/2020	522
06405LAA9	39032	BANK OF NEW YORK	12/04/2018	5,000,000.00	5,000,000.00	5,005,065.00	2.803	2.845	2.885	12/04/2020	522
084664CK5	36933	BERKSHIRE HATHWY	08/15/2016	9,999,604.81	10,000,000.00	9,988,220.00	1.300	1.314	1.333	08/15/2019	45
084670BQ0	38830	BERKSHIRE HATHWY	06/29/2018	9,906,830.53	10,000,000.00	10,027,700.00	2.200	2.732	2.770	03/15/2021	623
084670BL1	38832	BERKSHIRE HATHWY	07/02/2018	5,949,529.64	5,953,000.00	5,950,880.73	2.100	2.561	2.597	08/14/2019	44
084670BJ6	39496	BERKSHIRE HATHWY	04/30/2019	10,660,670.83	10,500,000.00	10,815,283.50	3.000	2.517	2.552	02/11/2023	1,321
084670BR8	39544	BERKSHIRE HATHWY	05/16/2019	16,704,085.97	16,624,000.00	16,892,577.34	2.750	2.576	2.611	03/15/2023	1,353
19416QEL0	39553	COLGATE-PALMOLIVE CO	05/20/2019	9,466,988.88	9,506,000.00	9,585,774.35	2.250	2.344	2.377	11/15/2022	1,233
166764BP4	37503	CHEVRON CORP.	03/03/2017	8,000,000.00	8,000,000.00	7,989,648.00	1.991	1.963	1.991	03/03/2020	246
166764BG4	39549	CHEVRON CORP.	05/17/2019	8,516,957.75	8,575,000.00	8,582,511.70	2.100	2.438	2.472	05/16/2021	685
166764BN9	39573	CHEVRON CORP.	05/24/2019	8,873,945.74	8,885,000.00	8,975,547.04	2.498	2.510	2.545	03/03/2022	976
02079KAA5	38601	GOOGLE INC	04/16/2018	16,987,691.83	16,705,000.00	17,206,417.28	3.625	2.645	2.682	05/19/2021	688
459200JN2	37380	IBM	01/27/2017	9,998,168.89	10,000,000.00	9,979,960.00	1.900	1.906	1.933	01/27/2020	210
48125LRG9	36966	JPMORGAN	09/23/2016	12,499,031.94	12,500,000.00	12,476,375.00	1.650	1.661	1.685	09/23/2019	84
191216BT6	38529	Coca-Cola Co	03/19/2018	7,423,081.34	7,500,000.00	7,483,822.50	1.875	2.646	2.682	10/27/2020	484
594918BN3	36923	MICROSOFT CORP	08/08/2016	9,999,647.13	10,000,000.00	9,988,100.00	1.100	1.119	1.135	08/08/2019	38
594918BV5	37419	MICROSOFT CORP	02/06/2017	14,997,999.31	15,000,000.00	14,967,855.00	1.850	1.847	1.873	02/06/2020	220
594918AY0	38123	MICROSOFT CORP	11/13/2017	14,094,036.14	14,096,000.00	14,068,385.94	1.850	1.847	1.872	02/12/2020	226
594918BW3	39355	MICROSOFT CORP	03/27/2019	20,030,167.15	20,000,000.00	20,210,000.00	2.400	2.305	2.337	02/06/2022	951
594918BW3	39361	MICROSOFT CORP	03/29/2019	20,064,821.81	20,000,000.00	20,210,000.00	2.400	2.235	2.266	02/06/2022	951

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<b>Corporate Bonds</b>											
594918BX1	39489	MICROSOFT CORP	04/29/2019	6,556,387.59	6,500,000.00	6,734,923.00	2.875	2.635	2.672	02/06/2024	1,681
742718EQ8	38524	PROCTER & GAMBLE	03/15/2018	19,528,274.01	20,000,000.00	19,862,700.00	1.700	2.728	2.766	11/03/2021	856
742718EQ8	38526	PROCTER & GAMBLE	03/16/2018	9,768,337.26	10,000,000.00	9,931,350.00	1.700	2.709	2.747	11/03/2021	856
89236TDH5	37057	TOYOTA MOTOR CREDIT	10/18/2016	4,999,752.31	5,000,000.00	4,989,545.00	1.550	1.545	1.567	10/18/2019	109
89236TDU6	37702	TOYOTA MOTOR CREDIT	04/17/2017	4,999,390.93	5,000,000.00	4,990,400.00	1.950	1.938	1.965	04/17/2020	291
89233P5F9	39332	TOYOTA MOTOR CREDIT	03/21/2019	11,376,323.49	11,213,000.00	11,525,932.40	3.400	2.675	2.712	09/15/2021	807
89236TFX8	39439	TOYOTA MOTOR CREDIT	04/12/2019	24,985,402.08	25,000,000.00	25,392,125.00	2.650	2.635	2.671	04/12/2022	1,016
89236TFX8	39452	TOYOTA MOTOR CREDIT	04/17/2019	14,984,496.14	15,000,000.00	15,235,275.00	2.650	2.652	2.688	04/12/2022	1,016
90331HML4	36773	U S BANK	05/19/2016	19,624,220.36	19,589,000.00	19,577,795.09	2.125	1.533	1.554	10/28/2019	119
90331HNJ8	38409	U S BANK	01/23/2018	44,994,318.75	45,000,000.00	45,015,795.00	2.350	2.340	2.373	01/23/2020	206
90331HPA5	39207	U S BANK	02/04/2019	2,998,066.13	3,000,000.00	3,036,372.00	3.000	2.974	3.016	02/04/2021	584
90331HPC1	39569	U S BANK	05/23/2019	14,984,659.44	15,000,000.00	15,213,945.00	2.650	2.650	2.687	05/23/2022	1,057
92826CAC6	39527	VISA	05/09/2019	11,221,854.43	11,156,000.00	11,423,342.38	2.800	2.583	2.619	12/14/2022	1,262
931142EA7	38076	WALMART	10/20/2017	6,995,314.01	7,000,000.00	6,987,428.00	1.900	1.920	1.947	12/15/2020	533
931142EG4	38826	WALMART	06/27/2018	39,993,903.91	40,000,000.00	40,267,920.00	2.850	2.843	2.882	06/23/2020	358
30231GAV4	38852	EXXON MOBIL CORP	09/10/2018	9,895,353.54	10,000,000.00	10,027,710.00	2.222	2.837	2.876	03/01/2021	609
<b>Subtotal and Average</b>				<b>567,061,231.36</b>	<b>567,302,000.00</b>	<b>570,587,976.25</b>		<b>2.283</b>	<b>2.314</b>		<b>581</b>
<b>Asset Backed Securities (ABS)</b>											
02582JHQ6	38646	American Express Credit Acct	03/21/2018	44,994,775.50	45,000,000.00	45,142,357.50	2.670	2.653	2.690	10/17/2022	1,204
05522RCZ9	39062	BANK OF AMERICA CREDIT CARD	12/12/2018	20,147,080.47	20,140,000.00	20,486,623.50	3.000	2.862	2.902	09/15/2023	1,537
05522RDA3	39082	BANK OF AMERICA CREDIT CARD	12/18/2018	15,000,585.94	15,000,000.00	15,323,568.00	3.100	3.064	3.107	12/15/2023	1,628
05522RCY2	39220	BANK OF AMERICA CREDIT CARD	02/08/2019	24,936,523.44	25,000,000.00	25,256,930.00	2.700	2.716	2.753	07/17/2023	1,477
05522RCY2	39320	BANK OF AMERICA CREDIT CARD	03/19/2019	19,987,500.00	20,000,000.00	20,205,544.00	2.700	2.711	2.749	07/17/2023	1,477
05586VAD4	39327	BMW VEHICLE LEASE TRUST	03/20/2019	7,498,898.25	7,500,000.00	7,601,601.75	2.920	2.906	2.946	08/22/2022	1,148
05582QAD9	36893	BMW VEHICLE OWNER TRUST	07/20/2016	1,480,375.77	1,480,382.43	1,477,098.05	1.160	1.147	1.163	11/25/2020	513
09659QAD9	38412	BMW VEHICLE OWNER TRUST	01/24/2018	31,999,680.00	32,000,000.00	32,044,614.40	2.350	2.329	2.362	04/25/2022	1,029
161571HF47	36929	CHASE ISSUANCE TRUST (ABS)	08/11/2016	22,993,668.10	23,000,000.00	22,990,434.30	1.270	1.267	1.285	07/15/2021	745
161571HN7	38708	CHASE ISSUANCE TRUST (ABS)	05/10/2018	37,000,000.00	37,000,000.00	37,037,007.40	2.594	2.496	2.530	04/17/2023	1,386
14042WAC4	39586	Capital One	05/30/2019	8,998,176.60	9,000,000.00	9,101,961.90	2.510	2.500	2.535	11/15/2023	1,598
43814QAC2	36800	HONDA AUTO RECEIVABLES OWNER T	05/31/2016	45,139.18	45,140.06	45,111.65	1.390	1.375	1.395	04/15/2020	289
43814RAC0	37059	HONDA AUTO RECEIVABLES OWNER T	10/25/2016	3,795,817.94	3,796,064.30	3,781,597.50	1.210	1.199	1.216	12/18/2020	536

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<b>Asset Backed Securities (ABS)</b>											
43814TAC6	37615	HONDA AUTO RECEIVABLES OWNER T	03/28/2017	8,401,507.01	8,402,006.93	8,377,166.40	1.720	1.706	1.729	06/22/2020	357
43811BAC8	37976	HONDA AUTO RECEIVABLES OWNER T	06/27/2017	19,853,796.76	19,855,514.26	19,798,614.31	1.680	1.666	1.690	08/16/2021	777
43814UAG4	38738	HONDA AUTO RECEIVABLES OWNER T	05/30/2018	11,999,738.40	12,000,000.00	12,149,394.00	3.010	2.988	3.030	05/18/2022	1,052
43815AAC6	39013	HONDA AUTO RECEIVABLES OWNER T	11/28/2018	21,746,748.38	21,750,000.00	22,163,356.58	3.160	3.144	3.188	01/17/2023	1,296
43814WAC9	39269	HONDA AUTO RECEIVABLES OWNER T	02/27/2019	13,749,631.50	13,750,000.00	13,947,712.63	2.830	2.809	2.848	03/20/2023	1,358
43815MAC0	39582	HONDA AUTO RECEIVABLES OWNER T	05/29/2019	16,999,365.90	17,000,000.00	17,190,687.30	2.520	2.500	2.535	06/21/2023	1,451
47788NAC2	36905	JOHN DEERE OWNER TRUST	07/27/2016	508,019.05	508,059.49	507,595.07	1.250	1.240	1.257	06/15/2020	350
47787XAC1	37507	JOHN DEERE OWNER TRUST	03/02/2017	3,988,099.66	3,988,667.65	3,980,642.45	1.780	1.769	1.793	04/15/2021	654
47788CAC6	38476	JOHN DEERE OWNER TRUST	02/28/2018	8,249,406.83	8,250,000.00	8,287,787.48	2.660	2.641	2.678	04/18/2022	1,022
58769DAE0	38785	MERCEDES-BENZ AUTO LEASE TRUST	06/11/2018	3,965,156.25	4,000,000.00	3,996,924.00	2.010	2.701	2.739	01/17/2023	1,296
58772TAC4	39190	MERCEDES-BENZ AUTO LEASE TRUST	01/30/2019	9,999,707.00	10,000,000.00	10,107,293.00	3.100	3.079	3.122	11/15/2021	868
58769BAD6	36956	MERCEDES -BENZ AUTO REC TRUST	09/14/2016	2,601,247.19	2,601,564.32	2,592,309.25	1.260	1.251	1.269	02/16/2021	596
65478UAD1	36557	NISSAN AUTO LEASE TRUST	02/10/2016	605,494.57	605,632.17	604,933.03	1.340	1.335	1.353	10/15/2020	472
65478DAD9	38475	NISSAN AUTO LEASE TRUST	02/28/2018	18,497,885.45	18,500,000.00	18,596,629.20	2.650	2.585	2.621	05/16/2022	1,050
65479HAC1	39578	Nissan Auto Receivables Owner	05/28/2019	19,995,478.00	20,000,000.00	20,220,398.00	2.500	2.489	2.523	11/15/2023	1,598
89231LAD9	37035	TOYOTA AUTO REC OWNER TRUST	10/12/2016	3,406,088.19	3,406,514.69	3,399,000.94	1.230	1.222	1.239	10/15/2020	472
89238MAD0	37568	TOYOTA AUTO REC OWNER TRUST	03/15/2017	4,999,941.69	5,000,530.25	4,988,801.51	1.730	1.684	1.708	02/16/2021	596
89238KAD4	38137	TOYOTA AUTO REC OWNER TRUST	11/15/2017	23,997,787.20	24,000,000.00	23,946,045.60	1.930	1.914	1.940	01/18/2022	932
89231PAD0	38958	TOYOTA AUTO REC OWNER TRUST	11/07/2018	9,997,837.00	10,000,000.00	10,200,424.00	3.180	3.167	3.211	03/15/2023	1,353
92349GAA9	39612	VERIZON OWNER TRUST	06/12/2019	34,997,553.50	35,000,000.00	35,105,668.50	2.330	2.312	2.344	12/20/2023	1,633
<b>Subtotal and Average</b>				<b>477,438,710.72</b>	<b>477,580,076.55</b>	<b>480,655,833.20</b>		<b>2.447</b>	<b>2.481</b>		<b>1,217</b>
<b>Asset Backed Securities-Green Bond</b>											
89231UAD9	36753	TOYOTA AUTO REC OWNER TRUST	05/11/2016	36,538.09	36,538.47	36,516.62	1.300	1.283	1.301	04/15/2020	289
<b>Subtotal and Average</b>				<b>36,538.09</b>	<b>36,538.47</b>	<b>36,516.62</b>		<b>1.284</b>	<b>1.301</b>		<b>289</b>
<b>Municipal Bonds</b>											
13063CSQ4	36313	CALIFORNIA ST	10/27/2015	10,230,663.68	10,220,000.00	10,209,371.20	1.800	1.632	1.655	04/01/2020	275
13063CP87	36731	CALIFORNIA ST	04/28/2016	14,973,563.45	15,000,000.00	14,900,550.00	1.500	1.608	1.630	04/01/2021	640
65887PHS7	37523	North Dakota State Finance	03/06/2017	538,857.84	500,000.00	541,080.00	5.000	1.400	1.420	10/01/2021	823
64990CEM9	36822	New York State Dormatory Auth	06/14/2016	3,000,000.00	3,000,000.00	3,000,000.00	1.456	1.435	1.455	07/01/2019	0
91412GWY7	39314	UNIVERSITY CALIFORNIA REVS	03/15/2019	4,028,407.79	4,000,000.00	4,092,040.00	2.826	2.530	2.566	05/15/2022	1,049

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<b>Municipal Bonds</b>											
91412HEX7	39321	UNIVERSITY CALIFORNIA REVS	03/19/2019	1,000,000.00	1,000,000.00	1,022,770.00	2.657	2.620	2.657	05/15/2023	1,414
91412HEW9	39322	UNIVERSITY CALIFORNIA REVS	03/19/2019	665,000.00	665,000.00	676,278.40	2.608	2.571	2.606	05/15/2022	1,049
<b>Subtotal and Average</b>				<b>34,436,492.76</b>	<b>34,385,000.00</b>	<b>34,442,089.60</b>		<b>1.753</b>	<b>1.778</b>		<b>556</b>
<b>Commercial Paper, Discount</b>											
09702MUA9	39418	Boeing Company	04/10/2019	49,967,500.01	50,000,000.00	49,960,500.00	2.600	2.617	2.653	07/10/2019	9
09702MUA9	39419	Boeing Company	04/10/2019	7,495,153.08	7,500,000.00	7,494,075.00	2.600	2.617	2.653	07/10/2019	9
09702MUP6	39467	Boeing Company	04/23/2019	49,921,050.08	50,000,000.00	49,705,533.50	2.600	2.617	2.653	07/23/2019	22
16677KUX9	39401	CHEVRON	04/10/2019	39,918,666.67	40,000,000.00	39,916,583.20	2.440	2.458	2.492	07/31/2019	30
17327BUX1	39402	CITIGROUP GLOBAL MAR	04/09/2019	49,895,519.65	50,000,000.00	49,891,512.50	2.520	2.540	2.575	07/31/2019	30
17327BUX1	39403	CITIGROUP GLOBAL MAR	04/09/2019	9,979,103.93	10,000,000.00	9,978,302.50	2.520	2.540	2.575	07/31/2019	30
31315KRG7	39597	FARMER MAC DISCOUNT NOTE	06/05/2019	24,716,079.06	25,000,000.00	24,737,925.00	2.220	2.284	2.316	01/02/2020	185
45920GWS1	39518	IBM	05/07/2019	39,759,641.65	40,000,000.00	39,772,000.00	2.540	2.565	2.601	09/26/2019	87
46640QUS8	38931	JP Morgan Securities	10/29/2018	44,906,835.43	45,000,000.00	44,917,050.15	2.930	3.023	3.065	07/26/2019	25
46640QXX4	39279	JP Morgan Securities	03/04/2019	49,560,381.41	50,000,000.00	49,614,583.50	2.590	2.681	2.718	10/31/2019	122
59157UUQ1	39485	METLIFE SHORT TERM FUND	04/26/2019	14,106,576.60	14,129,000.00	14,105,734.20	2.500	2.515	2.550	07/24/2019	23
7426M3UF4	39231	PRIVATE EXPORT FUND CORPORATIO	02/12/2019	29,970,296.06	30,000,000.00	29,966,424.90	2.550	2.577	2.613	07/15/2019	14
7426M3UC1	39245	PRIVATE EXPORT FUND CORPORATIO	02/15/2019	49,961,267.50	50,000,000.00	49,953,916.50	2.540	2.566	2.602	07/12/2019	11
7426M2BU4	39635	PRIVATE EXPORT FUND CORPORATIO	06/25/2019	3,450,655.79	3,500,000.00	3,449,582.19	2.100	2.162	2.192	02/28/2020	242
71344UUS6	39636	PEPSICO INC	06/25/2019	23,813,104.60	23,850,000.00	23,806,036.58	2.250	2.254	2.285	07/26/2019	25
71708FUX8	39479	PFIZER	04/25/2019	49,897,292.31	50,000,000.00	49,895,729.00	2.480	2.496	2.531	07/31/2019	30
89116FU57	39297	TORONTO DOMINION BANK	03/11/2019	49,986,136.88	50,000,000.00	49,795,000.00	2.505	2.525	2.560	07/05/2019	4
89233GA71	39645	TOYOTA MOTOR CREDIT	06/27/2019	44,494,173.20	45,000,000.00	44,496,511.20	2.140	2.200	2.230	01/07/2020	190
2546R3WP5	39531	Walt Disney Company	05/10/2019	49,716,857.81	50,000,000.00	49,723,775.00	2.480	2.503	2.538	09/23/2019	84
2546R3WQ3	39644	Walt Disney Company	06/27/2019	39,795,426.78	40,000,000.00	39,776,675.60	2.220	2.232	2.263	09/24/2019	85
30229BUH8	39650	Exxon Mobil Group	06/28/2019	89,909,754.20	90,000,000.00	89,891,700.30	2.280	2.282	2.314	07/17/2019	16
<b>Subtotal and Average</b>				<b>811,221,472.70</b>	<b>813,979,000.00</b>	<b>810,849,150.82</b>		<b>2.500</b>	<b>2.534</b>		<b>51</b>
<b>Federal Agency Discount Notes</b>											
313384JX8	39349	FHLB DISCOUNT	03/27/2019	49,891,850.65	50,000,000.00	49,901,800.00	2.410	2.464	2.498	08/02/2019	32
313384KM0	39350	FHLB DISCOUNT	03/27/2019	24,922,231.50	25,000,000.00	24,929,400.00	2.410	2.466	2.501	08/16/2019	46
313384JV2X	39400	FHLB DISCOUNT	04/09/2019	49,899,966.50	50,000,000.00	49,908,500.00	2.380	2.431	2.464	07/31/2019	30

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<b>Federal Agency Discount Notes</b>											
313384HP7	39646	FHLB DISCOUNT	06/28/2019	100,000,000.00	100,000,000.00	100,000,000.00	2.000	2.028	2.056	07/01/2019	0
313384HP7	39647	FHLB DISCOUNT	06/28/2019	100,000,000.00	100,000,000.00	100,000,000.00	2.100	2.129	2.159	07/01/2019	0
313384HP7	39648	FHLB DISCOUNT	06/28/2019	10,000,000.00	10,000,000.00	10,000,000.00	2.000	2.028	2.056	07/01/2019	0
<b>Subtotal and Average</b>				<b>334,714,048.65</b>	<b>335,000,000.00</b>	<b>334,739,700.00</b>		<b>2.216</b>	<b>2.247</b>		<b>12</b>
<b>Local Agency Investment Fund</b>											
SYS8506	8506	LOCAL AGENCY INVEST FUND	07/01/2015	41,780,630.69	41,780,630.69	41,780,630.69	2.434	2.400	2.434		1
<b>Subtotal and Average</b>				<b>41,780,630.69</b>	<b>41,780,630.69</b>	<b>41,780,630.69</b>		<b>2.401</b>	<b>2.434</b>		<b>1</b>
<b>Money Market</b>											
SYS37590	37590	JP MORGAN US GOVT MMF	02/27/2017	301,131,398.63	301,131,398.63	301,131,398.63	2.250	2.219	2.250		1
SYS34292	34292	MORGAN STANLEY TRSY INSTL 8304	05/21/2013	270,000,000.00	270,000,000.00	270,000,000.00	2.190	2.160	2.190		1
SYS23519	23519	BLACKROCK TREASURY LIQ FUND	02/01/2008	476,992,652.50	476,992,652.50	476,992,652.50	2.260	2.229	2.260		1
<b>Subtotal and Average</b>				<b>1,048,124,051.13</b>	<b>1,048,124,051.13</b>	<b>1,048,124,051.13</b>		<b>2.208</b>	<b>2.239</b>		<b>1</b>
<b>Supranationals - Green Bond</b>											
45818WBU9	38324	IADB	12/21/2017	25,000,000.00	25,000,000.00	25,001,475.00	2.647	2.547	2.582	01/15/2022	929
<b>Subtotal and Average</b>				<b>25,000,000.00</b>	<b>25,000,000.00</b>	<b>25,001,475.00</b>		<b>2.547</b>	<b>2.583</b>		<b>929</b>
<b>Supranationals</b>											
4581XOCX4	37663	IADB	04/12/2017	34,976,759.05	35,000,000.00	34,865,530.00	1.625	1.680	1.704	05/12/2020	316
45818WBPO	38317	IADB	12/21/2017	45,024,270.85	45,000,000.00	45,003,150.00	2.667	2.512	2.547	07/15/2022	1,110
45818WBM7	38385	IADB	01/12/2018	20,076,129.69	20,000,000.00	20,065,800.00	2.797	2.444	2.478	07/15/2021	745
45818WBM7A	38739	IADB	05/30/2018	10,050,362.52	10,000,000.00	10,032,900.00	2.797	2.411	2.444	07/15/2021	745
4581X0DF2	39495	IADB	04/29/2019	17,159,366.74	17,000,000.00	17,535,415.00	2.625	2.372	2.405	01/16/2024	1,660
459058FA6	36653	INTL BANK RECON & DEVELOP	03/30/2016	19,988,567.50	20,000,000.00	19,893,480.00	1.376	1.435	1.455	03/30/2020	273
459058FK4	36881	INTL BANK RECON & DEVELOP	07/13/2016	39,999,667.63	40,000,000.00	39,924,360.00	0.876	0.869	0.881	08/15/2019	45
459058GQ0	39367	INTL BANK RECON & DEVELOP	04/02/2019	5,033,636.93	5,000,000.00	5,143,035.00	2.500	2.315	2.347	03/19/2024	1,723
<b>Subtotal and Average</b>				<b>192,308,760.91</b>	<b>192,000,000.00</b>	<b>192,463,670.00</b>		<b>1.877</b>	<b>1.904</b>		<b>665</b>
<b>ABS - Cont.</b>											
17305EFW0	37208	CITIBANK CREDIT CARD ISSUANCE	12/08/2016	39,998,967.12	40,000,000.00	39,919,564.00	1.750	1.725	1.749	11/19/2021	872

**Fund COMM - COMMINGLED POOL**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Subtotal and Average</b>				39,998,967.12	40,000,000.00	39,919,564.00		1.726	1.750	872
<b>Total Investments and Average</b>				8,564,901,891.54	8,571,033,105.68	8,588,362,463.83		2.242	2.273	436

**Fund WK - WORKERS COMP**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Mortgage Backed Securities (MBS)</b>											
3138LGKH8	39318	FNMA Multi-Family	03/19/2019	2,953,125.00	3,000,000.00	3,016,336.68	2.470	2.794	2.833	01/01/2024	1,645
<b>Subtotal and Average</b>				<b>2,953,125.00</b>	<b>3,000,000.00</b>	<b>3,016,336.68</b>		<b>2.795</b>	<b>2.834</b>		<b>1,645</b>
<b>Federal Agency Bonds</b>											
3133EJZU6	38872	FFCB NOTES	09/27/2018	2,993,253.55	3,000,000.00	3,063,822.00	2.850	2.915	2.956	09/20/2021	812
3133EJZH5	38879	FFCB NOTES	10/05/2018	992,842.65	1,000,000.00	1,029,921.00	2.800	2.997	3.038	09/13/2022	1,170
3133EJ3B3	39112	FFCB NOTES	12/24/2018	2,003,154.26	2,000,000.00	2,045,030.00	2.800	2.695	2.732	12/17/2021	900
3130A0F70	39114	FHLB NOTES	12/24/2018	1,534,415.17	1,500,000.00	1,595,806.50	3.375	2.778	2.817	12/08/2023	1,621
3137EAEC9	37310	FHLMC NOTES	12/30/2016	2,456,581.33	2,500,000.00	2,464,460.00	1.125	1.961	1.988	08/12/2021	773
3135G0R39	37309	FNMA NOTES	12/30/2016	3,494,547.25	3,500,000.00	3,487,081.50	1.000	1.489	1.510	10/24/2019	115
<b>Subtotal and Average</b>				<b>13,474,794.21</b>	<b>13,500,000.00</b>	<b>13,686,121.00</b>		<b>2.330</b>	<b>2.362</b>		<b>755</b>
<b>Money Market</b>											
SYS34789	34789	BLACKKROCK TREASURY LIQ FUND	12/26/2013	12,436,241.41	12,436,241.41	12,436,241.41	2.260	2.229	2.260		1
<b>Subtotal and Average</b>				<b>12,436,241.41</b>	<b>12,436,241.41</b>	<b>12,436,241.41</b>		<b>2.229</b>	<b>2.260</b>		<b>1</b>
<b>Total Investments and Average</b>				<b>28,864,160.62</b>	<b>28,936,241.41</b>	<b>29,138,699.09</b>		<b>2.334</b>	<b>2.366</b>		<b>521</b>



**Fund PCF - PARK CHARTER FUND**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Federal Agency Bonds</b>											
3133EJ3B3	39113	FFCB NOTES	12/24/2018	1,702,681.12	1,700,000.00	1,738,275.50	2.800	2.695	2.732	12/17/2021	900
3137EAEC9	37307	FHLMC NOTES	12/30/2016	491,316.27	500,000.00	492,892.00	1.125	1.961	1.988	08/12/2021	773
3135G0R39	37308	FNMA NOTES	12/30/2016	1,497,663.11	1,500,000.00	1,494,463.50	1.000	1.488	1.508	10/24/2019	115
<b>Subtotal and Average</b>				<b>3,691,660.50</b>	<b>3,700,000.00</b>	<b>3,725,631.00</b>		<b>2.108</b>	<b>2.137</b>		<b>564</b>
<b>Money Market</b>											
SYS33657	33657	BLACKROCK TREASURY LIQ FUND	09/30/2012	559,524.55	559,524.55	559,524.55	2.260	2.229	2.260		1
<b>Subtotal and Average</b>				<b>559,524.55</b>	<b>559,524.55</b>	<b>559,524.55</b>		<b>2.229</b>	<b>2.260</b>		<b>1</b>
<b>Total Investments and Average</b>				<b>4,251,185.05</b>	<b>4,259,524.55</b>	<b>4,285,155.55</b>		<b>2.124</b>	<b>2.153</b>		<b>490</b>

**Fund SJE - SAN JOSE- EVERGREEN**  
**Investments by Fund**  
**June 30, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
<b>Municipal Bonds</b>											
011770Z56	35082	ALASKA ST	05/08/2014	200,599.55	200,000.00	200,592.00	5.000	1.252	1.270	08/01/2019	31
011770Z56	35083	ALASKA ST	05/08/2014	250,749.44	250,000.00	250,740.00	5.000	1.252	1.270	08/01/2019	31
13063C5Q9	37543	CALIFORNIA ST	03/14/2017	545,695.10	500,000.00	557,455.00	5.000	1.844	1.870	08/01/2022	1,127
13063BFJ6	37573	CALIFORNIA ST	03/20/2017	425,334.08	400,000.00	410,944.00	5.250	2.661	2.698	03/01/2022	974
13063BAM4	37714	CALIFORNIA ST	03/08/2017	236,979.91	225,000.00	227,306.25	5.250	0.957	0.971	10/01/2021	823
20772JQ96	37546	Connecticut-F	03/09/2017	535,013.49	500,000.00	541,435.00	5.000	1.873	1.900	11/15/2021	868
341150M31	35185	FLORIDA STATE BOARD EDUCATION	06/27/2014	1,099,279.22	1,065,000.00	1,104,128.10	5.000	1.588	1.610	07/01/2020	366
373384YJ9	34915	GEORGIA ST	03/10/2014	350,000.00	350,000.00	350,000.00	5.000	1.035	1.050	07/01/2019	0
57582RKW5	37561	MASSACHUSETTS ST	03/16/2017	217,722.91	200,000.00	220,108.00	5.000	1.607	1.630	04/01/2022	1,005
6041294D5	35288	MINNESOTA ST	08/21/2014	207,389.59	200,000.00	208,022.00	5.000	1.410	1.430	08/01/2020	397
658256T93	35131	NORTH CAROLINA ST	06/05/2014	375,408.68	365,000.00	376,267.55	5.000	1.400	1.420	05/01/2020	305
677521Q82	37526	OHIO ST	03/08/2017	327,914.15	305,000.00	329,848.35	5.000	1.509	1.530	10/01/2021	823
924258ZN9	34946	VERMONT ST	03/21/2014	100,437.92	100,000.00	100,444.00	5.000	1.262	1.280	08/15/2019	45
93974CC65	37524	WASHINGTON ST	03/08/2017	535,119.12	500,000.00	536,665.00	5.000	1.352	1.371	07/01/2021	731
97705MFT7	37717	WISCONSIN STATE	03/29/2017	545,039.79	500,000.00	551,310.00	5.000	1.647	1.670	05/01/2022	1,035
<b>Subtotal and Average</b>				<b>5,952,682.95</b>	<b>5,660,000.00</b>	<b>5,965,265.25</b>		<b>1.588</b>	<b>1.610</b>		<b>630</b>
<b>Money Market - Tax Exempt</b>											
SYS33615	33615	Dreyfus Tax Exempt Inst	09/25/2012	11,225,960.18	11,225,960.18	11,225,960.18	1.640	1.617	1.640		1
<b>Subtotal and Average</b>				<b>11,225,960.18</b>	<b>11,225,960.18</b>	<b>11,225,960.18</b>		<b>1.618</b>	<b>1.640</b>		<b>1</b>
<b>Total Investments and Average</b>				<b>17,178,643.13</b>	<b>16,885,960.18</b>	<b>17,191,225.43</b>		<b>1.607</b>	<b>1.630</b>		<b>218</b>

**SANTA CLARA COUNTY INVESTMENTS**  
**Transaction Activity Report**  
**April 1, 2019 - June 30, 2019**  
**Sorted by Fund - Transaction Date**  
**COMMINGLED POOL Fund**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
39364	COMM	SYS39364	BCREPO 2.4% MAT	Purchase	04/01/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39363	COMM	313384DV8	FHDN DISC NOTE	Purchase	04/01/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
35799	COMM	3133EEWG1	FEDERAL FARM CR	Redemption	04/01/2019	FFCB NOTES		9,950,000.00		9,950,000.00
39360	COMM	313384DU0	FHDN DISC NOTE	Redemption	04/01/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
35799	COMM	3133EEWG1	FEDERAL FARM CR	Interest	04/01/2019	FFCB NOTES			64,675.00	64,675.00
36313	COMM	13063CSQ4	CALIFORNIA ST FOR	Interest	04/01/2019	CALIFORNIA ST			91,980.00	91,980.00
36648	COMM	3134G8S83	FEDERAL HOME LN	Interest	04/01/2019	FHLMC NOTES			150,000.00	150,000.00
36649	COMM	3134G8PD5	FEDERAL HOME LN	Interest	04/01/2019	FHLMC NOTES			135,000.00	135,000.00
36650	COMM	3134G8PD5	FEDERAL HOME LN	Interest	04/01/2019	FHLMC NOTES			25,076.25	25,076.25
36651	COMM	3134G8PD5	FEDERAL HOME LN	Interest	04/01/2019	FHLMC NOTES			43,031.25	43,031.25
36653	COMM	459058FA6	IBRD 1.375% MAT	Interest	04/01/2019	INTL BANK RECON &			137,600.00	137,600.00
36654	COMM	3134G8PD5	FEDERAL HOME LN	Interest	04/01/2019	FHLMC NOTES			84,375.00	84,375.00
36731	COMM	13063CP87	CALIFORNIA ST FOR	Interest	04/01/2019	CALIFORNIA ST			112,500.00	112,500.00
36880	COMM	3136G3SY2	FEDERAL NATL MTG	Interest	04/01/2019	FNMA NOTES			46,875.00	46,875.00
37017	COMM	3136G4BV4	FEDERAL NATL MTG	Interest	04/01/2019	FNMA NOTES			145,000.00	145,000.00
37523	COMM	65887PHS7	NORTH DAKOTA	Interest	04/01/2019	North Dakota State F			12,500.00	12,500.00
39366	COMM	SYS39366	BCREPO 2.43% MAT	Purchase	04/02/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39365	COMM	313384DW6	FHDN DISC NOTE	Purchase	04/02/2019	FHLB DISCOUNT	199,987,333.32			-199,987,333.32
39367	COMM	459058GQ0	IBRD 2.5% MAT	Purchase	04/02/2019	INTL BANK RECON &	5,039,913.89			-5,039,913.89
39363	COMM	313384DV8	FHDN DISC NOTE	Redemption	04/02/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39364	COMM	SYS39364	BCREPO 2.4% MAT	Redemption	04/02/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
35873	COMM	3137EADM8	FEDERAL HOME LN	Interest	04/02/2019	FHLMC NOTES			187,500.00	187,500.00
36322	COMM	3137EADM8	FEDERAL HOME LN	Interest	04/02/2019	FHLMC NOTES			62,500.00	62,500.00
36332	COMM	3137EADM8	FEDERAL HOME LN	Interest	04/02/2019	FHLMC NOTES			114,687.50	114,687.50
36337	COMM	3137EADM8	FEDERAL HOME LN	Interest	04/02/2019	FHLMC NOTES			50,000.00	50,000.00
36340	COMM	3137EADM8	FEDERAL HOME LN	Interest	04/02/2019	FHLMC NOTES			62,500.00	62,500.00
39364	COMM	SYS39364	BCREPO 2.4% MAT	Interest	04/02/2019	BARCLAYS CAPITAL			13,333.32	13,333.32
34292	COMM	SYS34292	MSTI 0. %	Interest	04/02/2019	MORGAN STANLEY			157.78	157.78
34292	COMM	SYS34292	MSTI 0. %	Purchase	04/02/2019	MORGAN STANLEY	157.78			-157.78
37590	COMM	SYS37590	JPM TE 0.44%	Interest	04/02/2019	JP MORGAN US			181,662.61	181,662.61
37590	COMM	SYS37590	JPM TE 0.44%	Purchase	04/02/2019	JP MORGAN US	181,662.61			-181,662.61
39368	COMM	SYS39368	BCREPO 2.42% MAT	Purchase	04/03/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39369	COMM	313384DX4	FHDN DISC NOTE	Purchase	04/03/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39370	COMM	313384DX4	FHDN DISC NOTE	Purchase	04/03/2019	FHLB DISCOUNT	99,993,750.00			-99,993,750.00

Portfolio SCL2

AP

**SANTA CLARA COUNTY INVESTMENTS**  
**Transaction Activity Report**  
**Sorted by Fund - Transaction Date**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
39365	COMM	313384DW6	FHDN DISC NOTE	Redemption	04/03/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39366	COMM	SYS39366	BCREPO 2.43% MAT	Redemption	04/03/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39366	COMM	SYS39366	BCREPO 2.43% MAT	Interest	04/03/2019	BARCLAYS CAPITAL			13,500.02	13,500.02
39371	COMM	SYS39371	BCREPO 2.43% MAT	Purchase	04/04/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39373	COMM	313384DY2	FHDN DISC NOTE	Purchase	04/04/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39374	COMM	313384DY2	FHDN DISC NOTE	Purchase	04/04/2019	FHLB DISCOUNT	99,993,750.00			-99,993,750.00
39372	COMM	3130ACF66	FEDERAL HOME	Purchase	04/04/2019	FHLB NOTES	20,545,883.11			-20,545,883.11
39352	COMM	31315KDX5	FRMDN DISC NOTE	Redemption	04/04/2019	FARMER MAC		25,000,000.00		25,000,000.00
39368	COMM	SYS39368	BCREPO 2.42% MAT	Redemption	04/04/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39369	COMM	313384DX4	FHDN DISC NOTE	Redemption	04/04/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39370	COMM	313384DX4	FHDN DISC NOTE	Redemption	04/04/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39368	COMM	SYS39368	BCREPO 2.42% MAT	Interest	04/04/2019	BARCLAYS CAPITAL			13,444.45	13,444.45
39375	COMM	SYS39375	BCREPO 2.43% MAT	Purchase	04/05/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39379	COMM	16677KRW5	CVX DISC NOTE	Purchase	04/05/2019	CHEVRON CORP.	49,916,319.45			-49,916,319.45
39377	COMM	313384EB1	FHDN DISC NOTE	Purchase	04/05/2019	FHLB DISCOUNT	199,962,500.00			-199,962,500.00
39378	COMM	313384EB1	FHDN DISC NOTE	Purchase	04/05/2019	FHLB DISCOUNT	99,981,250.00			-99,981,250.00
39376	COMM	3134GTBP7	FEDERAL HOME LN	Purchase	04/05/2019	FHLMC NOTES	25,000,000.00			-25,000,000.00
39380	COMM	24422MRW3	JDCCP DISC NOTE	Purchase	04/05/2019	John Deere Capital C	49,915,972.20			-49,915,972.20
39371	COMM	SYS39371	BCREPO 2.43% MAT	Redemption	04/05/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39373	COMM	313384DY2	FHDN DISC NOTE	Redemption	04/05/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39374	COMM	313384DY2	FHDN DISC NOTE	Redemption	04/05/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
37783	COMM	3135G0T45	FEDERAL NATL MTG	Interest	04/05/2019	FNMA NOTES			375,000.00	375,000.00
38163	COMM	3135G0T78	FEDERAL NATL MTG	Interest	04/05/2019	FNMA NOTES			50,000.00	50,000.00
38346	COMM	3133EGKD6	FEDERAL FARM CR	Interest	04/05/2019	FFCB NOTES			56,875.00	56,875.00
38389	COMM	3130ACK52	FEDERAL HOME	Interest	04/05/2019	FHLB NOTES			212,500.00	212,500.00
39107	COMM	3133EFX44	FEDERAL FARM CR	Interest	04/05/2019	FFCB NOTES			56,272.50	56,272.50
39107	COMM	3133EFX44	FEDERAL FARM CR	Accr Int	04/05/2019	FFCB NOTES		24,697.38	-24,697.38	0.00
39371	COMM	SYS39371	BCREPO 2.43% MAT	Interest	04/05/2019	BARCLAYS CAPITAL			13,500.01	13,500.01
39415	COMM	SYS39415	BCREPO 2.43% MAT	Purchase	04/08/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39389	COMM	30229BT31	EX DISC NOTE MAT	Purchase	04/08/2019	EXXON	49,809,444.44			-49,809,444.44
39390	COMM	30229BT31	EX DISC NOTE MAT	Purchase	04/08/2019	EXXON	49,809,444.44			-49,809,444.44
39383	COMM	313370E38	FEDERAL HOME	Purchase	04/08/2019	FHLB NOTES	10,216,650.00			-10,216,650.00
39393	COMM	313370E38	FEDERAL HOME	Purchase	04/08/2019	FHLB NOTES	23,800,152.08			-23,800,152.08
39385	COMM	313384EC9	FHLBD DISC NOTE	Purchase	04/08/2019	FHLB DISCO	199,987,500.00			-199,987,500.00
39386	COMM	313384EC9	FHLBD DISC NOTE	Purchase	04/08/2019	FHLB DISCO	99,993,750.00			-99,993,750.00
39391	COMM	55379WF68	MUFG 2.54% MAT	Purchase	04/08/2019	MUFG Mitsubishi	50,000,000.00			-50,000,000.00
39392	COMM	55379WF68	MUFG 2.54% MAT	Purchase	04/08/2019	MUFG Mitsubishi	20,000,000.00			-20,000,000.00
39381	COMM	912796UZ09	USTB DISC NOTE	Purchase	04/08/2019	U S TREASURY BILL	49,927,888.89			-49,927,888.89
39431	COMM	912796UZ09	USTB DISC NOTE	Purchase	04/08/2019	U S TREASURY BILL	49,927,736.11			-49,927,736.11
39388	COMM	459052HH2	WBDN DISC NOTE	Purchase	04/08/2019	World Bank Discount	49,738,916.50			-49,738,916.50

**SANTA CLARA COUNTY INVESTMENTS**  
**Transaction Activity Report**  
**Sorted by Fund - Transaction Date**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
39375	COMM	SYS39375	BCREPO 2.43% MAT	Redemption	04/08/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39377	COMM	313384EB1	FHDN DISC NOTE	Redemption	04/08/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39378	COMM	313384EB1	FHDN DISC NOTE	Redemption	04/08/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
36679	COMM	3130A7PU3	FEDERAL HOME	Interest	04/08/2019	FHLB NOTES			60,000.00	60,000.00
37639	COMM	3133EHEZ2	FEDERAL FARM CR	Interest	04/08/2019	FFCB NOTES			120,000.00	120,000.00
39375	COMM	SYS39375	BCREPO 2.43% MAT	Interest	04/08/2019	BARCLAYS CAPITAL			40,499.98	40,499.98
39398	COMM	SYS39398	BCREPO 2.42% MAT	Purchase	04/09/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39402	COMM	17327BUX1	CITIGR DISC NOTE	Purchase	04/09/2019	CITIGROUP GLOBAL	49,604,500.00			-49,604,500.00
39403	COMM	17327BUX1	CITIGR DISC NOTE	Purchase	04/09/2019	CITIGROUP GLOBAL	9,920,900.00			-9,920,900.00
39396	COMM	313384ED7	FHLBD DISC NOTE	Purchase	04/09/2019	FHLB DISCOUNT	199,987,333.32			-199,987,333.32
39397	COMM	313384ED7	FHLBD DISC NOTE	Purchase	04/09/2019	FHLB DISCOUNT	199,987,333.32			-199,987,333.32
39400	COMM	313384JV2X	FHDN DISC NOTE	Purchase	04/09/2019	FHLB DISCOUNT	49,626,472.22			-49,626,472.22
39395	COMM	63763QTM9	NSCCPP DISC NOTE	Purchase	04/09/2019	NATL SEC	49,747,541.67			-49,747,541.67
39385	COMM	313384EC9	FHLBD DISC NOTE	Redemption	04/09/2019	FHLB DISCO		200,000,000.00		200,000,000.00
39386	COMM	313384EC9	FHLBD DISC NOTE	Redemption	04/09/2019	FHLB DISCO		100,000,000.00		100,000,000.00
39415	COMM	SYS39415	BCREPO 2.43% MAT	Redemption	04/09/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39415	COMM	SYS39415	BCREPO 2.43% MAT	Interest	04/09/2019	BARCLAYS CAPITAL			13,500.01	13,500.01
39420	COMM	SYS39420	BCREPO 2.42% MAT	Purchase	04/10/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39418	COMM	09702MUA9	BOEING DISC NOTE	Purchase	04/10/2019	Boeing Company	49,671,389.00			-49,671,389.00
39419	COMM	09702MUA9	BOEING DISC NOTE	Purchase	04/10/2019	Boeing Company	7,450,708.35			-7,450,708.35
39401	COMM	16677KUX9	CHEVRO DISC NOTE	Purchase	04/10/2019	CHEVRON	39,696,355.56			-39,696,355.56
39421	COMM	313384EE52	FHDN DISC NOTE	Purchase	04/10/2019	FHLB DISCOUNT	99,993,611.12			-99,993,611.12
39422	COMM	313384EE52	FHDN DISC NOTE	Purchase	04/10/2019	FHLB DISCOUNT	199,987,222.24			-199,987,222.24
39413	COMM	9113A3TM6	UPS DISC NOTE	Purchase	04/10/2019	UNITED PARCEL	49,762,000.00			-49,762,000.00
39396	COMM	313384ED7	FHLBD DISC NOTE	Redemption	04/10/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39397	COMM	313384ED7	FHLBD DISC NOTE	Redemption	04/10/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39398	COMM	SYS39398	BCREPO 2.42% MAT	Redemption	04/10/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39398	COMM	SYS39398	BCREPO 2.42% MAT	Interest	04/10/2019	BARCLAYS CAPITAL			13,444.43	13,444.43
39423	COMM	SYS39423	BCREPO 2.4% MAT	Purchase	04/11/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39425	COMM	313384EF2	FHDN DISC NOTE	Purchase	04/11/2019	FHLB DISCOUNT	99,993,611.12			-99,993,611.12
39426	COMM	313384EF2	FHDN DISC NOTE	Purchase	04/11/2019	FHLB DISCOUNT	199,987,222.24			-199,987,222.24
39427	COMM	313384EF2	FHDN DISC NOTE	Purchase	04/11/2019	FHLB DISCOUNT	49,996,805.56			-49,996,805.56
39428	COMM	63873KRC3	NATXNY DISC NOTE	Purchase	04/11/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
34292	COMM	SYS34292	MSTI 0.%	Purchase	04/11/2019	MORGAN STANLEY	100,000,000.00			-100,000,000.00
37590	COMM	SYS37590	JPM TE 0.44%	Purchase	04/11/2019	JP MORGAN US	300,000,000.00			-300,000,000.00
39420	COMM	SYS39420	BCREPO 2.42% MAT	Redemption	04/11/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39421	COMM	313384EE52	FHDN DISC NOTE	Redemption	04/11/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39422	COMM	313384EE52	FHDN DISC NOTE	Redemption	04/11/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39022	COMM	3133EHFD0	FEDERAL FARM CR	Interest	04/11/2019	FFCB NOTES			58,200.00	58,200.00
39022	COMM	3133EHFD0	FEDERAL FARM CR	Accr Int	04/11/2019	FFCB NOTES		15,843.33	-15,843.33	0.00

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39420	COMM	SYS39420	BCREPO 2.42% MAT	Interest	04/11/2019	BARCLAYS CAPITAL			13,444.45	13,444.45
39437	COMM	SYS39437	BCREPO 2.4% MAT	Purchase	04/12/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39432	COMM	313384EJ4X	FHDN DISC NOTE	Purchase	04/12/2019	FHLB DISCOUNT	199,961,666.68			-199,961,666.68
39433	COMM	313384EJ4X	FHDN DISC NOTE	Purchase	04/12/2019	FHLB DISCOUNT	99,980,833.34			-99,980,833.34
39434	COMM	313384EJ4X	FHDN DISC NOTE	Purchase	04/12/2019	FHLB DISCOUNT	49,990,416.67			-49,990,416.67
39435	COMM	63873KRF6	NATXNY DISC NOTE	Purchase	04/12/2019	Natixis NY Branch	99,980,000.00			-99,980,000.00
39439	COMM	89236TFX8	TOYOTA MOTOR	Purchase	04/12/2019	TOYOTA MOTOR	24,984,250.00			-24,984,250.00
39436	COMM	9113A3RF3	UPS DISC NOTE	Purchase	04/12/2019	UNITED PARCEL	39,992,266.67			-39,992,266.67
39438	COMM	912828TH3	UNITED STATES	Purchase	04/12/2019	U.S. TREASURY	34,901,471.86			-34,901,471.86
39423	COMM	SYS39423	BCREPO 2.4% MAT	Redemption	04/12/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39425	COMM	313384EF2	FHDN DISC NOTE	Redemption	04/12/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39426	COMM	313384EF2	FHDN DISC NOTE	Redemption	04/12/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39427	COMM	313384EF2	FHDN DISC NOTE	Redemption	04/12/2019	FHLB DISCOUNT		50,000,000.00		50,000,000.00
39428	COMM	63873KRC3	NATXNY DISC NOTE	Redemption	04/12/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
38310	COMM	3133EGYC3	FEDERAL FARM CR	Interest	04/12/2019	FFCB NOTES			73,957.50	73,957.50
38858	COMM	3130A9MR9	FEDERAL HOME	Interest	04/12/2019	FHLB NOTES			79,901.25	79,901.25
39423	COMM	SYS39423	BCREPO 2.4% MAT	Interest	04/12/2019	BARCLAYS CAPITAL			13,333.34	13,333.34
39440	COMM	SYS39440	BCREPO 2.43% MAT	Purchase	04/15/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39441	COMM	313384EK1	FHDN DISC NOTE	Purchase	04/15/2019	FHLB DISCOUNT	149,990,416.68			-149,990,416.68
39442	COMM	313384EK1	FHDN DISC NOTE	Purchase	04/15/2019	FHLB DISCOUNT	199,987,222.24			-199,987,222.24
39443	COMM	313384EK1	FHDN DISC NOTE	Purchase	04/15/2019	FHLB DISCOUNT	99,993,611.12			-99,993,611.12
8506	COMM	SYS8506	LAIF 1.65%	Purchase	04/15/2019	LOCAL AGENCY	260,448.78			-260,448.78
36753	COMM	89231UAD9	TOYO 1.3% MAT	Redemption	04/15/2019	TOYOTA AUTO REC		167,896.29		167,896.29
36753	COMM	89231UAD9	TOYO 1.3% MAT	Cap G/L	04/15/2019	TOYOTA AUTO REC		8.58		8.58
39432	COMM	313384EJ4X	FHDN DISC NOTE	Redemption	04/15/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39433	COMM	313384EJ4X	FHDN DISC NOTE	Redemption	04/15/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39434	COMM	313384EJ4X	FHDN DISC NOTE	Redemption	04/15/2019	FHLB DISCOUNT		50,000,000.00		50,000,000.00
39435	COMM	63873KRF6	NATXNY DISC NOTE	Redemption	04/15/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39436	COMM	9113A3RF3	UPS DISC NOTE	Redemption	04/15/2019	UNITED PARCEL		40,000,000.00		40,000,000.00
39437	COMM	SYS39437	BCREPO 2.4% MAT	Redemption	04/15/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
36688	COMM	3133EF2L0	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			140,000.00	140,000.00
36689	COMM	3133EF2L0	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			105,000.00	105,000.00
36690	COMM	3133EF2L0	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			105,000.00	105,000.00
36753	COMM	89231UAD9	TOYO 1.3% MAT	Interest	04/15/2019	TOYOTA AUTO REC			559.70	559.70
37665	COMM	3133EHFL2	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			116,250.00	116,250.00
37666	COMM	3133EHFL2	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			77,500.00	77,500.00
37667	COMM	3133EHFL2	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			77,500.00	77,500.00
38317	COMM	45818WBP0	IADB 1.42917% MAT	Interest	04/15/2019	IADB			321,300.00	321,300.00
38324	COMM	45818WBU9	IADB 1.64203% MAT	Interest	04/15/2019	IADB			177,250.00	177,250.00
38385	COMM	45818WBM7	IADB 1.92152% MAT	Interest	04/15/2019	IADB			149,400.00	149,400.00

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38506	COMM	3133EJGH6	FEDERAL FARM CR	Interest	04/15/2019	FFCB NOTES			280,600.00	<b>280,600.00</b>
38739	COMM	45818WBM7A	IADB 1.92152% MAT	Interest	04/15/2019	IADB			74,700.00	<b>74,700.00</b>
39437	COMM	SYS39437	BCREPO 2.4% MAT	Interest	04/15/2019	BARCLAYS CAPITAL			40,000.00	<b>40,000.00</b>
36557	COMM	65478UAD1	NALT 1.34% MAT	Interest	04/15/2019	NISSAN AUTO			1,481.08	<b>1,481.08</b>
36557	COMM	65478UAD1	NALT 1.34% MAT	Redemption	04/15/2019	NISSAN AUTO		252,440.90		<b>252,440.90</b>
36600	COMM	47788MAC4	JDOT 1.36% MAT	Interest	04/15/2019	JOHN DEERE			496.36	<b>496.36</b>
36600	COMM	47788MAC4	JDOT 1.36% MAT	Redemption	04/15/2019	JOHN DEERE		398,798.93		<b>398,798.93</b>
36601	COMM	89237KAD5	TAOT 1.25% MAT	Interest	04/15/2019	TOYOTA AUTO REC			1,017.59	<b>1,017.59</b>
36601	COMM	89237KAD5	TAOT 1.25% MAT	Redemption	04/15/2019	TOYOTA AUTO REC		566,264.45		<b>566,264.45</b>
36800	COMM	43814QAC2	HAROT 1.39% MAT	Interest	04/15/2019	HONDA AUTO			1,697.34	<b>1,697.34</b>
36800	COMM	43814QAC2	HAROT 1.39% MAT	Redemption	04/15/2019	HONDA AUTO		504,787.45		<b>504,787.45</b>
36905	COMM	47788NAC2	JDOT 1.25% MAT	Interest	04/15/2019	JOHN DEERE			1,760.21	<b>1,760.21</b>
36905	COMM	47788NAC2	JDOT 1.25% MAT	Redemption	04/15/2019	JOHN DEERE		391,882.88		<b>391,882.88</b>
36929	COMM	161571HF47	CHAIT 1.27% MAT	Interest	04/15/2019	CHASE ISSUANCE			24,341.66	<b>24,341.66</b>
36929	COMM	161571HF47	CHAIT 1.27% MAT	Redemption	04/15/2019	CHASE ISSUANCE		923,622.80		<b>923,622.80</b>
36956	COMM	58769BAD6	MBART 1.26% MAT	Interest	04/15/2019	MERCEDES -BENZ			4,228.98	<b>4,228.98</b>
36956	COMM	58769BAD6	MBART 1.26% MAT	Redemption	04/15/2019	MERCEDES -BENZ		501,060.89		<b>501,060.89</b>
37035	COMM	89231LAD9	TAOT 1.23% MAT	Interest	04/15/2019	TOYOTA AUTO REC			5,964.41	<b>5,964.41</b>
37035	COMM	89231LAD9	TAOT 1.23% MAT	Redemption	04/15/2019	TOYOTA AUTO REC		829,148.94		<b>829,148.94</b>
37507	COMM	47787XAC1	JDOT 1.78% MAT	Interest	04/15/2019	JOHN DEERE			8,410.14	<b>8,410.14</b>
37507	COMM	47787XAC1	JDOT 1.78% MAT	Redemption	04/15/2019	JOHN DEERE		560,731.32		<b>560,731.32</b>
37568	COMM	89238MAD0	TAOT 1.73% MAT	Interest	04/15/2019	TOYOTA AUTO REC			10,017.27	<b>10,017.27</b>
37568	COMM	89238MAD0	TAOT 1.73% MAT	Redemption	04/15/2019	TOYOTA AUTO REC		664,870.65		<b>664,870.65</b>
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Interest	04/15/2019	American Express			46,466.68	<b>46,466.68</b>
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Redemption	04/15/2019	American Express		1,136,982.94		<b>1,136,982.94</b>
37976	COMM	43811BAC8	HAROT 1.68% MAT	Interest	04/15/2019	HONDA AUTO			34,813.07	<b>34,813.07</b>
37976	COMM	43811BAC8	HAROT 1.68% MAT	Redemption	04/15/2019	HONDA AUTO		1,719,630.95		<b>1,719,630.95</b>
38137	COMM	89238KAD4	TAOT 1.93% MAT	Interest	04/15/2019	TOYOTA AUTO REC			38,599.99	<b>38,599.99</b>
38137	COMM	89238KAD4	TAOT 1.93% MAT	Redemption	04/15/2019	TOYOTA AUTO REC		734,241.69		<b>734,241.69</b>
38475	COMM	65478DAD9	NALT 2.65% MAT	Interest	04/15/2019	NISSAN AUTO			40,854.16	<b>40,854.16</b>
38475	COMM	65478DAD9	NALT 2.65% MAT	Redemption	04/15/2019	NISSAN AUTO		497,347.28		<b>497,347.28</b>
38476	COMM	47788CAC6	JDOT 2.66% MAT	Interest	04/15/2019	JOHN DEERE			18,287.50	<b>18,287.50</b>
38476	COMM	47788CAC6	JDOT 2.66% MAT	Redemption	04/15/2019	JOHN DEERE		225,948.78		<b>225,948.78</b>
38646	COMM	02582JHQ6	AMXCA 2.67% MAT	Interest	04/15/2019	American Express			100,125.00	<b>100,125.00</b>
38646	COMM	02582JHQ6	AMXCA 2.67% MAT	Redemption	04/15/2019	American Express		1,071,037.88		<b>1,071,037.88</b>
38708	COMM	161571HN7	CHAIT 2.1227% MAT	Interest	04/15/2019	CHASE ISSUANCE			85,507.26	<b>85,507.26</b>
38708	COMM	161571HN7	CHAIT 2.1227% MAT	Redemption	04/15/2019	CHASE ISSUANCE		639,480.40		<b>639,480.40</b>
38785	COMM	58769DAE0	MBALT 2.01% MAT	Interest	04/15/2019	MERCEDES-BENZ			6,700.00	<b>6,700.00</b>
38785	COMM	58769DAE0	MBALT 2.01% MAT	Redemption	04/15/2019	MERCEDES-BENZ		96,370.49		<b>96,370.49</b>
38958	COMM	89231PAD0	TAOT 3.18% MAT	Interest	04/15/2019	TOYOTA AUTO REC			26,500.00	<b>26,500.00</b>

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38958	COMM	89231PAD0	TAOT 3.18% MAT	Redemption	04/15/2019	TOYOTA AUTO REC		203,803.60		203,803.60
39013	COMM	43815AAC6	HAROT 3.16% MAT	Interest	04/15/2019	HONDA AUTO			57,274.99	57,274.99
39013	COMM	43815AAC6	HAROT 3.16% MAT	Redemption	04/15/2019	HONDA AUTO		453,103.71		453,103.71
39062	COMM	05522RCZ9	BACCT 3.0% MAT	Interest	04/15/2019	BANK OF AMERICA			50,350.00	50,350.00
39062	COMM	05522RCZ9	BACCT 3.0% MAT	Redemption	04/15/2019	BANK OF AMERICA		382,245.46		382,245.46
39082	COMM	05522RDA3	BACCT 3.1% MAT	Interest	04/15/2019	BANK OF AMERICA			38,750.00	38,750.00
39082	COMM	05522RDA3	BACCT 3.1% MAT	Redemption	04/15/2019	BANK OF AMERICA		261,933.70		261,933.70
39190	COMM	58772TAC4	MBALT 3.1% MAT	Interest	04/15/2019	MERCEDES-BENZ			25,833.33	25,833.33
39190	COMM	58772TAC4	MBALT 3.1% MAT	Redemption	04/15/2019	MERCEDES-BENZ		305,018.89		305,018.89
39220	COMM	05522RCY2	BACCT 2.7% MAT	Interest	04/15/2019	BANK OF AMERICA			56,250.00	56,250.00
39220	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	04/15/2019	BANK OF AMERICA		497,244.02		497,244.02
39320	COMM	05522RCY2	BACCT 2.7% MAT	Interest	04/15/2019	BANK OF AMERICA			45,000.00	45,000.00
39320	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	04/15/2019	BANK OF AMERICA				0.00
39320	COMM	05522RCY2	BACCT 2.7% MAT	Interest	04/15/2019	BANK OF AMERICA			-6,000.00	-6,000.00
39320	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	04/15/2019	BANK OF AMERICA				0.00
8506	COMM	SYS8506	LAIF 1.65%	Interest	04/15/2019	LOCAL AGENCY			260,448.78	260,448.78
39444	COMM	SYS39444	BCREPO 2.42% MAT	Purchase	04/16/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39445	COMM	313384EL9	FHDN DISC NOTE	Purchase	04/16/2019	FHLB DISCOUNT	99,993,555.56			-99,993,555.56
39446	COMM	313384EL9	FHDN DISC NOTE	Purchase	04/16/2019	FHLB DISCOUNT	199,987,111.12			-199,987,111.12
39447	COMM	313384EL9	FHDN DISC NOTE	Purchase	04/16/2019	FHLB DISCOUNT	149,990,333.34			-149,990,333.34
39440	COMM	SYS39440	BCREPO 2.43% MAT	Redemption	04/16/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39441	COMM	313384EK1	FHDN DISC NOTE	Redemption	04/16/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39442	COMM	313384EK1	FHDN DISC NOTE	Redemption	04/16/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39443	COMM	313384EK1	FHDN DISC NOTE	Redemption	04/16/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39440	COMM	SYS39440	BCREPO 2.43% MAT	Interest	04/16/2019	BARCLAYS CAPITAL			13,499.99	13,499.99
39448	COMM	SYS39448	BCREPO 2.47% MAT	Purchase	04/17/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39449	COMM	313384EM7	FHDN DISC NOTE	Purchase	04/17/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39450	COMM	313384EM7	FHDN DISC NOTE	Purchase	04/17/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39451	COMM	63873KRJ8	NATXNY DISC NOTE	Purchase	04/17/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39452	COMM	89236TFX8	TOYOTA MOTOR	Purchase	04/17/2019	TOYOTA MOTOR	14,988,870.83			-14,988,870.83
39444	COMM	SYS39444	BCREPO 2.42% MAT	Redemption	04/17/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39445	COMM	313384EL9	FHDN DISC NOTE	Redemption	04/17/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39446	COMM	313384EL9	FHDN DISC NOTE	Redemption	04/17/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39447	COMM	313384EL9	FHDN DISC NOTE	Redemption	04/17/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
37702	COMM	89236TDU6	TOYOTA MOTOR	Interest	04/17/2019	TOYOTA MOTOR			48,750.00	48,750.00
39444	COMM	SYS39444	BCREPO 2.42% MAT	Interest	04/17/2019	BARCLAYS CAPITAL			13,444.46	13,444.46
39456	COMM	SYS39456	BCREPO 2.46% MAT	Purchase	04/18/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39453	COMM	313384ER6	FHDN DISC NOTE	Purchase	04/18/2019	FHLB DISCOUNT	199,947,111.12			-199,947,111.12
39454	COMM	313384ER6	FHDN DISC NOTE	Purchase	04/18/2019	FHLB DISCOUNT	199,947,111.12			-199,947,111.12
39457	COMM	3138EKX67	FNMAM 2.537% MAT	Purchase	04/18/2019	FNMA Multi-Family	16,631,246.22			-16,631,246.22



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39455	COMM	63873KRN9	NATXNY DISC NOTE	Purchase	04/18/2019	Natixis NY Branch	99,973,333.34			-99,973,333.34
36587	COMM	43814NAC9	HAROT 1.22% MAT	Redemption	04/18/2019	HONDA AUTO		20,170.94		20,170.94
39448	COMM	SYS39448	BCREPO 2.47% MAT	Redemption	04/18/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39449	COMM	313384EM7	FHDN DISC NOTE	Redemption	04/18/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39450	COMM	313384EM7	FHDN DISC NOTE	Redemption	04/18/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39451	COMM	63873KRJ8	NATXNY DISC NOTE	Redemption	04/18/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
37057	COMM	89236TDH5	TOYOTA MOTOR	Interest	04/18/2019	TOYOTA MOTOR			38,750.00	38,750.00
39448	COMM	SYS39448	BCREPO 2.47% MAT	Interest	04/18/2019	BARCLAYS CAPITAL			13,722.23	13,722.23
36587	COMM	43814NAC9	HAROT 1.22% MAT	Interest	04/18/2019	HONDA AUTO			20.51	20.51
36587	COMM	43814NAC9	HAROT 1.22% MAT	Redemption	04/18/2019	HONDA AUTO		2,327.25		2,327.25
36587	COMM	43814NAC9	HAROT 1.22% MAT	Interest	04/18/2019	HONDA AUTO				0.00
36587	COMM	43814NAC9	HAROT 1.22% MAT	Redemption	04/18/2019	HONDA AUTO				0.00
37059	COMM	43814RAC0	HAROT 1.21% MAT	Interest	04/18/2019	HONDA AUTO			5,658.15	5,658.15
37059	COMM	43814RAC0	HAROT 1.21% MAT	Redemption	04/18/2019	HONDA AUTO		640,197.71		640,197.71
38738	COMM	43814UAG4	HAROT 3.01% MAT	Interest	04/18/2019	HONDA AUTO			30,100.00	30,100.00
38738	COMM	43814UAG4	HAROT 3.01% MAT	Redemption	04/18/2019	HONDA AUTO		323,033.90		323,033.90
39269	COMM	43814WAC9	HAROT 2.83% MAT	Interest	04/18/2019	HONDA AUTO			32,427.08	32,427.08
39269	COMM	43814WAC9	HAROT 2.83% MAT	Redemption	04/18/2019	HONDA AUTO		269,537.32		269,537.32
38943	COMM	3133EJK24	FEDERAL FARM CR	Interest	04/19/2019	FFCB NOTES			225,000.00	225,000.00
38943	COMM	3133EJK24	FEDERAL FARM CR	Accr Int	04/19/2019	FFCB NOTES		15,000.00	-15,000.00	0.00
39460	COMM	SYS39460	BCREPO 2.43% MAT	Purchase	04/22/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39458	COMM	313384ES4	FHDN DISC NOTE	Purchase	04/22/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39459	COMM	313384ES4	FHDN DISC NOTE	Purchase	04/22/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39461	COMM	63873KRP4	NATXNY DISC NOTE	Purchase	04/22/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39462	COMM	912796QM4	UNITED STATES	Purchase	04/22/2019	U.S. TREASURY	99,611,583.30			-99,611,583.30
39453	COMM	313384ER6	FHDN DISC NOTE	Redemption	04/22/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39454	COMM	313384ER6	FHDN DISC NOTE	Redemption	04/22/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39455	COMM	63873KRN9	NATXNY DISC NOTE	Redemption	04/22/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39456	COMM	SYS39456	BCREPO 2.46% MAT	Redemption	04/22/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
37725	COMM	3133EHGA5	FEDERAL FARM CR	Interest	04/22/2019	FFCB NOTES			180,000.00	180,000.00
37835	COMM	3137EAEF2	FHLMC 1.375% MAT	Interest	04/22/2019	FHLMC NOTES			309,375.00	309,375.00
39456	COMM	SYS39456	BCREPO 2.46% MAT	Interest	04/22/2019	BARCLAYS CAPITAL			54,666.65	54,666.65
37615	COMM	43814TAC6	HAROT 1.72% MAT	Interest	04/22/2019	HONDA AUTO			15,648.60	15,648.60
37615	COMM	43814TAC6	HAROT 1.72% MAT	Redemption	04/22/2019	HONDA AUTO		880,509.45		880,509.45
39327	COMM	05586VAD4	BMWLT 3.38% MAT	Interest	04/22/2019	BMW VEHICLE			18,250.00	18,250.00
39327	COMM	05586VAD4	BMWLT 3.38% MAT	Redemption	04/22/2019	BMW VEHICLE		171,016.50		171,016.50
39463	COMM	SYS39463	BCREPO 2.45% MAT	Purchase	04/23/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39467	COMM	09702MUP6	BOEING DISC NOTE	Purchase	04/23/2019	Boeing Company	49,671,388.89			-49,671,388.89
39464	COMM	313384ET2	FHDN DISC NOTE	Purchase	04/23/2019	FHLB DISCOUNT	199,986,833.32			-199,986,833.32
39465	COMM	313384ET2	FHDN DISC NOTE	Purchase	04/23/2019	FHLB DISCOUNT	199,986,833.32			-199,986,833.32

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39466	COMM	63873KRQ2	NATXNY DISC NOTE	Purchase	04/23/2019	Natixis NY Branch	107,992,800.01			-107,992,800.01
39458	COMM	313384ES4	FHDN DISC NOTE	Redemption	04/23/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39459	COMM	313384ES4	FHDN DISC NOTE	Redemption	04/23/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39460	COMM	SYS39460	BCREPO 2.43% MAT	Redemption	04/23/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39461	COMM	63873KRP4	NATXNY DISC NOTE	Redemption	04/23/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39460	COMM	SYS39460	BCREPO 2.43% MAT	Interest	04/23/2019	BARCLAYS CAPITAL			13,500.00	13,500.00
39468	COMM	SYS39468	BCREPO 2.41% MAT	Purchase	04/24/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39469	COMM	313384EU9	FHDN DISC NOTE	Purchase	04/24/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39470	COMM	313384EU9	FHDN DISC NOTE	Purchase	04/24/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39472	COMM	3134GTGT4	FEDERAL HOME LN	Purchase	04/24/2019	FHLMC NOTES	25,000,000.00			-25,000,000.00
39473	COMM	3134GTFW8	FEDERAL HOME LN	Purchase	04/24/2019	FHLMC NOTES	25,000,000.00			-25,000,000.00
39471	COMM	63873KRR0	NATXNY DISC NOTE	Purchase	04/24/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39463	COMM	SYS39463	BCREPO 2.45% MAT	Redemption	04/24/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39464	COMM	313384ET2	FHDN DISC NOTE	Redemption	04/24/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39465	COMM	313384ET2	FHDN DISC NOTE	Redemption	04/24/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39466	COMM	63873KRQ2	NATXNY DISC NOTE	Redemption	04/24/2019	Natixis NY Branch		108,000,000.00		108,000,000.00
37641	COMM	3130AB3T1	FEDERAL HOME	Interest	04/24/2019	FHLB NOTES			175,000.00	175,000.00
38907	COMM	90333VZU7	USBKMN 2.91% MAT	Interest	04/24/2019	US BANK			509,250.00	509,250.00
39463	COMM	SYS39463	BCREPO 2.45% MAT	Interest	04/24/2019	BARCLAYS CAPITAL			13,611.12	13,611.12
39474	COMM	SYS39474	BCREPO 2.41% MAT	Purchase	04/25/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39475	COMM	313384EV7	FHDN DISC NOTE	Purchase	04/25/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39476	COMM	313384EV7	FHDN DISC NOTE	Purchase	04/25/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39478	COMM	3134GTJV6	FEDERAL HOME LN	Purchase	04/25/2019	FHLMC NOTES	40,000,000.00			-40,000,000.00
39477	COMM	63873KRS8	NATXNY DISC NOTE	Purchase	04/25/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39480	COMM	7426M3TM1	PEFCO DISC NOTE	Purchase	04/25/2019	PRIVATE EXPORT	24,904,208.33			-24,904,208.33
39479	COMM	71708FUX8	PFIZER DISC NOTE	Purchase	04/25/2019	PFIZER	49,665,888.89			-49,665,888.89
39468	COMM	SYS39468	BCREPO 2.41% MAT	Redemption	04/25/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39469	COMM	313384EU9	FHDN DISC NOTE	Redemption	04/25/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39470	COMM	313384EU9	FHDN DISC NOTE	Redemption	04/25/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39471	COMM	63873KRR0	NATXNY DISC NOTE	Redemption	04/25/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39468	COMM	SYS39468	BCREPO 2.41% MAT	Interest	04/25/2019	BARCLAYS CAPITAL			13,388.89	13,388.89
36893	COMM	05582QAD9	BMWOT 1.16% MAT	Interest	04/25/2019	BMW VEHICLE			2,833.69	2,833.69
36893	COMM	05582QAD9	BMWOT 1.16% MAT	Redemption	04/25/2019	BMW VEHICLE		512,739.06		512,739.06
38387	COMM	3137AYCE9		Interest	04/25/2019	FHLMC Multi-Family			44,700.00	44,700.00
38387	COMM	3137AYCE9		Redemption	04/25/2019	FHLMC Multi-Family		537,891.61		537,891.61
38391	COMM	3137AYCE9		Interest	04/25/2019	FHLMC Multi-Family			16,762.50	16,762.50
38391	COMM	3137AYCE9		Redemption	04/25/2019	FHLMC Multi-Family		201,608.04		201,608.04
38412	COMM	09659QAD9	BMWOT 2.35% MAT	Interest	04/25/2019	BMW VEHICLE			62,666.66	62,666.66
38412	COMM	09659QAD9	BMWOT 2.35% MAT	Redemption	04/25/2019	BMW VEHICLE		913,752.36		913,752.36
38465	COMM	3137AWQH1	FHLMCM 2.307%	Interest	04/25/2019	FHLMC Multi-Family			10,727.55	10,727.55

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38465	COMM	3137AWQH1	FHLMCM 2.307%	Redemption	04/25/2019	FHLMC Multi-Family		152,400.74		152,400.74
38477	COMM	3138LAYM5	FHLMCM 2.55% MAT	Interest	04/25/2019	FNMA Multi-Family			7,740.80	7,740.80
38477	COMM	3138LAYM5	FHLMCM 2.55% MAT	Redemption	04/25/2019	FNMA Multi-Family		5,529.64		5,529.64
38643	COMM	3137B36J2	FHLMCM 3.32% MAT	Interest	04/25/2019	FHLMC Multi-Family			55,333.34	55,333.34
38643	COMM	3137B36J2	FHLMCM 3.32% MAT	Redemption	04/25/2019	FHLMC Multi-Family		499,519.10		499,519.10
38664	COMM	3136B1XP4	FNMAM 3.56% MAT	Interest	04/25/2019	FNMA Multi-Family			10,427.57	10,427.57
38664	COMM	3136B1XP4	FNMAM 3.56% MAT	Redemption	04/25/2019	FNMA Multi-Family		66,103.75		66,103.75
38665	COMM	3136B1XP4	FNMAM 3.56% MAT	Interest	04/25/2019	FNMA Multi-Family			10,427.57	10,427.57
38665	COMM	3136B1XP4	FNMAM 3.56% MAT	Redemption	04/25/2019	FNMA Multi-Family		66,103.75		66,103.75
38666	COMM	3137AYCE9		Interest	04/25/2019	FHLMC Multi-Family			26,250.08	26,250.08
38666	COMM	3137AYCE9		Redemption	04/25/2019	FHLMC Multi-Family		309,988.54		309,988.54
38744	COMM	3137AYCE9		Interest	04/25/2019	FHLMC Multi-Family			44,700.00	44,700.00
38744	COMM	3137AYCE9		Redemption	04/25/2019	FHLMC Multi-Family		528,052.31		528,052.31
38854	COMM	3137B4WB8	FHLMCM 3.06% MAT	Interest	04/25/2019	FHLMC Multi-Family			12,176.25	12,176.25
38854	COMM	3137B4WB8	FHLMCM 3.06% MAT	Redemption	04/25/2019	FHLMC Multi-Family		108,230.09		108,230.09
38864	COMM	3137B5JM6	FHLMCM 3.531%	Interest	04/25/2019	FHLMC Multi-Family			29,425.00	29,425.00
38864	COMM	3137B5JM6	FHLMCM 3.531%	Redemption	04/25/2019	FHLMC Multi-Family		228,218.66		228,218.66
38884	COMM	31381N7G2	FNMAM 3.27% MAT	Interest	04/25/2019	FNMA Multi-Family			9,711.31	9,711.31
38884	COMM	31381N7G2	FNMAM 3.27% MAT	Redemption	04/25/2019	FNMA Multi-Family		6,229.22		6,229.22
38945	COMM	3137B3NA2	FHLMC REMIC	Interest	04/25/2019	FHLMC Multi-Family			28,723.99	28,723.99
38945	COMM	3137B3NA2	FHLMC REMIC	Redemption	04/25/2019	FHLMC Multi-Family		251,889.84		251,889.84
39026	COMM	3137B5KW2	FHLMC SERIES	Interest	04/25/2019	FHLMC Multi-Family			28,816.67	28,816.67
39026	COMM	3137B5KW2	FHLMC SERIES	Redemption	04/25/2019	FHLMC Multi-Family		224,011.31		224,011.31
39093	COMM	3137FBUV6	FHLMCM 2.52688%	Interest	04/25/2019	FHLMC Multi-Family			46,678.76	46,678.76
39093	COMM	3137FBUV6	FHLMCM 2.52688%	Redemption	04/25/2019	FHLMC Multi-Family		1,283,601.45		1,283,601.45
39150	COMM	31381TYT1	FNMAM 2.75% MAT	Interest	04/25/2019	FNMA Multi-Family			71,025.65	71,025.65
39150	COMM	31381TYT1	FNMAM 2.75% MAT	Redemption	04/25/2019	FNMA Multi-Family		60,178.35		60,178.35
39158	COMM	31381RZ23	FNMAM 3.84% MAT	Interest	04/25/2019	FNMA Multi-Family			48,051.02	48,051.02
39158	COMM	31381RZ23	FNMAM 3.84% MAT	Redemption	04/25/2019	FNMA Multi-Family		25,395.65		25,395.65
39218	COMM	31381RLL6	FNMAM 3.84% MAT	Interest	04/25/2019	FNMA Multi-Family			39,292.04	39,292.04
39218	COMM	31381RLL6	FNMAM 3.84% MAT	Redemption	04/25/2019	FNMA Multi-Family		19,428.11		19,428.11
39219	COMM	31381RLL6	FNMAM 3.84% MAT	Interest	04/25/2019	FNMA Multi-Family			6,558.75	6,558.75
39219	COMM	31381RLL6	FNMAM 3.84% MAT	Redemption	04/25/2019	FNMA Multi-Family		3,243.00		3,243.00
39295	COMM	3137B04Y7	FHLMCM 2.615%	Interest	04/25/2019	FHLMC Multi-Family			58,837.51	58,837.51
39295	COMM	3137B04Y7	FHLMCM 2.615%	Redemption	04/25/2019	FHLMC Multi-Family		676,046.24		676,046.24
39295	COMM	3137B04Y7	FHLMCM 2.615%	Interest	04/25/2019	FHLMC Multi-Family			-19,612.50	-19,612.50
39295	COMM	3137B04Y7	FHLMCM 2.615%	Redemption	04/25/2019	FHLMC Multi-Family				0.00
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Interest	04/25/2019	FNMA Multi-Family			53,173.61	53,173.61
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Redemption	04/25/2019	FNMA Multi-Family		511,648.01		511,648.01
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Interest	04/25/2019	FNMA Multi-Family			-30,875.00	-30,875.00

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39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Redemption	04/25/2019	FNMA Multi-Family				0.00
39342	COMM	3137BQR90	FHLMCM 2.272%	Interest	04/25/2019	FHLMC Multi-Family			44,303.99	44,303.99
39342	COMM	3137BQR90	FHLMCM 2.272%	Redemption	04/25/2019	FHLMC Multi-Family		585,127.71		585,127.71
39342	COMM	3137BQR90	FHLMCM 2.272%	Interest	04/25/2019	FHLMC Multi-Family			-36,920.00	-36,920.00
39342	COMM	3137BQR90	FHLMCM 2.272%	Redemption	04/25/2019	FHLMC Multi-Family				0.00
39481	COMM	SYS39481	BCREPO 2.45% MAT	Purchase	04/26/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39483	COMM	313384EY1	FHDN DISC NOTE	Purchase	04/26/2019	FHLB DISCOUNT	199,960,833.32			-199,960,833.32
39484	COMM	313384EY1	FHDN DISC NOTE	Purchase	04/26/2019	FHLB DISCOUNT	199,960,833.32			-199,960,833.32
39485	COMM	59157UUQ1	METSHR DISC NOTE	Purchase	04/26/2019	METLIFE SHORT	14,041,674.93			-14,041,674.93
39482	COMM	63873KRV1	NATXNY DISC NOTE	Purchase	04/26/2019	Natixis NY Branch	99,980,000.00			-99,980,000.00
36721	COMM	3134G9DD6	FEDERAL HOME LN	Redemption	04/26/2019	FHLMC NOTES		12,000,000.00		12,000,000.00
36726	COMM	3133EF4Y0	FEDERAL FARM CR	Redemption	04/26/2019	FFCB NOTES		26,855,000.00		26,855,000.00
39474	COMM	SYS39474	BCREPO 2.41% MAT	Redemption	04/26/2019	BARCLAYS CAPITAL	200,000,000.00			200,000,000.00
39475	COMM	313384EV7	FHDN DISC NOTE	Redemption	04/26/2019	FHLB DISCOUNT	200,000,000.00			200,000,000.00
39476	COMM	313384EV7	FHDN DISC NOTE	Redemption	04/26/2019	FHLB DISCOUNT	200,000,000.00			200,000,000.00
39477	COMM	63873KRS8	NATXNY DISC NOTE	Redemption	04/26/2019	Natixis NY Branch	100,000,000.00			100,000,000.00
36721	COMM	3134G9DD6	FEDERAL HOME LN	Interest	04/26/2019	FHLMC NOTES			69,000.00	69,000.00
36726	COMM	3133EF4Y0	FEDERAL FARM CR	Interest	04/26/2019	FFCB NOTES			134,275.00	134,275.00
37621	COMM	3134GBEW8	FEDERAL HOME LN	Interest	04/26/2019	FHLMC NOTES			187,500.00	187,500.00
37668	COMM	3134GBEW8	FEDERAL HOME LN	Interest	04/26/2019	FHLMC NOTES			60,000.00	60,000.00
38081	COMM	3133EHJ95	FEDERAL FARM CR	Interest	04/26/2019	FFCB NOTES			87,500.00	87,500.00
38082	COMM	3133EHJ95	FEDERAL FARM CR	Interest	04/26/2019	FFCB NOTES			43,750.00	43,750.00
38921	COMM	3130AFA72	FEDERAL HOME	Interest	04/26/2019	FHLB NOTES			195,000.00	195,000.00
39474	COMM	SYS39474	BCREPO 2.41% MAT	Interest	04/26/2019	BARCLAYS CAPITAL			13,388.89	13,388.89
39486	COMM	SYS39486	BCREPO 2.46% MAT	Purchase	04/29/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39487	COMM	313384EZ8	FHDN DISC NOTE	Purchase	04/29/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39488	COMM	313384EZ8	FHDN DISC NOTE	Purchase	04/29/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39495	COMM	4581X0DF2	IADB 2.625% MAT	Purchase	04/29/2019	IADB	17,293,087.08			-17,293,087.08
39489	COMM	594918BX1	MICROSOFT CORP,	Purchase	04/29/2019	MICROSOFT CORP	6,601,585.07			-6,601,585.07
39490	COMM	63873KRW9	NATXNY DISC NOTE	Purchase	04/29/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39481	COMM	SYS39481	BCREPO 2.45% MAT	Redemption	04/29/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39482	COMM	63873KRV1	NATXNY DISC NOTE	Redemption	04/29/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39483	COMM	313384EY1	FHDN DISC NOTE	Redemption	04/29/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39484	COMM	313384EY1	FHDN DISC NOTE	Redemption	04/29/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
36729	COMM	3134G9AV9	FEDERAL HOME LN	Interest	04/29/2019	FHLMC NOTES			93,750.00	93,750.00
36730	COMM	3134G9AV9	FEDERAL HOME LN	Interest	04/29/2019	FHLMC NOTES			26,562.50	26,562.50
36773	COMM	90331HML4	USB 2.125% MAT	Interest	04/29/2019	U S BANK			208,133.13	208,133.13
37696	COMM	3134GBEF5	FEDERAL HOME LN	Interest	04/29/2019	FHLMC NOTES			30,940.00	30,940.00
38090	COMM	3134GBU83	FEDERAL HOME LN	Interest	04/29/2019	FHLMC NOTES			150,000.00	150,000.00
38529	COMM	191216BT6	KOPP 1.875% MAT	Interest	04/29/2019	Coca-Cola Co			70,312.50	70,312.50

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39481	COMM	SYS39481	BCREPO 2.45% MAT	Interest	04/29/2019	BARCLAYS CAPITAL			40,833.33	40,833.33
39491	COMM	SYS39491	BCREPO 2.75% MAT	Purchase	04/30/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39496	COMM	084670BJ6	BERKSHIRE	Purchase	04/30/2019	BERKSHIRE	10,737,335.00			-10,737,335.00
39493	COMM	313384FA2	FHDN DISC NOTE	Purchase	04/30/2019	FHLB DISCOUNT	199,987,222.24			-199,987,222.24
39494	COMM	313384FA2	FHDN DISC NOTE	Purchase	04/30/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39492	COMM	63873KS16	NATXNY DISC NOTE	Purchase	04/30/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39379	COMM	16677KRW5	CVX DISC NOTE	Redemption	04/30/2019	CHEVRON CORP.		50,000,000.00		50,000,000.00
39380	COMM	24422MRW3	JDCCP DISC NOTE	Redemption	04/30/2019	John Deere Capital C		50,000,000.00		50,000,000.00
39381	COMM	912796UZ09	USTB DISC NOTE	Redemption	04/30/2019	U S TREASURY BILL		50,000,000.00		50,000,000.00
39431	COMM	912796UZ09	USTB DISC NOTE	Redemption	04/30/2019	U S TREASURY BILL		50,000,000.00		50,000,000.00
39486	COMM	SYS39486	BCREPO 2.46% MAT	Redemption	04/30/2019	BARCLAYS CAPITAL	200,000,000.00			200,000,000.00
39487	COMM	313384EZ8	FHDN DISC NOTE	Redemption	04/30/2019	FHLB DISCOUNT	200,000,000.00			200,000,000.00
39488	COMM	313384EZ8	FHDN DISC NOTE	Redemption	04/30/2019	FHLB DISCOUNT	200,000,000.00			200,000,000.00
39490	COMM	63873KRW9	NATXNY DISC NOTE	Redemption	04/30/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39486	COMM	SYS39486	BCREPO 2.46% MAT	Interest	04/30/2019	BARCLAYS CAPITAL			13,666.68	13,666.68
39497	COMM	SYS39497	BCREPO 2.5% MAT	Purchase	05/01/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39498	COMM	313384FB0	FHDN DISC NOTE	Purchase	05/01/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39499	COMM	313384FB0	FHDN DISC NOTE	Purchase	05/01/2019	FHLB DISCOUNT	199,986,944.44			-199,986,944.44
39500	COMM	63873KS24	NATXNY DISC NOTE	Purchase	05/01/2019	Natixis NY Branch	99,993,333.34			-99,993,333.34
39491	COMM	SYS39491	BCREPO 2.75% MAT	Redemption	05/01/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39492	COMM	63873KS16	NATXNY DISC NOTE	Redemption	05/01/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39493	COMM	313384FA2	FHDN DISC NOTE	Redemption	05/01/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39494	COMM	313384FA2	FHDN DISC NOTE	Redemption	05/01/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39491	COMM	SYS39491	BCREPO 2.75% MAT	Interest	05/01/2019	BARCLAYS CAPITAL			15,277.78	15,277.78
39503	COMM	SYS39503	BCREPO 2.46% MAT	Purchase	05/02/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39501	COMM	313384FC8	FHDN DISC NOTE	Purchase	05/02/2019	FHLB DISCOUNT	199,987,055.56			-199,987,055.56
39502	COMM	313384FC8	FHDN DISC NOTE	Purchase	05/02/2019	FHLB DISCOUNT	199,987,055.56			-199,987,055.56
39504	COMM	313384FC8	FHDN DISC NOTE	Purchase	05/02/2019	FHLB DISCOUNT	49,996,791.67			-49,996,791.67
39497	COMM	SYS39497	BCREPO 2.5% MAT	Redemption	05/02/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39498	COMM	313384FB0	FHDN DISC NOTE	Redemption	05/02/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39499	COMM	313384FB0	FHDN DISC NOTE	Redemption	05/02/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39500	COMM	63873KS24	NATXNY DISC NOTE	Redemption	05/02/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
38126	COMM	3133EHP31	FFCB 1.95% MAT	Interest	05/02/2019	FFCB NOTES			97,256.25	97,256.25
39497	COMM	SYS39497	BCREPO 2.5% MAT	Interest	05/02/2019	BARCLAYS CAPITAL			13,888.89	13,888.89
34292	COMM	SYS34292	MSTI 0.%	Interest	05/02/2019	MORGAN STANLEY			126,326.69	126,326.69
34292	COMM	SYS34292	MSTI 0.%	Purchase	05/02/2019	MORGAN STANLEY	126,326.69			-126,326.69
37590	COMM	SYS37590	JPM TE 0.44%	Interest	05/02/2019	JP MORGAN US			375,570.59	375,570.59
37590	COMM	SYS37590	JPM TE 0.44%	Purchase	05/02/2019	JP MORGAN US	375,570.59			-375,570.59
39507	COMM	SYS39507	BCREPO 2.41% MAT	Purchase	05/03/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39505	COMM	313384FF1	FHDN DISC NOTE	Purchase	05/03/2019	FHLB DISCOUNT	199,961,166.68			-199,961,166.68

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39506	COMM	313384FF1	FHDN DISC NOTE	Purchase	05/03/2019	FHLB DISCOUNT	199,961,166.68			-199,961,166.68
39508	COMM	63873KS65	NATXNY DISC NOTE	Purchase	05/03/2019	Natixis NY Branch	99,980,416.66			-99,980,416.66
39501	COMM	313384FC8	FHDN DISC NOTE	Redemption	05/03/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39502	COMM	313384FC8	FHDN DISC NOTE	Redemption	05/03/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39503	COMM	SYS39503	BCREPO 2.46% MAT	Redemption	05/03/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39504	COMM	313384FC8	FHDN DISC NOTE	Redemption	05/03/2019	FHLB DISCOUNT		50,000,000.00		50,000,000.00
37761	COMM	3133EHHG1	FFCB 1.75% MAT	Interest	05/03/2019	FFCB NOTES			43,750.00	43,750.00
37762	COMM	3133EHHG1	FFCB 1.75% MAT	Interest	05/03/2019	FFCB NOTES			87,500.00	87,500.00
38524	COMM	742718EQ8	PG 1.7% MAT	Interest	05/03/2019	PROCTER &			170,000.00	170,000.00
38526	COMM	742718EQ8	PG 1.7% MAT	Interest	05/03/2019	PROCTER &			85,000.00	85,000.00
39503	COMM	SYS39503	BCREPO 2.46% MAT	Interest	05/03/2019	BARCLAYS CAPITAL			13,666.67	13,666.67
39510	COMM	SYS39510	BCREPO 2.4% MAT	Purchase	05/06/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39511	COMM	313384FG9	FHDN DISC NOTE	Purchase	05/06/2019	FHLB DISCOUNT	199,987,055.56			-199,987,055.56
39512	COMM	313384FG9	FHDN DISC NOTE	Purchase	05/06/2019	FHLB DISCOUNT	199,987,055.56			-199,987,055.56
39513	COMM	63873KS73	NATXNY DISC NOTE	Purchase	05/06/2019	Natixis NY Branch	99,993,472.22			-99,993,472.22
39505	COMM	313384FF1	FHDN DISC NOTE	Redemption	05/06/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39506	COMM	313384FF1	FHDN DISC NOTE	Redemption	05/06/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39507	COMM	SYS39507	BCREPO 2.41% MAT	Redemption	05/06/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39508	COMM	63873KS65	NATXNY DISC NOTE	Redemption	05/06/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39507	COMM	SYS39507	BCREPO 2.41% MAT	Interest	05/06/2019	BARCLAYS CAPITAL			40,166.66	40,166.66
39516	COMM	SYS39516	BCREPO 2.42% MAT	Purchase	05/07/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39514	COMM	313384FH7	FHDN DISC NOTE	Purchase	05/07/2019	FHLB DISCOUNT	199,987,166.68			-199,987,166.68
39515	COMM	313384FH7	FHDN DISC NOTE	Purchase	05/07/2019	FHLB DISCOUNT	199,987,166.68			-199,987,166.68
39518	COMM	45920GWS1	IBM DISC NOTE MAT	Purchase	05/07/2019	IBM	39,599,244.44			-39,599,244.44
39517	COMM	63873KS81	NATXNY DISC NOTE	Purchase	05/07/2019	Natixis NY Branch	99,993,472.22			-99,993,472.22
39510	COMM	SYS39510	BCREPO 2.4% MAT	Redemption	05/07/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39511	COMM	313384FG9	FHDN DISC NOTE	Redemption	05/07/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39512	COMM	313384FG9	FHDN DISC NOTE	Redemption	05/07/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39513	COMM	63873KS73	NATXNY DISC NOTE	Redemption	05/07/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39510	COMM	SYS39510	BCREPO 2.4% MAT	Interest	05/07/2019	BARCLAYS CAPITAL			13,333.34	13,333.34
39519	COMM	SYS39519	BCREPO 2.4% MAT	Purchase	05/08/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39520	COMM	313384FJ3	FHDN DISC NOTE	Purchase	05/08/2019	FHLB DISCOUNT	199,987,277.76			-199,987,277.76
39521	COMM	313384FJ3	FHDN DISC NOTE	Purchase	05/08/2019	FHLB DISCOUNT	199,987,277.76			-199,987,277.76
39523	COMM	24422MTH4	JDCCP DISC NOTE	Purchase	05/08/2019	John Deere Capital C	59,838,000.00			-59,838,000.00
39522	COMM	63873KS99	NATXNY DISC NOTE	Purchase	05/08/2019	Natixis NY Branch	99,993,472.22			-99,993,472.22
38942	COMM	3130AFC54	FEDERAL HOME	Redemption	05/08/2019	FHLB NOTES		14,997,000.00		14,997,000.00
38942	COMM	3130AFC54	FEDERAL HOME	Cap G/L	05/08/2019	FHLB NOTES		3,000.00		3,000.00
39514	COMM	313384FH7	FHDN DISC NOTE	Redemption	05/08/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39515	COMM	313384FH7	FHDN DISC NOTE	Redemption	05/08/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39516	COMM	SYS39516	BCREPO 2.42% MAT	Redemption	05/08/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00

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39517	COMM	63873KS81	NATXNY DISC NOTE	Redemption	05/08/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
37793	COMM	3133EHJA2	FEDERAL FARM CR	Interest	05/08/2019	FFCB NOTES			271,250.00	271,250.00
38942	COMM	3130AFC54	FEDERAL HOME	Interest	05/08/2019	FHLB NOTES			254,583.30	254,583.30
38942	COMM	3130AFC54	FEDERAL HOME	Accr Int	05/08/2019	FHLB NOTES		1,354.17	-1,354.17	0.00
39516	COMM	SYS39516	BCREPO 2.42% MAT	Interest	05/08/2019	BARCLAYS CAPITAL			13,444.44	13,444.44
39524	COMM	SYS39524	BCREPO 2.37% MAT	Purchase	05/09/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39525	COMM	313384FK0	FHDN DISC NOTE	Purchase	05/09/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39526	COMM	313384FK0	FHDN DISC NOTE	Purchase	05/09/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39527	COMM	92826CAC6	VISA INC, SR GLBL	Purchase	05/09/2019	VISA	11,350,424.29			-11,350,424.29
39519	COMM	SYS39519	BCREPO 2.4% MAT	Redemption	05/09/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39520	COMM	313384FJ3	FHDN DISC NOTE	Redemption	05/09/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39521	COMM	313384FJ3	FHDN DISC NOTE	Redemption	05/09/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39522	COMM	63873KS99	NATXNY DISC NOTE	Redemption	05/09/2019	Natixis NY Branch		100,000,000.00		100,000,000.00
39519	COMM	SYS39519	BCREPO 2.4% MAT	Interest	05/09/2019	BARCLAYS CAPITAL			13,333.34	13,333.34
39528	COMM	SYS39528	BCREPO 2.36% MAT	Purchase	05/10/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39529	COMM	313384FN4	FHDN DISC NOTE	Purchase	05/10/2019	FHLB DISCOUNT	199,962,500.00			-199,962,500.00
39530	COMM	313384FN4	FHDN DISC NOTE	Purchase	05/10/2019	FHLB DISCOUNT	149,971,875.00			-149,971,875.00
39531	COMM	2546R3WV5	WALTPP DISC NOTE	Purchase	05/10/2019	Walt Disney Company	49,531,555.56			-49,531,555.56
39524	COMM	SYS39524	BCREPO 2.37% MAT	Redemption	05/10/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39525	COMM	313384FK0	FHDN DISC NOTE	Redemption	05/10/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39526	COMM	313384FK0	FHDN DISC NOTE	Redemption	05/10/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39524	COMM	SYS39524	BCREPO 2.37% MAT	Interest	05/10/2019	BARCLAYS CAPITAL			13,166.68	13,166.68
39532	COMM	SYS39532	BCREPO 2.35% MAT	Purchase	05/13/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39533	COMM	313384FP9	FHDN DISC NOTE	Purchase	05/13/2019	FHLB DISCOUNT	49,996,875.00			-49,996,875.00
39534	COMM	313384FP9	FHDN DISC NOTE	Purchase	05/13/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39528	COMM	SYS39528	BCREPO 2.36% MAT	Redemption	05/13/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39529	COMM	313384FN4	FHDN DISC NOTE	Redemption	05/13/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39530	COMM	313384FN4	FHDN DISC NOTE	Redemption	05/13/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
37663	COMM	4581X0CX4	IADB 1.625% MAT	Interest	05/13/2019	IADB			284,375.00	284,375.00
38124	COMM	037833DJ6	APPLE INC, SR NT	Interest	05/13/2019	APPLE INC			450,000.00	450,000.00
39528	COMM	SYS39528	BCREPO 2.36% MAT	Interest	05/13/2019	BARCLAYS CAPITAL			39,333.34	39,333.34
39535	COMM	SYS39535	BCREPO 2.35% MAT	Purchase	05/14/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39536	COMM	313384FQ7	FHDN DISC NOTE	Purchase	05/14/2019	FHLB DISCOUNT	99,993,750.00			-99,993,750.00
39537	COMM	313384FQ7	FHDN DISC NOTE	Purchase	05/14/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39532	COMM	SYS39532	BCREPO 2.35% MAT	Redemption	05/14/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39533	COMM	313384FP9	FHDN DISC NOTE	Redemption	05/14/2019	FHLB DISCOUNT		50,000,000.00		50,000,000.00
39534	COMM	313384FP9	FHDN DISC NOTE	Redemption	05/14/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39532	COMM	SYS39532	BCREPO 2.35% MAT	Interest	05/14/2019	BARCLAYS CAPITAL			13,055.56	13,055.56
39538	COMM	SYS39538	BCREPO 2.45% MAT	Purchase	05/15/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39539	COMM	313384FR5	FHDN DISC NOTE	Purchase	05/15/2019	FHLB DISCOUNT	199,987,222.24			-199,987,222.24

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39540	COMM	313384FR5	FHDN DISC NOTE	Purchase	05/15/2019	FHLB DISCOUNT	99,993,611.12			-99,993,611.12
35763	COMM	91412GWW3		Redemption	05/15/2019	UNIVERSITY		250,000.00		250,000.00
36600	COMM	47788MAC4	JDOT 1.36% MAT	Redemption	05/15/2019	JOHN DEERE		39,159.78		39,159.78
36601	COMM	89237KAD5	TAOT 1.25% MAT	Redemption	05/15/2019	TOYOTA AUTO REC		410,594.03		410,594.03
36710	COMM	91412GD36	UNIVCA 1.169% MAT	Redemption	05/15/2019	UNIVERSITY		3,000,000.00		3,000,000.00
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Redemption	05/15/2019	American Express		0.01		0.01
39535	COMM	SYS39535	BCREPO 2.35% MAT	Redemption	05/15/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39536	COMM	313384FQ7	FHDN DISC NOTE	Redemption	05/15/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39537	COMM	313384FQ7	FHDN DISC NOTE	Redemption	05/15/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
35763	COMM	91412GWW3		Interest	05/15/2019	UNIVERSITY			2,503.75	2,503.75
36710	COMM	91412GD36	UNIVCA 1.169% MAT	Interest	05/15/2019	UNIVERSITY			17,535.00	17,535.00
37108	COMM	3130AA3R7	FHLB 1.375% MAT	Interest	05/15/2019	FHLB NOTES			240,625.00	240,625.00
38326	COMM	3133EGG82	FEDERAL FARM CR	Interest	05/15/2019	FFCB NOTES			15,200.00	15,200.00
39314	COMM	91412GWY7	UNIVERSITY CALIF	Interest	05/15/2019	UNIVERSITY			56,520.00	56,520.00
39314	COMM	91412GWY7	UNIVERSITY CALIF	Accr Int	05/15/2019	UNIVERSITY		37,680.00	-37,680.00	0.00
39535	COMM	SYS39535	BCREPO 2.35% MAT	Interest	05/15/2019	BARCLAYS CAPITAL			13,055.56	13,055.56
36600	COMM	47788MAC4	JDOT 1.36% MAT	Interest	05/15/2019	JOHN DEERE			44.42	44.42
36600	COMM	47788MAC4	JDOT 1.36% MAT	Redemption	05/15/2019	JOHN DEERE		3,433.90		3,433.90
36600	COMM	47788MAC4	JDOT 1.36% MAT	Interest	05/15/2019	JOHN DEERE				0.00
36600	COMM	47788MAC4	JDOT 1.36% MAT	Redemption	05/15/2019	JOHN DEERE				0.00
36601	COMM	89237KAD5	TAOT 1.25% MAT	Interest	05/15/2019	TOYOTA AUTO REC			427.65	427.65
36601	COMM	89237KAD5	TAOT 1.25% MAT	Redemption	05/15/2019	TOYOTA AUTO REC		35,980.58		35,980.58
36601	COMM	89237KAD5	TAOT 1.25% MAT	Interest	05/15/2019	TOYOTA AUTO REC				0.00
36601	COMM	89237KAD5	TAOT 1.25% MAT	Redemption	05/15/2019	TOYOTA AUTO REC				0.00
36800	COMM	43814QAC2	HAROT 1.39% MAT	Interest	05/15/2019	HONDA AUTO			1,112.63	1,112.63
36800	COMM	43814QAC2	HAROT 1.39% MAT	Redemption	05/15/2019	HONDA AUTO		468,558.20		468,558.20
36905	COMM	47788NAC2	JDOT 1.25% MAT	Interest	05/15/2019	JOHN DEERE			1,352.00	1,352.00
36905	COMM	47788NAC2	JDOT 1.25% MAT	Redemption	05/15/2019	JOHN DEERE		475,260.28		475,260.28
36929	COMM	161571HF47	CHAIT 1.27% MAT	Interest	05/15/2019	CHASE ISSUANCE			24,341.66	24,341.66
36929	COMM	161571HF47	CHAIT 1.27% MAT	Redemption	05/15/2019	CHASE ISSUANCE		953,895.15		953,895.15
36956	COMM	58769BAD6	MBART 1.26% MAT	Interest	05/15/2019	MERCEDES -BENZ			3,702.87	3,702.87
36956	COMM	58769BAD6	MBART 1.26% MAT	Redemption	05/15/2019	MERCEDES -BENZ		477,989.22		477,989.22
37507	COMM	47787XAC1	JDOT 1.78% MAT	Interest	05/15/2019	JOHN DEERE			7,578.39	7,578.39
37507	COMM	47787XAC1	JDOT 1.78% MAT	Redemption	05/15/2019	JOHN DEERE		625,341.88		625,341.88
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Interest	05/15/2019	American Express			46,466.68	46,466.68
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Redemption	05/15/2019	American Express		33,999,999.99		33,999,999.99
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Interest	05/15/2019	American Express				0.00
37862	COMM	02582JHG8	AMXCA 1.64% MAT	Redemption	05/15/2019	American Express				0.00
37976	COMM	43811BAC8	HAROT 1.68% MAT	Interest	05/15/2019	HONDA AUTO			32,405.59	32,405.59
37976	COMM	43811BAC8	HAROT 1.68% MAT	Redemption	05/15/2019	HONDA AUTO		1,665,909.92		1,665,909.92



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38476	COMM	47788CAC6	JDOT 2.66% MAT	Interest	05/15/2019	JOHN DEERE			18,287.50	18,287.50
38476	COMM	47788CAC6	JDOT 2.66% MAT	Redemption	05/15/2019	JOHN DEERE		233,179.55		233,179.55
38646	COMM	02582JHQ6	AMXCA 2.67% MAT	Interest	05/15/2019	American Express			100,125.00	100,125.00
38646	COMM	02582JHQ6	AMXCA 2.67% MAT	Redemption	05/15/2019	American Express		1,102,294.27		1,102,294.27
38708	COMM	161571HN7	CHAIT 2.1227% MAT	Interest	05/15/2019	CHASE ISSUANCE			82,406.10	82,406.10
38708	COMM	161571HN7	CHAIT 2.1227% MAT	Redemption	05/15/2019	CHASE ISSUANCE		788,867.75		788,867.75
38785	COMM	58769DAE0	MBALT 2.01% MAT	Interest	05/15/2019	MERCEDES-BENZ			6,700.00	6,700.00
38785	COMM	58769DAE0	MBALT 2.01% MAT	Redemption	05/15/2019	MERCEDES-BENZ		98,874.14		98,874.14
38958	COMM	89231PAD0	TAOT 3.18% MAT	Interest	05/15/2019	TOYOTA AUTO REC			26,500.00	26,500.00
38958	COMM	89231PAD0	TAOT 3.18% MAT	Redemption	05/15/2019	TOYOTA AUTO REC		209,881.20		209,881.20
39013	COMM	43815AAC6	HAROT 3.16% MAT	Interest	05/15/2019	HONDA AUTO			57,274.99	57,274.99
39013	COMM	43815AAC6	HAROT 3.16% MAT	Redemption	05/15/2019	HONDA AUTO		466,741.03		466,741.03
39062	COMM	05522RCZ9	BACCT 3.3% MAT	Interest	05/15/2019	BANK OF AMERICA			50,350.00	50,350.00
39062	COMM	05522RCZ9	BACCT 3.3% MAT	Redemption	05/15/2019	BANK OF AMERICA		392,634.77		392,634.77
39082	COMM	05522RDA3	BACCT 3.1% MAT	Interest	05/15/2019	BANK OF AMERICA			38,750.00	38,750.00
39082	COMM	05522RDA3	BACCT 3.1% MAT	Redemption	05/15/2019	BANK OF AMERICA		269,118.20		269,118.20
39190	COMM	58772TAC4	MBALT 3.1% MAT	Interest	05/15/2019	MERCEDES-BENZ			25,833.30	25,833.30
39190	COMM	58772TAC4	MBALT 3.1% MAT	Redemption	05/15/2019	MERCEDES-BENZ		316,726.99		316,726.99
39220	COMM	05522RCY2	BACCT 2.7% MAT	Interest	05/15/2019	BANK OF AMERICA			56,250.00	56,250.00
39220	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	05/15/2019	BANK OF AMERICA		510,456.28		510,456.28
39320	COMM	05522RCY2	BACCT 2.7% MAT	Interest	05/15/2019	BANK OF AMERICA			45,000.00	45,000.00
39320	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	05/15/2019	BANK OF AMERICA				0.00
39541	COMM	SYS39541	BCREPO 2.4% MAT	Purchase	05/16/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39544	COMM	084670BR8	BERKSHIRE	Purchase	05/16/2019	BERKSHIRE	16,784,250.74			-16,784,250.74
39542	COMM	313384FS3	FHDN DISC NOTE	Purchase	05/16/2019	FHLB DISCOUNT	99,993,750.00			-99,993,750.00
39543	COMM	313384FS3	FHDN DISC NOTE	Purchase	05/16/2019	FHLB DISCOUNT	199,987,500.00			-199,987,500.00
39545	COMM	313379Q69	FEDERAL HOME	Purchase	05/16/2019	FHLB NOTES	25,174,708.33			-25,174,708.33
36753	COMM	89231UAD9	TOYO 1.3% MAT	Redemption	05/16/2019	TOYOTA AUTO REC		161,146.41		161,146.41
36753	COMM	89231UAD9	TOYO 1.3% MAT	Cap G/L	05/16/2019	TOYOTA AUTO REC		8.24		8.24
36765	COMM	166764BH2	CHEVRON CORP	Redemption	05/16/2019	CHEVRON CORP.		15,000,000.00		15,000,000.00
39538	COMM	SYS39538	BCREPO 2.45% MAT	Redemption	05/16/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39539	COMM	313384FR5	FHDN DISC NOTE	Redemption	05/16/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
39540	COMM	313384FR5	FHDN DISC NOTE	Redemption	05/16/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
36753	COMM	89231UAD9	TOYO 1.3% MAT	Interest	05/16/2019	TOYOTA AUTO REC			377.80	377.80
36765	COMM	166764BH2	CHEVRON CORP	Interest	05/16/2019	CHEVRON CORP.			117,075.00	117,075.00
39538	COMM	SYS39538	BCREPO 2.45% MAT	Interest	05/16/2019	BARCLAYS CAPITAL			13,611.12	13,611.12
36557	COMM	65478UAD1	NALT 1.34% MAT	Interest	05/16/2019	NISSAN AUTO			1,199.16	1,199.16
36557	COMM	65478UAD1	NALT 1.34% MAT	Redemption	05/16/2019	NISSAN AUTO		244,813.44		244,813.44
37035	COMM	89231LAD9	TAOT 1.23% MAT	Interest	05/16/2019	TOYOTA AUTO REC			5,114.48	5,114.48
37035	COMM	89231LAD9	TAOT 1.23% MAT	Redemption	05/16/2019	TOYOTA AUTO REC		819,594.44		819,594.44

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37568	COMM	89238MAD0	TAOT 1.73% MAT	Interest	05/16/2019	TOYOTA AUTO REC			9,058.75	9,058.75
37568	COMM	89238MAD0	TAOT 1.73% MAT	Redemption	05/16/2019	TOYOTA AUTO REC		644,670.90		644,670.90
38137	COMM	89238KAD4	TAOT 1.93% MAT	Interest	05/16/2019	TOYOTA AUTO REC			38,599.99	38,599.99
38137	COMM	89238KAD4	TAOT 1.93% MAT	Redemption	05/16/2019	TOYOTA AUTO REC		758,374.93		758,374.93
38475	COMM	65478DAD9	NALT 2.65% MAT	Interest	05/16/2019	NISSAN AUTO			40,854.16	40,854.16
38475	COMM	65478DAD9	NALT 2.65% MAT	Redemption	05/16/2019	NISSAN AUTO		512,893.03		512,893.03
39546	COMM	SYS39546	BCREPO 2.38% MAT	Purchase	05/17/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39549	COMM	166764BG4	CHEVRON CORP	Purchase	05/17/2019	CHEVRON CORP.	8,513,674.46			-8,513,674.46
39547	COMM	313384FV6		Purchase	05/17/2019	FHLB DISCOUNT	99,981,250.00			-99,981,250.00
39548	COMM	313384FV6		Purchase	05/17/2019	FHLB DISCOUNT	199,962,500.00			-199,962,500.00
39541	COMM	SYS39541	BCREPO 2.4% MAT	Redemption	05/17/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39542	COMM	313384FS3	FHDN DISC NOTE	Redemption	05/17/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39543	COMM	313384FS3	FHDN DISC NOTE	Redemption	05/17/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
38135	COMM	3137EAEK1	FHLMC 1.875% MAT	Interest	05/17/2019	FHLMC NOTES			234,375.00	234,375.00
38342	COMM	3133EGAH8	FEDERAL FARM CR	Interest	05/17/2019	FFCB NOTES			84,281.25	84,281.25
39541	COMM	SYS39541	BCREPO 2.4% MAT	Interest	05/17/2019	BARCLAYS CAPITAL			13,333.32	13,333.32
39554	COMM	SYS39554	BCREPO 2.35% MAT	Purchase	05/20/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39553	COMM	19416QEL0	CP 2.25% MAT	Purchase	05/20/2019	COLGATE-PALMOLI	9,468,642.00			-9,468,642.00
39550	COMM	313384FW4	FHDN DISC NOTE	Purchase	05/20/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39551	COMM	313384FW4	FHDN DISC NOTE	Purchase	05/20/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39552	COMM	3130A5P45	FEDERAL HOME	Purchase	05/20/2019	FHLB NOTES	15,226,883.33			-15,226,883.33
39555	COMM	63873KSM0	NATXNY DISC NOTE	Purchase	05/20/2019	Natixis NY Branch	49,996,736.11			-49,996,736.11
36776	COMM	89236TDE2	TOYO 1.4% MAT	Redemption	05/20/2019	TOYOTA MOTOR		20,000,000.00		20,000,000.00
39546	COMM	SYS39546	BCREPO 2.38% MAT	Redemption	05/20/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39547	COMM	313384FV6		Redemption	05/20/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39548	COMM	313384FV6		Redemption	05/20/2019	FHLB DISCOUNT		200,000,000.00		200,000,000.00
36776	COMM	89236TDE2	TOYO 1.4% MAT	Interest	05/20/2019	TOYOTA MOTOR			140,000.00	140,000.00
37208	COMM	17305EFW0	CCCIT 1.75% MAT	Interest	05/20/2019	CITIBANK CREDIT			350,000.00	350,000.00
38601	COMM	02079KAA5	GOOG 3.625% MAT	Interest	05/20/2019	GOOGLE INC			302,778.13	302,778.13
39546	COMM	SYS39546	BCREPO 2.38% MAT	Interest	05/20/2019	BARCLAYS CAPITAL			39,666.67	39,666.67
37059	COMM	43814RAC0	HAROT 1.21% MAT	Interest	05/20/2019	HONDA AUTO			5,012.62	5,012.62
37059	COMM	43814RAC0	HAROT 1.21% MAT	Redemption	05/20/2019	HONDA AUTO		608,325.42		608,325.42
38738	COMM	43814UAG4	HAROT 3.01% MAT	Interest	05/20/2019	HONDA AUTO			30,100.00	30,100.00
38738	COMM	43814UAG4	HAROT 3.01% MAT	Redemption	05/20/2019	HONDA AUTO		333,547.48		333,547.48
39269	COMM	43814WAC9	HAROT 2.83% MAT	Interest	05/20/2019	HONDA AUTO			32,427.04	32,427.04
39269	COMM	43814WAC9	HAROT 2.83% MAT	Redemption	05/20/2019	HONDA AUTO		277,638.63		277,638.63
39327	COMM	05586VAD4	BMWLT 3.38% MAT	Interest	05/20/2019	BMW VEHICLE			18,250.00	18,250.00
39327	COMM	05586VAD4	BMWLT 3.38% MAT	Redemption	05/20/2019	BMW VEHICLE		176,596.30		176,596.30
39556	COMM	SYS39556	BCREPO 2.36% MAT	Purchase	05/21/2019	BARCLAYS CAPITAL	250,000,000.00			-250,000,000.00
39557	COMM	313384FX2	FHDN DISC NOTE	Purchase	05/21/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00

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39558	COMM	313384FX2	FHDN DISC NOTE	Purchase	05/21/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39559	COMM	3133834G3	FEDERAL HOME	Purchase	05/21/2019	FHLB NOTES	10,052,625.00			-10,052,625.00
39292	COMM	59157USM3	METSHR DISC NOTE	Redemption	05/21/2019	METLIFE SHORT		40,000,000.00		40,000,000.00
39550	COMM	313384FW4	FHDN DISC NOTE	Redemption	05/21/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39551	COMM	313384FW4	FHDN DISC NOTE	Redemption	05/21/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39554	COMM	SYS39554	BCREPO 2.35% MAT	Redemption	05/21/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39555	COMM	63873KSM0	NATXNY DISC NOTE	Redemption	05/21/2019	Natixis NY Branch		50,000,000.00		50,000,000.00
39554	COMM	SYS39554	BCREPO 2.35% MAT	Interest	05/21/2019	BARCLAYS CAPITAL			13,055.56	13,055.56
37615	COMM	43814TAC6	HAROT 1.72% MAT	Interest	05/21/2019	HONDA AUTO			14,386.52	14,386.52
37615	COMM	43814TAC6	HAROT 1.72% MAT	Redemption	05/21/2019	HONDA AUTO		848,605.56		848,605.56
39560	COMM	SYS39560	BCREPO 2.33% MAT	Purchase	05/22/2019	BARCLAYS CAPITAL	250,000,000.00			-250,000,000.00
39565	COMM	3133EKL2	FEDERAL FARM CR	Purchase	05/22/2019	FFCB NOTES	9,601,864.96			-9,601,864.96
39561	COMM	313384FY0	FHDN DISC NOTE	Purchase	05/22/2019	FHLB DISCOUNT	99,993,750.00			-99,993,750.00
39562	COMM	313384FY0	FHDN DISC NOTE	Purchase	05/22/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39563	COMM	3130A1W95	FEDERAL HOME	Purchase	05/22/2019	FHLB NOTES	25,225,812.50			-25,225,812.50
39564	COMM	3134GTMQ3	FEDERAL HOME LN	Purchase	05/22/2019	FHLMC NOTES	12,300,000.00			-12,300,000.00
39556	COMM	SYS39556	BCREPO 2.36% MAT	Redemption	05/22/2019	BARCLAYS CAPITAL		250,000,000.00		250,000,000.00
39557	COMM	313384FX2	FHDN DISC NOTE	Redemption	05/22/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39558	COMM	313384FX2	FHDN DISC NOTE	Redemption	05/22/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
37804	COMM	3134GBLQ3	FEDERAL HOME LN	Interest	05/22/2019	FHLMC NOTES			165,000.00	165,000.00
39556	COMM	SYS39556	BCREPO 2.36% MAT	Interest	05/22/2019	BARCLAYS CAPITAL			16,388.91	16,388.91
39566	COMM	SYS39566	BCREPO 2.34% MAT	Purchase	05/23/2019	BARCLAYS CAPITAL	250,000,000.00			-250,000,000.00
39567	COMM	313384FZ7	FHDN DISC NOTE	Purchase	05/23/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39568	COMM	313384FZ7	FHDN DISC NOTE	Purchase	05/23/2019	FHLB DISCOUNT	49,996,875.00			-49,996,875.00
39569	COMM	90331HPC1	USB 2.65% MAT	Purchase	05/23/2019	U S BANK	14,984,100.00			-14,984,100.00
39560	COMM	SYS39560	BCREPO 2.33% MAT	Redemption	05/23/2019	BARCLAYS CAPITAL		250,000,000.00		250,000,000.00
39561	COMM	313384FY0	FHDN DISC NOTE	Redemption	05/23/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39562	COMM	313384FY0	FHDN DISC NOTE	Redemption	05/23/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39560	COMM	SYS39560	BCREPO 2.33% MAT	Interest	05/23/2019	BARCLAYS CAPITAL			16,180.57	16,180.57
39570	COMM	SYS39570	BCREPO 2.34% MAT	Purchase	05/24/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39573	COMM	166764BN9	CHEVRON CORP	Purchase	05/24/2019	CHEVRON CORP.	8,923,458.72			-8,923,458.72
39571	COMM	313384GD5	FHDN DISC NOTE	Purchase	05/24/2019	FHLB DISCOUNT	149,962,500.00			-149,962,500.00
39572	COMM	313384GD5	FHDN DISC NOTE	Purchase	05/24/2019	FHLB DISCOUNT	99,975,000.00			-99,975,000.00
36782	COMM	3136G3NC5	FEDERAL NATL MTG	Redemption	05/24/2019	FNMA NOTES		5,000,000.00		5,000,000.00
36805	COMM	94988J5D5	WELLS 1.75% MAT	Redemption	05/24/2019	WELLS FARGO		12,000,000.00		12,000,000.00
37816	COMM	3130ABDX1	FEDERAL HOME	Redemption	05/24/2019	FHLB NOTES		30,000,000.00		30,000,000.00
38751	COMM	78012UDV4	RBC 2.66% MAT	Redemption	05/24/2019	ROYAL BANK OF		15,000,000.00		15,000,000.00
39566	COMM	SYS39566	BCREPO 2.34% MAT	Redemption	05/24/2019	BARCLAYS CAPITAL		250,000,000.00		250,000,000.00
39567	COMM	313384FZ7	FHDN DISC NOTE	Redemption	05/24/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39568	COMM	313384FZ7	FHDN DISC NOTE	Redemption	05/24/2019	FHLB DISCOUNT		50,000,000.00		50,000,000.00

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36782	COMM	3136G3NC5	FEDERAL NATL MTG	Interest	05/24/2019	FNMA NOTES			25,000.00	25,000.00
36805	COMM	94988J5D5	WELLS 1.75% MAT	Interest	05/24/2019	WELLS FARGO			105,000.00	105,000.00
37131	COMM	3130A9W49	FEDERAL HOME	Interest	05/24/2019	FHLB NOTES			93,750.00	93,750.00
37816	COMM	3130ABDX1	FEDERAL HOME	Interest	05/24/2019	FHLB NOTES			210,000.00	210,000.00
38751	COMM	78012UDV4	RBC 2.66% MAT	Interest	05/24/2019	ROYAL BANK OF			405,650.00	405,650.00
39566	COMM	SYS39566	BCREPO 2.34% MAT	Interest	05/24/2019	BARCLAYS CAPITAL			16,250.01	16,250.01
39575	COMM	SYS39575	BCREPO 2.38% MAT	Purchase	05/28/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39576	COMM	313384GE3	FHDN DISC NOTE	Purchase	05/28/2019	FHLB DISCOUNT	149,990,499.99			-149,990,499.99
39577	COMM	313384GE3	FHDN DISC NOTE	Purchase	05/28/2019	FHLB DISCOUNT	99,993,666.66			-99,993,666.66
39578	COMM	65479HAC1	NAROT 2.5% MAT	Purchase	05/28/2019	Nissan Auto Receivab	19,995,478.00			-19,995,478.00
39570	COMM	SYS39570	BCREPO 2.34% MAT	Redemption	05/28/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39571	COMM	313384GD5	FHDN DISC NOTE	Redemption	05/28/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39572	COMM	313384GD5	FHDN DISC NOTE	Redemption	05/28/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
36785	COMM	3134G9HM2	FEDERAL HOME LN	Interest	05/28/2019	FHLMC NOTES			58,500.00	58,500.00
36787	COMM	3134G9HW0	FEDERAL HOME LN	Interest	05/28/2019	FHLMC NOTES			32,812.50	32,812.50
36797	COMM	3136G3PR0	FEDERAL NATL MTG	Interest	05/28/2019	FNMA NOTES			187,500.00	187,500.00
37801	COMM	3134GBLR1	FEDERAL HOME LN	Interest	05/28/2019	FHLMC NOTES			175,000.00	175,000.00
38169	COMM	3133EHW58	FFCB 1.9% MAT	Interest	05/28/2019	FFCB NOTES			142,500.00	142,500.00
38170	COMM	3134GBZ70	FEDERAL HOME LN	Interest	05/28/2019	FHLMC NOTES			234,375.00	234,375.00
38171	COMM	3134GBZ70	FEDERAL HOME LN	Interest	05/28/2019	FHLMC NOTES			93,750.00	93,750.00
38178	COMM	3130ACUK8	FEDERAL HOME	Interest	05/28/2019	FHLB NOTES			250,000.00	250,000.00
38204	COMM	3133EHW58	FFCB 1.9% MAT	Interest	05/28/2019	FFCB NOTES			204,725.00	204,725.00
38272	COMM	3133EHKT9	FEDERAL FARM CR	Interest	05/28/2019	FFCB NOTES			121,156.50	121,156.50
38733	COMM	3130AECJ7	FEDERAL HOME	Interest	05/28/2019	FHLB NOTES			131,250.00	131,250.00
38999	COMM	3133EJW70	FEDERAL FARM CR	Interest	05/28/2019	FFCB NOTES			503,125.00	503,125.00
39006	COMM	3134GSB95	FEDERAL HOME LN	Interest	05/28/2019	FHLMC NOTES			150,000.00	150,000.00
39023	COMM	3133EJW70	FEDERAL FARM CR	Interest	05/28/2019	FFCB NOTES			385,609.38	385,609.38
39023	COMM	3133EJW70	FEDERAL FARM CR	Accr Int	05/28/2019	FFCB NOTES		8,569.10	-8,569.10	0.00
39570	COMM	SYS39570	BCREPO 2.34% MAT	Interest	05/28/2019	BARCLAYS CAPITAL			52,000.01	52,000.01
36893	COMM	05582QAD9	BMWOT 1.16% MAT	Interest	05/28/2019	BMW VEHICLE			2,338.04	2,338.04
36893	COMM	05582QAD9	BMWOT 1.16% MAT	Redemption	05/28/2019	BMW VEHICLE		477,219.44		477,219.44
38387	COMM	3137AYCE9		Interest	05/28/2019	FHLMC Multi-Family			44,700.00	44,700.00
38387	COMM	3137AYCE9		Redemption	05/28/2019	FHLMC Multi-Family		548,494.12		548,494.12
38391	COMM	3137AYCE9		Interest	05/28/2019	FHLMC Multi-Family			16,762.50	16,762.50
38391	COMM	3137AYCE9		Redemption	05/28/2019	FHLMC Multi-Family		205,581.98		205,581.98
38412	COMM	09659QAD9	BMWOT 2.35% MAT	Interest	05/28/2019	BMW VEHICLE			62,666.66	62,666.66
38412	COMM	09659QAD9	BMWOT 2.35% MAT	Redemption	05/28/2019	BMW VEHICLE		943,070.67		943,070.67
38465	COMM	3137AWQH1	FHLMCM 2.307%	Interest	05/28/2019	FHLMC Multi-Family			10,727.55	10,727.55
38465	COMM	3137AWQH1	FHLMCM 2.307%	Redemption	05/28/2019	FHLMC Multi-Family		155,556.84		155,556.84
38477	COMM	3138LAYM5	FHLMCM 2.55% MAT	Interest	05/28/2019	FNMA Multi-Family			7,479.35	7,479.35

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38477	COMM	3138LAYM5	FHLMCM 2.55% MAT	Redemption	05/28/2019	FNMA Multi-Family		5,967.45		5,967.45
38643	COMM	3137B36J2	FHLMCM 3.32% MAT	Interest	05/28/2019	FHLMC Multi-Family			55,333.34	55,333.34
38643	COMM	3137B36J2	FHLMCM 3.32% MAT	Redemption	05/28/2019	FHLMC Multi-Family		508,490.56		508,490.56
38664	COMM	3136B1XP4	FNMAM 3.56% MAT	Interest	05/28/2019	FNMA Multi-Family			10,218.27	10,218.27
38664	COMM	3136B1XP4	FNMAM 3.56% MAT	Redemption	05/28/2019	FNMA Multi-Family		47,449.13		47,449.13
38665	COMM	3136B1XP4	FNMAM 3.56% MAT	Interest	05/28/2019	FNMA Multi-Family			10,218.27	10,218.27
38665	COMM	3136B1XP4	FNMAM 3.56% MAT	Redemption	05/28/2019	FNMA Multi-Family		47,449.13		47,449.13
38666	COMM	3137AYCE9		Interest	05/28/2019	FHLMC Multi-Family			26,250.08	26,250.08
38666	COMM	3137AYCE9		Redemption	05/28/2019	FHLMC Multi-Family		316,098.80		316,098.80
38744	COMM	3137AYCE9		Interest	05/28/2019	FHLMC Multi-Family			44,700.00	44,700.00
38744	COMM	3137AYCE9		Redemption	05/28/2019	FHLMC Multi-Family		538,460.88		538,460.88
38854	COMM	3137B4WB8	FHLMCM 3.06% MAT	Interest	05/28/2019	FHLMC Multi-Family			12,176.25	12,176.25
38854	COMM	3137B4WB8	FHLMCM 3.06% MAT	Redemption	05/28/2019	FHLMC Multi-Family		109,950.96		109,950.96
38864	COMM	3137B5JM6	FHLMCM 3.531% MAT	Interest	05/28/2019	FHLMC Multi-Family			29,425.00	29,425.00
38864	COMM	3137B5JM6	FHLMCM 3.531% MAT	Redemption	05/28/2019	FHLMC Multi-Family		231,875.65		231,875.65
38884	COMM	31381N7G2	FNMAM 3.27% MAT	Interest	05/28/2019	FNMA Multi-Family			9,381.07	9,381.07
38884	COMM	31381N7G2	FNMAM 3.27% MAT	Redemption	05/28/2019	FNMA Multi-Family		6,672.66		6,672.66
38945	COMM	3137B3NA2	FHLMC REMIC	Interest	05/28/2019	FHLMC Multi-Family			28,723.99	28,723.99
38945	COMM	3137B3NA2	FHLMC REMIC	Redemption	05/28/2019	FHLMC Multi-Family		256,195.86		256,195.86
39026	COMM	3137B5KW2	FHLMC SERIES	Interest	05/28/2019	FHLMC Multi-Family			28,816.67	28,816.67
39026	COMM	3137B5KW2	FHLMC SERIES	Redemption	05/28/2019	FHLMC Multi-Family		227,517.57		227,517.57
39093	COMM	3137FBUV6	FHLMCM 2.52688% MAT	Interest	05/28/2019	FHLMC Multi-Family			45,241.66	45,241.66
39093	COMM	3137FBUV6	FHLMCM 2.52688% MAT	Redemption	05/28/2019	FHLMC Multi-Family		1,369,938.76		1,369,938.76
39150	COMM	31381TYT1	FNMAM 2.75% MAT	Interest	05/28/2019	FNMA Multi-Family			68,596.59	68,596.59
39150	COMM	31381TYT1	FNMAM 2.75% MAT	Redemption	05/28/2019	FNMA Multi-Family		63,897.45		63,897.45
39158	COMM	31381RZ23	FNMAM 3.84% MAT	Interest	05/28/2019	FNMA Multi-Family			46,419.72	46,419.72
39158	COMM	31381RZ23	FNMAM 3.84% MAT	Redemption	05/28/2019	FNMA Multi-Family		27,647.07		27,647.07
39218	COMM	31381RLL6	FNMAM 3.84% MAT	Interest	05/28/2019	FNMA Multi-Family			37,962.39	37,962.39
39218	COMM	31381RLL6	FNMAM 3.84% MAT	Redemption	05/28/2019	FNMA Multi-Family		21,041.80		21,041.80
39219	COMM	31381RLL6	FNMAM 3.84% MAT	Interest	05/28/2019	FNMA Multi-Family			6,336.80	6,336.80
39219	COMM	31381RLL6	FNMAM 3.84% MAT	Redemption	05/28/2019	FNMA Multi-Family		3,512.36		3,512.36
39295	COMM	3137B04Y7	FHLMCM 2.615% MAT	Interest	05/28/2019	FHLMC Multi-Family			58,837.51	58,837.51
39295	COMM	3137B04Y7	FHLMCM 2.615% MAT	Redemption	05/28/2019	FHLMC Multi-Family		688,360.75		688,360.75
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Interest	05/28/2019	FNMA Multi-Family			51,458.33	51,458.33
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Redemption	05/28/2019	FNMA Multi-Family		523,304.85		523,304.85
39342	COMM	3137BQR90	FHLMCM 2.272% MAT	Interest	05/28/2019	FHLMC Multi-Family			44,303.99	44,303.99
39342	COMM	3137BQR90	FHLMCM 2.272% MAT	Redemption	05/28/2019	FHLMC Multi-Family		595,730.30		595,730.30
39457	COMM	3138EKX67	FNMAM 2.537% MAT	Interest	05/28/2019	FNMA Multi-Family			35,218.54	35,218.54
39457	COMM	3138EKX67	FNMAM 2.537% MAT	Redemption	05/28/2019	FNMA Multi-Family		35,396.65		35,396.65
39457	COMM	3138EKX67	FNMAM 2.537% MAT	Interest	05/28/2019	FNMA Multi-Family			-19,957.17	-19,957.17

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39457	COMM	3138EKX67	FNMAM 2.537% MAT	Redemption	05/28/2019	FNMA Multi-Family				0.00
39579	COMM	SYS39579	BCREPO 2.39% MAT	Purchase	05/29/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39580	COMM	313384GF0	FHDN DISC NOTE	Purchase	05/29/2019	FHLB DISCOUNT	149,990,499.99			-149,990,499.99
39581	COMM	313384GF0	FHDN DISC NOTE	Purchase	05/29/2019	FHLB DISCOUNT	99,993,666.67			-99,993,666.67
39582	COMM	43815MAC0	HAROT 2.52% MAT	Purchase	05/29/2019	HONDA AUTO	16,999,365.90			-16,999,365.90
39575	COMM	SYS39575	BCREPO 2.38% MAT	Redemption	05/29/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39576	COMM	313384GE3	FHDN DISC NOTE	Redemption	05/29/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39577	COMM	313384GE3	FHDN DISC NOTE	Redemption	05/29/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
37149	COMM	3130AABG2	FEDERAL HOME	Interest	05/29/2019	FHLB NOTES			140,625.00	140,625.00
39575	COMM	SYS39575	BCREPO 2.38% MAT	Interest	05/29/2019	BARCLAYS CAPITAL			13,222.23	13,222.23
39583	COMM	SYS39583	BCREPO 2.37% MAT	Purchase	05/30/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39586	COMM	14042WAC4	COPAR 2.51% MAT	Purchase	05/30/2019	Capital One	8,998,176.60			-8,998,176.60
39584	COMM	313384GG8	FHDN DISC NOTE	Purchase	05/30/2019	FHLB DISCOUNT	99,993,666.66			-99,993,666.66
39585	COMM	313384GG8	FHDN DISC NOTE	Purchase	05/30/2019	FHLB DISCOUNT	149,990,499.99			-149,990,499.99
39587	COMM	3138LEYD7	FNMAM 1.97% MAT	Purchase	05/30/2019	FNMA Multi-Family	18,671,980.39			-18,671,980.39
36793	COMM	3136G3QY4	FEDERAL NATL MTG	Redemption	05/30/2019	FNMA NOTES		5,000,000.00		5,000,000.00
36794	COMM	3136G3QY4	FEDERAL NATL MTG	Redemption	05/30/2019	FNMA NOTES		15,000,000.00		15,000,000.00
36795	COMM	3136G3QY4	FEDERAL NATL MTG	Redemption	05/30/2019	FNMA NOTES		5,000,000.00		5,000,000.00
39579	COMM	SYS39579	BCREPO 2.39% MAT	Redemption	05/30/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39580	COMM	313384GF0	FHDN DISC NOTE	Redemption	05/30/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39581	COMM	313384GF0	FHDN DISC NOTE	Redemption	05/30/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
36793	COMM	3136G3QY4	FEDERAL NATL MTG	Interest	05/30/2019	FNMA NOTES			31,250.00	31,250.00
36794	COMM	3136G3QY4	FEDERAL NATL MTG	Interest	05/30/2019	FNMA NOTES			93,750.00	93,750.00
36795	COMM	3136G3QY4	FEDERAL NATL MTG	Interest	05/30/2019	FNMA NOTES			31,250.00	31,250.00
39579	COMM	SYS39579	BCREPO 2.39% MAT	Interest	05/30/2019	BARCLAYS CAPITAL			13,277.78	13,277.78
39588	COMM	SYS39588	BCREPO 2.47% MAT	Purchase	05/31/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39589	COMM	313384GK9	FHDN DISC NOTE	Purchase	05/31/2019	FHLB DISCOUNT	149,971,875.00			-149,971,875.00
38386	COMM	912828SX9	UNITED STATES	Redemption	05/31/2019	U.S. TREASURY		20,000,000.00		20,000,000.00
39583	COMM	SYS39583	BCREPO 2.37% MAT	Redemption	05/31/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39584	COMM	313384GG8	FHDN DISC NOTE	Redemption	05/31/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
39585	COMM	313384GG8	FHDN DISC NOTE	Redemption	05/31/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
38386	COMM	912828SX9	UNITED STATES	Interest	05/31/2019	U.S. TREASURY			112,500.00	112,500.00
39583	COMM	SYS39583	BCREPO 2.37% MAT	Interest	05/31/2019	BARCLAYS CAPITAL			13,166.68	13,166.68
39590	COMM	SYS39590	BCREPO 2.35% MAT	Purchase	06/03/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39594	COMM	3133EKNR3	FEDERAL FARM CR	Purchase	06/03/2019	FFCB NOTES	10,004,700.00			-10,004,700.00
39591	COMM	313384GL7	FHDN DISC NOTE	Purchase	06/03/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39592	COMM	3133834G3	FEDERAL HOME	Purchase	06/03/2019	FHLB NOTES	10,091,408.33			-10,091,408.33
39593	COMM	3134GTQS5	FEDERAL HOME LN	Purchase	06/03/2019	FHLMC NOTES	10,260,250.00			-10,260,250.00
39389	COMM	30229BT31	EX DISC NOTE MAT	Redemption	06/03/2019	EXXON		50,000,000.00		50,000,000.00
39390	COMM	30229BT31	EX DISC NOTE MAT	Redemption	06/03/2019	EXXON		50,000,000.00		50,000,000.00

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39588	COMM	SYS39588	BCREPO 2.47% MAT	Redemption	06/03/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39589	COMM	313384GK9	FHDN DISC NOTE	Redemption	06/03/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39588	COMM	SYS39588	BCREPO 2.47% MAT	Interest	06/03/2019	BARCLAYS CAPITAL			41,166.67	41,166.67
39596	COMM	SYS39596	BCREPO 2.35% MAT	Purchase	06/04/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39595	COMM	313384GM5	FHDN DISC NOTE	Purchase	06/04/2019	FHLB DISCOUNT	149,990,750.01			-149,990,750.01
39590	COMM	SYS39590	BCREPO 2.35% MAT	Redemption	06/04/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39591	COMM	313384GL7	FHDN DISC NOTE	Redemption	06/04/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39031	COMM	06405LAA9	BANK NEW YORK	Interest	06/04/2019	BANK OF NEW			186,244.42	186,244.42
39032	COMM	06405LAA9	BANK NEW YORK	Interest	06/04/2019	BANK OF NEW			37,248.88	37,248.88
39590	COMM	SYS39590	BCREPO 2.35% MAT	Interest	06/04/2019	BARCLAYS CAPITAL			13,055.56	13,055.56
34292	COMM	SYS34292	MSTI 0.0%	Interest	06/04/2019	MORGAN STANLEY			193,526.25	193,526.25
34292	COMM	SYS34292	MSTI 0.0%	Purchase	06/04/2019	MORGAN STANLEY	193,526.25			-193,526.25
37590	COMM	SYS37590	JPM TE 0.44%	Purchase	06/04/2019	JP MORGAN US			574,165.43	574,165.43
37590	COMM	SYS37590	JPM TE 0.44%	Purchase	06/04/2019	JP MORGAN US	574,165.43			-574,165.43
39598	COMM	SYS39598	BCREPO 2.35% MAT	Purchase	06/05/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39599	COMM	313384GN3	FHDN DISC NOTE	Purchase	06/05/2019	FHLB DISCOUNT	149,990,833.32			-149,990,833.32
39597	COMM	31315KRG7	FRMDN ZERO CPN	Purchase	06/05/2019	FARMER MAC	24,674,708.33			-24,674,708.33
39595	COMM	313384GM5	FHDN DISC NOTE	Redemption	06/05/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39596	COMM	SYS39596	BCREPO 2.35% MAT	Redemption	06/05/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
34292	COMM	SYS34292	MSTI 0.0%	Redemption	06/05/2019	MORGAN STANLEY		100,320,010.72		100,320,010.72
39596	COMM	SYS39596	BCREPO 2.35% MAT	Interest	06/05/2019	BARCLAYS CAPITAL			13,055.56	13,055.56
39601	COMM	SYS39601	BCREPO 2.37% MAT	Purchase	06/06/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39600	COMM	313384GP8	FHDN DISC NOTE	Purchase	06/06/2019	FHLB DISCOUNT	149,990,833.32			-149,990,833.32
39598	COMM	SYS39598	BCREPO 2.35% MAT	Redemption	06/06/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39599	COMM	313384GN3	FHDN DISC NOTE	Redemption	06/06/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39598	COMM	SYS39598	BCREPO 2.35% MAT	Interest	06/06/2019	BARCLAYS CAPITAL			13,055.56	13,055.56
39602	COMM	SYS39602	BCREPO 2.36% MAT	Purchase	06/07/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39603	COMM	313384GS2	FHDN DISC NOTE	Purchase	06/07/2019	FHLB DISCOUNT	149,972,499.99			-149,972,499.99
39061	COMM	25215FEK6	DX 2.75% MAT	Redemption	06/07/2019	DEXIA		30,000,000.00		30,000,000.00
39600	COMM	313384GP8	FHDN DISC NOTE	Redemption	06/07/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39601	COMM	SYS39601	BCREPO 2.37% MAT	Redemption	06/07/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39061	COMM	25215FEK6	DX 2.75% MAT	Interest	06/07/2019	DEXIA			405,625.00	405,625.00
39138	COMM	3130ABFD3	FEDERAL HOME	Interest	06/07/2019	FHLB NOTES			98,437.50	98,437.50
39601	COMM	SYS39601	BCREPO 2.37% MAT	Interest	06/07/2019	BARCLAYS CAPITAL			13,166.67	13,166.67
39606	COMM	SYS39606	BCREPO 2.36% MAT	Purchase	06/10/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39604	COMM	313384GT0	FHDN DISC NOTE	Purchase	06/10/2019	FHLB DISCOUNT	149,990,833.32			-149,990,833.32
39605	COMM	313384GT0	FHDN DISC NOTE	Purchase	06/10/2019	FHLB DISCOUNT	49,996,944.44			-49,996,944.44
39054	COMM	17305TC83	CITINA 2.92% MAT	Redemption	06/10/2019	CITI BANK NA		50,000,000.00		50,000,000.00
39602	COMM	SYS39602	BCREPO 2.36% MAT	Redemption	06/10/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39603	COMM	313384GS2	FHDN DISC NOTE	Redemption	06/10/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00

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37194	COMM	3133EGT47	FEDERAL FARM CR	Interest	06/10/2019	FFCB NOTES			100,500.00	100,500.00
39016	COMM	3130AFE78	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			254,712.50	254,712.50
39016	COMM	3130AFE78	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		27,504.17	-27,504.17	0.00
39054	COMM	17305TC83	CITINA 2.92% MAT	Interest	06/10/2019	CITI BANK NA			734,055.56	734,055.56
39069	COMM	3130A0F70	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			168,750.00	168,750.00
39069	COMM	3130A0F70	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		5,625.00	-5,625.00	0.00
39106	COMM	3130A0F70	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			59,062.50	59,062.50
39106	COMM	3130A0F70	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		5,250.00	-5,250.00	0.00
39545	COMM	313379Q69	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			265,625.00	265,625.00
39545	COMM	313379Q69	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		230,208.33	-230,208.33	0.00
39552	COMM	3130A5P45	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			178,125.00	178,125.00
39552	COMM	3130A5P45	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		158,333.33	-158,333.33	0.00
39559	COMM	3133834G3	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			106,250.00	106,250.00
39559	COMM	3133834G3	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		95,625.00	-95,625.00	0.00
39592	COMM	3133834G3	FEDERAL HOME	Interest	06/10/2019	FHLB NOTES			106,250.00	106,250.00
39592	COMM	3133834G3	FEDERAL HOME	Accr Int	06/10/2019	FHLB NOTES		102,708.33	-102,708.33	0.00
39602	COMM	SYS39602	BCREPO 2.36% MAT	Interest	06/10/2019	BARCLAYS CAPITAL			39,333.33	39,333.33
39607	COMM	SYS39607	BCREPO 2.36% MAT	Purchase	06/11/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39608	COMM	313384GU7	FHDN DISC NOTE	Purchase	06/11/2019	FHLB DISCOUNT	149,990,833.32			-149,990,833.32
39609	COMM	3138LGF8	FNAM 2.15% MAT	Purchase	06/11/2019	FNMA Multi-Family	4,982,925.35			-4,982,925.35
39604	COMM	313384GT0	FHDN DISC NOTE	Redemption	06/11/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39605	COMM	313384GT0	FHDN DISC NOTE	Redemption	06/11/2019	FHLB DISCOUNT		50,000,000.00		50,000,000.00
39606	COMM	SYS39606	BCREPO 2.36% MAT	Redemption	06/11/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
37961	COMM	313379RB7	FEDERAL HOME	Interest	06/11/2019	FHLB NOTES			46,875.00	46,875.00
38102	COMM	3130A3UQ5	FEDERAL HOME	Interest	06/11/2019	FHLB NOTES			93,750.00	93,750.00
39563	COMM	3130A1W95	FEDERAL HOME	Interest	06/11/2019	FHLB NOTES			281,250.00	281,250.00
39563	COMM	3130A1W95	FEDERAL HOME	Accr Int	06/11/2019	FHLB NOTES		251,562.50	-251,562.50	0.00
39606	COMM	SYS39606	BCREPO 2.36% MAT	Interest	06/11/2019	BARCLAYS CAPITAL			13,111.10	13,111.10
39611	COMM	SYS39611	BCREPO 2.35% MAT	Purchase	06/12/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39610	COMM	313384GV5	FHDN DISC NOTE	Purchase	06/12/2019	FHLB DISCOUNT	149,990,833.32			-149,990,833.32
39612	COMM	92349GAA9	VERIZON OWNER	Purchase	06/12/2019	VERIZON OWNER	34,997,553.50			-34,997,553.50
37901	COMM	3133EHMR1	FFCB 1.375% MAT	Redemption	06/12/2019	FFCB NOTES		5,000,000.00		5,000,000.00
37905	COMM	3133EHMR1	FFCB 1.375% MAT	Redemption	06/12/2019	FFCB NOTES		5,000,000.00		5,000,000.00
39607	COMM	SYS39607	BCREPO 2.36% MAT	Redemption	06/12/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39608	COMM	313384GU7	FHDN DISC NOTE	Redemption	06/12/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
36877	COMM	3133834H1	FEDERAL HOME	Interest	06/12/2019	FHLB NOTES			103,125.00	103,125.00
37037	COMM	3133834H1	FEDERAL HOME	Interest	06/12/2019	FHLB NOTES			68,750.00	68,750.00
37058	COMM	313383HU8	FHLB 1.75% MAT	Interest	06/12/2019	FHLB NOTES			131,250.00	131,250.00
37901	COMM	3133EHMR1	FFCB 1.375% MAT	Interest	06/12/2019	FFCB NOTES			34,375.00	34,375.00
37905	COMM	3133EHMR1	FFCB 1.375% MAT	Interest	06/12/2019	FFCB NOTES			34,375.00	34,375.00



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38247	COMM	313383HU8	FHLB 1.75% MAT	Interest	06/12/2019	FHLB NOTES			218,750.00	218,750.00
38978	COMM	313370E38	FEDERAL HOME	Interest	06/12/2019	FHLB NOTES			337,500.00	337,500.00
39383	COMM	313370E38	FEDERAL HOME	Interest	06/12/2019	FHLB NOTES			168,750.00	168,750.00
39383	COMM	313370E38	FEDERAL HOME	Accr Int	06/12/2019	FHLB NOTES		108,750.00	-108,750.00	0.00
39393	COMM	313370E38	FEDERAL HOME	Interest	06/12/2019	FHLB NOTES			393,103.13	393,103.13
39393	COMM	313370E38	FEDERAL HOME	Accr Int	06/12/2019	FHLB NOTES		253,333.13	-253,333.13	0.00
39607	COMM	SYS39607	BCREPO 2.36% MAT	Interest	06/12/2019	BARCLAYS CAPITAL			13,111.12	13,111.12
39614	COMM	SYS39614	BCREPO 2.34% MAT	Purchase	06/13/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39613	COMM	313384GW3	FHDN DISC NOTE	Purchase	06/13/2019	FHLB DISCOUNT	149,990,833.32			-149,990,833.32
39610	COMM	313384GV5	FHDN DISC NOTE	Redemption	06/13/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39611	COMM	SYS39611	BCREPO 2.35% MAT	Redemption	06/13/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39611	COMM	SYS39611	BCREPO 2.35% MAT	Interest	06/13/2019	BARCLAYS CAPITAL			13,055.57	13,055.57
39616	COMM	SYS39616	BCREPO 2.31% MAT	Purchase	06/14/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39615	COMM	313384GZ6	FHDN DISC NOTE	Purchase	06/14/2019	FHLB DISCOUNT	149,972,499.99			-149,972,499.99
36402	COMM	313379EE5	FEDERAL HOME	Redemption	06/14/2019	FHLB NOTES		17,200,000.00		17,200,000.00
36550	COMM	313379EE5	FEDERAL HOME	Redemption	06/14/2019	FHLB NOTES		15,000,000.00		15,000,000.00
36823	COMM	3134G9QW0	FEDERAL HOME LN	Redemption	06/14/2019	FHLMC NOTES		20,000,000.00		20,000,000.00
38469	COMM	313379EE5	FEDERAL HOME	Redemption	06/14/2019	FHLB NOTES		25,000,000.00		25,000,000.00
39613	COMM	313384GW3	FHDN DISC NOTE	Redemption	06/14/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39614	COMM	SYS39614	BCREPO 2.34% MAT	Redemption	06/14/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
36402	COMM	313379EE5	FEDERAL HOME	Interest	06/14/2019	FHLB NOTES			139,750.00	139,750.00
36550	COMM	313379EE5	FEDERAL HOME	Interest	06/14/2019	FHLB NOTES			121,875.00	121,875.00
36823	COMM	3134G9QW0	FEDERAL HOME LN	Interest	06/14/2019	FHLMC NOTES			128,000.00	128,000.00
38469	COMM	313379EE5	FEDERAL HOME	Interest	06/14/2019	FHLB NOTES			203,125.00	203,125.00
39527	COMM	92826CAC6	VISA INC, SR GLBL	Interest	06/14/2019	VISA			156,184.00	156,184.00
39527	COMM	92826CAC6	VISA INC, SR GLBL	Accr Int	06/14/2019	VISA		125,814.89	-125,814.89	0.00
39614	COMM	SYS39614	BCREPO 2.34% MAT	Interest	06/14/2019	BARCLAYS CAPITAL			13,000.01	13,000.01
39617	COMM	SYS39617	BCREPO 2.38% MAT	Purchase	06/17/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39618	COMM	313384HA0	FHDN DISC NOTE	Purchase	06/17/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
36753	COMM	89231UAD9	TOYO 1.3% MAT	Redemption	06/17/2019	TOYOTA AUTO REC		151,035.00		151,035.00
36753	COMM	89231UAD9	TOYO 1.3% MAT	Cap G/L	06/17/2019	TOYOTA AUTO REC		7.72		7.72
39523	COMM	24422MTH4	JDCCP DISC NOTE	Redemption	06/17/2019	John Deere Capital C		60,000,000.00		60,000,000.00
39615	COMM	313384GZ6	FHDN DISC NOTE	Redemption	06/17/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39616	COMM	SYS39616	BCREPO 2.31% MAT	Redemption	06/17/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
36753	COMM	89231UAD9	TOYO 1.3% MAT	Interest	06/17/2019	TOYOTA AUTO REC			203.21	203.21
37849	COMM	3134GBRR5	FHLMC 1.8% MAT	Interest	06/17/2019	FHLMC NOTES			180,000.00	180,000.00
38076	COMM	931142EA7	WAL-MART STORES	Interest	06/17/2019	WALMART			66,500.00	66,500.00
38796	COMM	3134GSMY8	FEDERAL HOME LN	Interest	06/17/2019	FHLMC NOTES			206,250.00	206,250.00
39075	COMM	3133EJ3B3	FEDERAL FARM CR	Interest	06/17/2019	FFCB NOTES			140,000.00	140,000.00
39108	COMM	3133EJ3B3	FEDERAL FARM CR	Interest	06/17/2019	FFCB NOTES			60,200.00	60,200.00

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39108	COMM	3133EJ3B3	FEDERAL FARM CR	Accr Int	06/17/2019	FFCB NOTES		2,341.11	-2,341.11	<b>0.00</b>
39616	COMM	SYS39616	BCREPO 2.31% MAT	Interest	06/17/2019	BARCLAYS CAPITAL			38,500.01	<b>38,500.01</b>
36557	COMM	65478UAD1	NALT 1.34% MAT	Interest	06/17/2019	NISSAN AUTO			925.81	<b>925.81</b>
36557	COMM	65478UAD1	NALT 1.34% MAT	Redemption	06/17/2019	NISSAN AUTO		223,452.62		<b>223,452.62</b>
36800	COMM	43814QAC2	HAROT 1.39% MAT	Interest	06/17/2019	HONDA AUTO			569.88	<b>569.88</b>
36800	COMM	43814QAC2	HAROT 1.39% MAT	Redemption	06/17/2019	HONDA AUTO		446,847.16		<b>446,847.16</b>
36905	COMM	47788NAC2	JDOT 1.25% MAT	Interest	06/17/2019	JOHN DEERE			856.93	<b>856.93</b>
36905	COMM	47788NAC2	JDOT 1.25% MAT	Redemption	06/17/2019	JOHN DEERE		314,598.04		<b>314,598.04</b>
36929	COMM	161571HF47	CHAIT 1.27% MAT	Interest	06/17/2019	CHASE ISSUANCE			24,341.66	<b>24,341.66</b>
36929	COMM	161571HF47	CHAIT 1.27% MAT	Redemption	06/17/2019	CHASE ISSUANCE		986,496.31		<b>986,496.31</b>
36956	COMM	58769BAD6	MBART 1.26% MAT	Interest	06/17/2019	MERCEDES -BENZ			3,200.98	<b>3,200.98</b>
36956	COMM	58769BAD6	MBART 1.26% MAT	Redemption	06/17/2019	MERCEDES -BENZ		446,986.36		<b>446,986.36</b>
37035	COMM	89231LAD9	TAOT 1.23% MAT	Interest	06/17/2019	TOYOTA AUTO REC			4,274.44	<b>4,274.44</b>
37035	COMM	89231LAD9	TAOT 1.23% MAT	Redemption	06/17/2019	TOYOTA AUTO REC		763,668.65		<b>763,668.65</b>
37507	COMM	47787XAC1	JDOT 1.78% MAT	Interest	06/17/2019	JOHN DEERE			6,650.80	<b>6,650.80</b>
37507	COMM	47787XAC1	JDOT 1.78% MAT	Redemption	06/17/2019	JOHN DEERE		495,016.92		<b>495,016.92</b>
37568	COMM	89238MAD0	TAOT 1.73% MAT	Interest	06/17/2019	TOYOTA AUTO REC			8,129.35	<b>8,129.35</b>
37568	COMM	89238MAD0	TAOT 1.73% MAT	Redemption	06/17/2019	TOYOTA AUTO REC		638,323.91		<b>638,323.91</b>
37976	COMM	43811BAC8	HAROT 1.68% MAT	Interest	06/17/2019	HONDA AUTO			30,073.32	<b>30,073.32</b>
37976	COMM	43811BAC8	HAROT 1.68% MAT	Redemption	06/17/2019	HONDA AUTO		1,625,422.65		<b>1,625,422.65</b>
38137	COMM	89238KAD4	TAOT 1.93% MAT	Interest	06/17/2019	TOYOTA AUTO REC			38,599.99	<b>38,599.99</b>
38137	COMM	89238KAD4	TAOT 1.93% MAT	Redemption	06/17/2019	TOYOTA AUTO REC		783,728.08		<b>783,728.08</b>
38475	COMM	65478DAD9	NALT 2.65% MAT	Interest	06/17/2019	NISSAN AUTO			40,854.16	<b>40,854.16</b>
38475	COMM	65478DAD9	NALT 2.65% MAT	Redemption	06/17/2019	NISSAN AUTO		375,005.86		<b>375,005.86</b>
38476	COMM	47788CAC6	JDOT 2.66% MAT	Interest	06/17/2019	JOHN DEERE			18,287.50	<b>18,287.50</b>
38476	COMM	47788CAC6	JDOT 2.66% MAT	Redemption	06/17/2019	JOHN DEERE		172,911.59		<b>172,911.59</b>
38646	COMM	02582JHQ6	AMXCA 2.67% MAT	Interest	06/17/2019	American Express			100,125.00	<b>100,125.00</b>
38646	COMM	02582JHQ6	AMXCA 2.67% MAT	Redemption	06/17/2019	American Express		1,134,687.57		<b>1,134,687.57</b>
38708	COMM	161571HN7	CHAIT 2.1227% MAT	Interest	06/17/2019	CHASE ISSUANCE			89,527.46	<b>89,527.46</b>
38708	COMM	161571HN7	CHAIT 2.1227% MAT	Redemption	06/17/2019	CHASE ISSUANCE		811,235.32		<b>811,235.32</b>
38785	COMM	58769DAE0	MBALT 2.01% MAT	Interest	06/17/2019	MERCEDES-BENZ			6,700.00	<b>6,700.00</b>
38785	COMM	58769DAE0	MBALT 2.01% MAT	Redemption	06/17/2019	MERCEDES-BENZ		101,459.71		<b>101,459.71</b>
38958	COMM	89231PAD0	TAOT 3.18% MAT	Interest	06/17/2019	TOYOTA AUTO REC			26,500.00	<b>26,500.00</b>
38958	COMM	89231PAD0	TAOT 3.18% MAT	Redemption	06/17/2019	TOYOTA AUTO REC		216,153.08		<b>216,153.08</b>
39013	COMM	43815AAC6	HAROT 3.16% MAT	Interest	06/17/2019	HONDA AUTO			57,274.99	<b>57,274.99</b>
39013	COMM	43815AAC6	HAROT 3.16% MAT	Redemption	06/17/2019	HONDA AUTO		480,828.74		<b>480,828.74</b>
39062	COMM	05522RCZ9	BACCT 3.0% MAT	Interest	06/17/2019	BANK OF AMERICA			50,350.00	<b>50,350.00</b>
39062	COMM	05522RCZ9	BACCT 3.0% MAT	Redemption	06/17/2019	BANK OF AMERICA		403,298.54		<b>403,298.54</b>
39082	COMM	05522RDA3	BACCT 3.1% MAT	Interest	06/17/2019	BANK OF AMERICA			38,750.00	<b>38,750.00</b>
39082	COMM	05522RDA3	BACCT 3.1% MAT	Redemption	06/17/2019	BANK OF AMERICA		276,476.62		<b>276,476.62</b>

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39190	COMM	58772TAC4	MBALT 3.1% MAT	Interest	06/17/2019	MERCEDES-BENZ			25,833.33	25,833.33
39190	COMM	58772TAC4	MBALT 3.1% MAT	Redemption	06/17/2019	MERCEDES-BENZ		329,107.03		329,107.03
39220	COMM	05522RCY2	BACCT 2.7% MAT	Interest	06/17/2019	BANK OF AMERICA			56,250.00	56,250.00
39220	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	06/17/2019	BANK OF AMERICA		524,027.66		524,027.66
39320	COMM	05522RCY2	BACCT 2.7% MAT	Interest	06/17/2019	BANK OF AMERICA			45,000.00	45,000.00
39320	COMM	05522RCY2	BACCT 2.7% MAT	Redemption	06/17/2019	BANK OF AMERICA		420,026.60		420,026.60
39578	COMM	65479HAC1	NAROT 2.5% MAT	Interest	06/17/2019	Nissan Auto Receivab			23,611.12	23,611.12
39578	COMM	65479HAC1	NAROT 2.5% MAT	Redemption	06/17/2019	Nissan Auto Receivab		353,510.85		353,510.85
39586	COMM	14042WAC4	COPAR 2.51% MAT	Interest	06/17/2019	Capital One			9,412.50	9,412.50
39586	COMM	14042WAC4	COPAR 2.51% MAT	Redemption	06/17/2019	Capital One		159,048.23		159,048.23
39619	COMM	SYS39619	BCREPO 2.36% MAT	Purchase	06/18/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39620	COMM	313384HB8	FHDN DISC NOTE	Purchase	06/18/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39617	COMM	SYS39617	BCREPO 2.38% MAT	Redemption	06/18/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39618	COMM	313384HA0	FHDN DISC NOTE	Redemption	06/18/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39617	COMM	SYS39617	BCREPO 2.38% MAT	Interest	06/18/2019	BARCLAYS CAPITAL			13,222.23	13,222.23
37059	COMM	43814RAC0	HAROT 1.21% MAT	Interest	06/18/2019	HONDA AUTO			4,399.22	4,399.22
37059	COMM	43814RAC0	HAROT 1.21% MAT	Redemption	06/18/2019	HONDA AUTO		566,802.83		566,802.83
38738	COMM	43814UAG4	HAROT 3.01% MAT	Interest	06/18/2019	HONDA AUTO			30,100.00	30,100.00
38738	COMM	43814UAG4	HAROT 3.01% MAT	Redemption	06/18/2019	HONDA AUTO		344,535.59		344,535.59
39269	COMM	43814WAC9	HAROT 2.83% MAT	Interest	06/18/2019	HONDA AUTO			32,427.08	32,427.08
39269	COMM	43814WAC9	HAROT 2.83% MAT	Redemption	06/18/2019	HONDA AUTO		285,991.05		285,991.05
39621	COMM	SYS39621	BCREPO 2.34% MAT	Purchase	06/19/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39622	COMM	313384HC6	FHDN DISC NOTE	Purchase	06/19/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39619	COMM	SYS39619	BCREPO 2.36% MAT	Redemption	06/19/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39620	COMM	313384HB8	FHDN DISC NOTE	Redemption	06/19/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39619	COMM	SYS39619	BCREPO 2.36% MAT	Interest	06/19/2019	BARCLAYS CAPITAL			13,111.12	13,111.12
39623	COMM	SYS39623	BCREPO 2.32% MAT	Purchase	06/20/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39624	COMM	313384HD4	FHDN DISC NOTE	Purchase	06/20/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39625	COMM	313384HD4	FHDN DISC NOTE	Purchase	06/20/2019	FHLB DISCOUNT	99,993,750.00			-99,993,750.00
39462	COMM	912796QM4	UNITED STATES	Redemption	06/20/2019	U.S. TREASURY		100,000,000.00		100,000,000.00
39621	COMM	SYS39621	BCREPO 2.34% MAT	Redemption	06/20/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39622	COMM	313384HC6	FHDN DISC NOTE	Redemption	06/20/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
37893	COMM	3134GBRZ7	FEDERAL HOME LN	Interest	06/20/2019	FHLMC NOTES			112,500.00	112,500.00
39621	COMM	SYS39621	BCREPO 2.34% MAT	Interest	06/20/2019	BARCLAYS CAPITAL			13,000.01	13,000.01
39327	COMM	05586VAD4	BMWLT 3.38% MAT	Interest	06/20/2019	BMW VEHICLE			18,250.00	18,250.00
39327	COMM	05586VAD4	BMWLT 3.38% MAT	Redemption	06/20/2019	BMW VEHICLE		182,394.79		182,394.79
39626	COMM	SYS39626	BCREPO 2.35% MAT	Purchase	06/21/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39628	COMM	3133EKR3	FEDERAL FARM CR	Purchase	06/21/2019	FFCB NOTES	15,000,000.00			-15,000,000.00
39629	COMM	3133EKR3	FEDERAL FARM CR	Purchase	06/21/2019	FFCB NOTES	10,000,000.00			-10,000,000.00
39627	COMM	313384HG7	FHDN DISC NOTE	Purchase	06/21/2019	FHLB DISCOUNT	149,971,875.00			-149,971,875.00

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39254	COMM	22533UTM5	CACPNY DISC NOTE	Redemption	06/21/2019	Credit Agricole Corp		25,000,000.00		25,000,000.00
39395	COMM	63763QTM9	NSCCPP DISC NOTE	Redemption	06/21/2019	NATL SEC		50,000,000.00		50,000,000.00
39413	COMM	9113A3TM6	UPS DISC NOTE	Redemption	06/21/2019	UNITED PARCEL		50,000,000.00		50,000,000.00
39480	COMM	7426M3TM1	PEFCO DISC NOTE	Redemption	06/21/2019	PRIVATE EXPORT		25,000,000.00		25,000,000.00
39623	COMM	SYS39623	BCREPO 2.32% MAT	Redemption	06/21/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39624	COMM	313384HD4	FHDN DISC NOTE	Redemption	06/21/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39625	COMM	313384HD4	FHDN DISC NOTE	Redemption	06/21/2019	FHLB DISCOUNT		100,000,000.00		100,000,000.00
38718	COMM	3133EJPX1	FEDERAL FARM CR	Interest	06/21/2019	FFCB NOTES			71,875.00	71,875.00
39623	COMM	SYS39623	BCREPO 2.32% MAT	Interest	06/21/2019	BARCLAYS CAPITAL			12,888.89	12,888.89
37615	COMM	43814TAC6	HAROT 1.72% MAT	Interest	06/21/2019	HONDA AUTO			13,170.20	13,170.20
37615	COMM	43814TAC6	HAROT 1.72% MAT	Redemption	06/21/2019	HONDA AUTO		786,508.16		786,508.16
39582	COMM	43815MAC0	HAROT 2.52% MAT	Interest	06/21/2019	HONDA AUTO			26,180.00	26,180.00
39582	COMM	43815MAC0	HAROT 2.52% MAT	Redemption	06/21/2019	HONDA AUTO		332,527.21		332,527.21
39630	COMM	SYS39630	BCREPO 2.38% MAT	Purchase	06/24/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39631	COMM	313384HH5	FHDN DISC NOTE	Purchase	06/24/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39632	COMM	3138L2BU0	FNMM 2.31% MAT	Purchase	06/24/2019	FNMA Multi-Family	6,869,281.17			-6,869,281.17
39626	COMM	SYS39626	BCREPO 2.35% MAT	Redemption	06/24/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39627	COMM	313384HG7	FHDN DISC NOTE	Redemption	06/24/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
37861	COMM	3134GBRU8	FEDERAL HOME LN	Interest	06/24/2019	FHLMC NOTES			243,750.00	243,750.00
37880	COMM	3134GBSM5	FEDERAL HOME LN	Interest	06/24/2019	FHLMC NOTES			46,325.00	46,325.00
37894	COMM	3134GBSW3	FEDERAL HOME LN	Interest	06/24/2019	FHLMC NOTES			43,750.00	43,750.00
38826	COMM	931142EG4	WALMART INC, SR	Interest	06/24/2019	WALMART			570,000.00	570,000.00
39626	COMM	SYS39626	BCREPO 2.35% MAT	Interest	06/24/2019	BARCLAYS CAPITAL			39,166.68	39,166.68
39633	COMM	SYS39633	BCREPO 2.4% MAT	Purchase	06/25/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39634	COMM	313384HJ1	FHDN DISC NOTE	Purchase	06/25/2019	FHLB DISCOUNT	149,990,499.99			-149,990,499.99
39635	COMM	7426M2BU4	PEFCO ZERO CPN	Purchase	06/25/2019	PRIVATE EXPORT	3,449,366.67			-3,449,366.67
39636	COMM	71344UUS6	PEPPP DISC NOTE	Purchase	06/25/2019	PEPSICO INC	23,803,790.63			-23,803,790.63
39388	COMM	459052HH2	WBDN DISC NOTE	Redemption	06/25/2019	World Bank Discount		50,000,000.00		50,000,000.00
39630	COMM	SYS39630	BCREPO 2.38% MAT	Redemption	06/25/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39631	COMM	313384HH5	FHDN DISC NOTE	Redemption	06/25/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39630	COMM	SYS39630	BCREPO 2.38% MAT	Interest	06/25/2019	BARCLAYS CAPITAL			13,222.21	13,222.21
36893	COMM	05582QAD9	BMWOT 1.16% MAT	Interest	06/25/2019	BMW VEHICLE			1,876.73	1,876.73
36893	COMM	05582QAD9	BMWOT 1.16% MAT	Redemption	06/25/2019	BMW VEHICLE		461,062.06		461,062.06
38387	COMM	3137AYCE9		Interest	06/25/2019	FHLMC Multi-Family			44,700.00	44,700.00
38387	COMM	3137AYCE9		Redemption	06/25/2019	FHLMC Multi-Family		559,601.92		559,601.92
38391	COMM	3137AYCE9		Interest	06/25/2019	FHLMC Multi-Family			16,762.50	16,762.50
38391	COMM	3137AYCE9		Redemption	06/25/2019	FHLMC Multi-Family		209,745.31		209,745.31
38412	COMM	09659QAD9	BMWOT 2.35% MAT	Interest	06/25/2019	BMW VEHICLE			62,666.66	62,666.66
38412	COMM	09659QAD9	BMWOT 2.35% MAT	Redemption	06/25/2019	BMW VEHICLE		973,761.02		973,761.02
38465	COMM	3137AWQH1	FHLMCM 2.307%	Interest	06/25/2019	FHLMC Multi-Family			10,727.55	10,727.55

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38465	COMM	3137AWQH1	FHLMCM 2.307%	Redemption	06/25/2019	FHLMC Multi-Family		158,870.83		158,870.83
38477	COMM	3138LAYM5	FHLMCM 2.55% MAT	Interest	06/25/2019	FNMA Multi-Family			7,715.56	7,715.56
38477	COMM	3138LAYM5	FHLMCM 2.55% MAT	Redemption	06/25/2019	FNMA Multi-Family		5,571.90		5,571.90
38643	COMM	3137B36J2	FHLMCM 3.32% MAT	Interest	06/25/2019	FHLMC Multi-Family			55,333.34	55,333.34
38643	COMM	3137B36J2	FHLMCM 3.32% MAT	Redemption	06/25/2019	FHLMC Multi-Family		517,852.64		517,852.64
38664	COMM	3136B1XP4	FNMAM 3.56% MAT	Interest	06/25/2019	FNMA Multi-Family			9,919.78	9,919.78
38664	COMM	3136B1XP4	FNMAM 3.56% MAT	Redemption	06/25/2019	FNMA Multi-Family		12,012.57		12,012.57
38665	COMM	3136B1XP4	FNMAM 3.56% MAT	Interest	06/25/2019	FNMA Multi-Family			9,919.78	9,919.78
38665	COMM	3136B1XP4	FNMAM 3.56% MAT	Redemption	06/25/2019	FNMA Multi-Family		12,012.57		12,012.57
38666	COMM	3137AYCE9		Interest	06/25/2019	FHLMC Multi-Family			26,250.08	26,250.08
38666	COMM	3137AYCE9		Redemption	06/25/2019	FHLMC Multi-Family		322,500.26		322,500.26
38744	COMM	3137AYCE9		Interest	06/25/2019	FHLMC Multi-Family			44,700.00	44,700.00
38744	COMM	3137AYCE9		Redemption	06/25/2019	FHLMC Multi-Family		549,365.49		549,365.49
38854	COMM	3137B4WB8	FHLMCM 3.06% MAT	Interest	06/25/2019	FHLMC Multi-Family			12,176.25	12,176.25
38854	COMM	3137B4WB8	FHLMCM 3.06% MAT	Redemption	06/25/2019	FHLMC Multi-Family		111,739.43		111,739.43
38864	COMM	3137B5JM6	FHLMCM 3.531%	Interest	06/25/2019	FHLMC Multi-Family			29,425.00	29,425.00
38864	COMM	3137B5JM6	FHLMCM 3.531%	Redemption	06/25/2019	FHLMC Multi-Family		235,676.32		235,676.32
38884	COMM	31381N7G2	FNMAM 3.27% MAT	Interest	06/25/2019	FNMA Multi-Family			9,674.98	9,674.98
38884	COMM	31381N7G2	FNMAM 3.27% MAT	Redemption	06/25/2019	FNMA Multi-Family		6,278.06		6,278.06
38945	COMM	3137B3NA2	FHLMC REMIC	Interest	06/25/2019	FHLMC Multi-Family			28,723.99	28,723.99
38945	COMM	3137B3NA2	FHLMC REMIC	Redemption	06/25/2019	FHLMC Multi-Family		260,681.57		260,681.57
39026	COMM	3137B5KW2	FHLMC SERIES	Interest	06/25/2019	FHLMC Multi-Family			28,816.67	28,816.67
39026	COMM	3137B5KW2	FHLMC SERIES	Redemption	06/25/2019	FHLMC Multi-Family		231,158.95		231,158.95
39093	COMM	3137FBUV6	FHLMCM 2.52688%	Interest	06/25/2019	FHLMC Multi-Family			46,508.62	46,508.62
39093	COMM	3137FBUV6	FHLMCM 2.52688%	Redemption	06/25/2019	FHLMC Multi-Family		1,468,124.92		1,468,124.92
39150	COMM	31381TYT1	FNMAM 2.75% MAT	Interest	06/25/2019	FNMA Multi-Family			70,731.83	70,731.83
39150	COMM	31381TYT1	FNMAM 2.75% MAT	Redemption	06/25/2019	FNMA Multi-Family		60,628.23		60,628.23
39158	COMM	31381RZ23	FNMAM 3.84% MAT	Interest	06/25/2019	FNMA Multi-Family			47,875.62	47,875.62
39158	COMM	31381RZ23	FNMAM 3.84% MAT	Redemption	06/25/2019	FNMA Multi-Family		25,637.70		25,637.70
39218	COMM	31381RLL6	FNMAM 3.84% MAT	Interest	06/25/2019	FNMA Multi-Family			39,158.22	39,158.22
39218	COMM	31381RLL6	FNMAM 3.84% MAT	Redemption	06/25/2019	FNMA Multi-Family		19,590.61		19,590.61
39219	COMM	31381RLL6	FNMAM 3.84% MAT	Interest	06/25/2019	FNMA Multi-Family			6,536.41	6,536.41
39219	COMM	31381RLL6	FNMAM 3.84% MAT	Redemption	06/25/2019	FNMA Multi-Family		3,270.12		3,270.12
39295	COMM	3137B04Y7	FHLMCM 2.615%	Interest	06/25/2019	FHLMC Multi-Family			58,837.51	58,837.51
39295	COMM	3137B04Y7	FHLMCM 2.615%	Redemption	06/25/2019	FHLMC Multi-Family		701,223.03		701,223.03
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Interest	06/25/2019	FNMA Multi-Family			53,173.61	53,173.61
39319	COMM	3138LGKH8	FNMAM 2.47% MAT	Redemption	06/25/2019	FNMA Multi-Family		535,232.14		535,232.14
39342	COMM	3137BQR90	FHLMCM 2.272%	Interest	06/25/2019	FHLMC Multi-Family			44,303.99	44,303.99
39342	COMM	3137BQR90	FHLMCM 2.272%	Redemption	06/25/2019	FHLMC Multi-Family		606,804.43		606,804.43
39457	COMM	3138EKX67	FNMAM 2.537% MAT	Interest	06/25/2019	FNMA Multi-Family			35,971.62	35,971.62

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39457	COMM	3138EKX67	FNMAM 2.537% MAT	Redemption	06/25/2019	FNMA Multi-Family		33,751.98		33,751.98
39587	COMM	3138LEYD7	FNMAM 1.97% MAT	Interest	06/25/2019	FNMA Multi-Family			32,145.51	32,145.51
39587	COMM	3138LEYD7	FNMAM 1.97% MAT	Redemption	06/25/2019	FNMA Multi-Family		29,781.91		29,781.91
39587	COMM	3138LEYD7	FNMAM 1.97% MAT	Interest	06/25/2019	FNMA Multi-Family			-30,071.60	-30,071.60
39587	COMM	3138LEYD7	FNMAM 1.97% MAT	Redemption	06/25/2019	FNMA Multi-Family				0.00
39637	COMM	SYS39637	BCREPO 2.41% MAT	Purchase	06/26/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39639	COMM	3133EKS7	FFCB 1.77% MAT	Purchase	06/26/2019	FFCB NOTES	9,959,300.00			-9,959,300.00
39638	COMM	313384HK8	FHDN DISC NOTE	Purchase	06/26/2019	FHLB DISCOUNT	149,990,625.00			-149,990,625.00
39633	COMM	SYS39633	BCREPO 2.4% MAT	Redemption	06/26/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39634	COMM	313384HJ1	FHDN DISC NOTE	Redemption	06/26/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
38831	COMM	3133EJSU4	FEDERAL FARM CR	Interest	06/26/2019	FFCB NOTES			126,500.00	126,500.00
39633	COMM	SYS39633	BCREPO 2.4% MAT	Interest	06/26/2019	BARCLAYS CAPITAL			13,333.33	13,333.33
39640	COMM	SYS39640	BCREPO 2.4% MAT	Purchase	06/27/2019	BARCLAYS CAPITAL	200,000,000.00			-200,000,000.00
39643	COMM	09659CTU2	BNP P DISC NOTE	Purchase	06/27/2019	BNP PARIBAS NY	49,996,777.78			-49,996,777.78
39641	COMM	313384HL6	FHDN DISC NOTE	Purchase	06/27/2019	FHLB DISCOUNT	149,990,791.68			-149,990,791.68
39642	COMM	21687BTU5	RABO DISC NOTE	Purchase	06/27/2019	RABOBANK	49,996,763.89			-49,996,763.89
39645	COMM	89233GA71	TOYO ZERO CPN	Purchase	06/27/2019	TOYOTA MOTOR	44,481,050.00			-44,481,050.00
39644	COMM	2546R3WQ3	WALTPP DISC NOTE	Purchase	06/27/2019	Walt Disney Company	39,780,466.67			-39,780,466.67
34292	COMM	SYS34292	MSTI 0.0%	Purchase	06/27/2019	MORGAN STANLEY	270,000,000.00			-270,000,000.00
38544	COMM	3133EJHS1	FEDERAL FARM CR	Redemption	06/27/2019	FFCB NOTES		24,500,000.00		24,500,000.00
39637	COMM	SYS39637	BCREPO 2.41% MAT	Redemption	06/27/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39638	COMM	313384HK8	FHDN DISC NOTE	Redemption	06/27/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
38544	COMM	3133EJHS1	FEDERAL FARM CR	Interest	06/27/2019	FFCB NOTES			275,625.00	275,625.00
39122	COMM	3134GSL60	FHLMC 3.0% MAT	Interest	06/27/2019	FHLMC NOTES			375,000.00	375,000.00
39123	COMM	3134GSJ48	FEDERAL HOME LN	Interest	06/27/2019	FHLMC NOTES			465,000.00	465,000.00
39637	COMM	SYS39637	BCREPO 2.41% MAT	Interest	06/27/2019	BARCLAYS CAPITAL			13,388.90	13,388.90
39646	COMM	313384HP7	FHDN DISC NOTE	Purchase	06/28/2019	FHLB DISCOUNT	99,983,333.34			-99,983,333.34
39647	COMM	313384HP7	FHDN DISC NOTE	Purchase	06/28/2019	FHLB DISCOUNT	99,982,500.00			-99,982,500.00
39648	COMM	313384HP7	FHDN DISC NOTE	Purchase	06/28/2019	FHLB DISCOUNT	9,998,333.33			-9,998,333.33
39649	COMM	3134GTX6	FEDERAL HOME LN	Purchase	06/28/2019	FHLMC NOTES	25,000,000.00			-25,000,000.00
39650	COMM	30229BUH8	XON DISC NOTE	Purchase	06/28/2019	Exxon Mobil Group	89,891,700.00			-89,891,700.00
36845	COMM	3136G3TD7	FEDERAL NATL MTG	Redemption	06/28/2019	FNMA NOTES		12,980,000.00		12,980,000.00
36846	COMM	3136G3TB1	FEDERAL NATL MTG	Redemption	06/28/2019	FNMA NOTES		12,050,000.00		12,050,000.00
36849	COMM	3136G3SC9	FEDERAL NATL MTG	Redemption	06/28/2019	FNMA NOTES		25,000,000.00		25,000,000.00
37289	COMM	3130AADN5	FEDERAL HOME	Redemption	06/28/2019	FHLB NOTES		40,000,000.00		40,000,000.00
38827	COMM	3134GSPR0	FHLMC 3.0% MAT	Redemption	06/28/2019	FHLMC NOTES		22,000,000.00		22,000,000.00
39640	COMM	SYS39640	BCREPO 2.4% MAT	Redemption	06/28/2019	BARCLAYS CAPITAL		200,000,000.00		200,000,000.00
39641	COMM	313384HL6	FHDN DISC NOTE	Redemption	06/28/2019	FHLB DISCOUNT		150,000,000.00		150,000,000.00
39642	COMM	21687BTU5	RABO DISC NOTE	Redemption	06/28/2019	RABOBANK		50,000,000.00		50,000,000.00
39643	COMM	09659CTU2	BNP P DISC NOTE	Redemption	06/28/2019	BNP PARIBAS NY		50,000,000.00		50,000,000.00

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36845	COMM	3136G3TD7	FEDERAL NATL MTG	Interest	06/28/2019	FNMA NOTES			77,880.00	<b>77,880.00</b>
36846	COMM	3136G3TB1	FEDERAL NATL MTG	Interest	06/28/2019	FNMA NOTES			66,275.00	<b>66,275.00</b>
36849	COMM	3136G3SQ9	FEDERAL NATL MTG	Interest	06/28/2019	FNMA NOTES			143,750.00	<b>143,750.00</b>
37289	COMM	3130AADN5	FEDERAL HOME	Interest	06/28/2019	FHLB NOTES			275,000.00	<b>275,000.00</b>
38334	COMM	3134GSAC9	FEDERAL HOME LN	Interest	06/28/2019	FHLMC NOTES			102,500.00	<b>102,500.00</b>
38827	COMM	3134GSPR0	FHLMC 3.% MAT	Interest	06/28/2019	FHLMC NOTES			330,000.00	<b>330,000.00</b>
39640	COMM	SYS39640	BCREPO 2.4% MAT	Interest	06/28/2019	BARCLAYS CAPITAL			13,333.32	<b>13,333.32</b>
37300	COMM	3133EG2P9	FEDERAL FARM CR	Interest	07/01/2019	FFCB NOTES			116,000.00	<b>116,000.00</b>
37301	COMM	3133EG2P9	FEDERAL FARM CR	Interest	07/01/2019	FFCB NOTES			174,000.00	<b>174,000.00</b>
<b>Totals for COMMINGLED POOL</b>							<b>34,585,569,726.</b>	<b>33,341,774,893.</b>	<b>30,317,769.22</b>	<b>-1,213,477,063.</b>
<b>Grand Total</b>							<b>34,585,569,726.</b>	<b>33,341,774,893.</b>	<b>30,317,769.22</b>	<b>-1,213,477,063.</b>