NEW ISSUE -- FULL BOOK-ENTRY **Standard & Poor's: "AA-"**
See "RATING" herein.

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, based upon existing laws, regulations, rulings and court decisions, and assuming compliance with certain covenants, the portion of the Lease Payments (defined herein) designated as and comprising interest and received by the owners of the Certificates is exempt from State of California personal income taxes. Special Counsel observes that said interest is not intended to be excluded from gross income for federal income tax purposes. See "TAX MATTERS" herein.

$102,535,000
2021 CERTIFICATES OF PARTICIPATION

Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the

CLOVIS UNIFIED SCHOOL DISTRICT

to Central Valley Support Services Joint Powers Agency
(Federally Taxable)

Dated: Date of Delivery **Due: June 1, as shown on inside cover.**

Purposes. The captioned 2021 Certificates of Participation (the "Certificates") are being executed and delivered to (a) finance various capital project including facilities improvement and equipment purchases of the Clovis Unified School District (the "District"), (b) fund a deposit to the Lease Payment Fund (defined herein) for the purpose of paying a portion of interest due with respect to the Certificates, and (c) pay certain costs of executing and delivering the Certificates. See "THE FINANCING PLAN" herein.

Security. The Certificates evidence direct, undivided fractional interests of the owners thereof in Lease Payments (as defined in the hereinafter defined Trust Agreement) to be made by the District for the use and occupancy of certain real property under a Lease Agreement, dated as of November 1, 2021 (the "Lease Agreement"), between the District and the Central Valley Support Services Joint Powers Agency, a joint powers agency (the "Agency"). The Lease Payments will be payable from any source of available funds of the District, subject to the provisions of the Lease Agreement described herein regarding abatement and defeasance. The District is required under the Lease Agreement to take such actions as may be necessary to include all Lease Payments coming due in each of its annual budgets during the term of the Lease Agreement and to make the necessary annual appropriations for all such Lease Payments. The semiannual Lease Payments payable under the Lease Agreement will comprise the interest and principal represented by the Certificates, respectively. The Certificates will be secured under a Trust Agreement dated as of November 1, 2021, among the District, the Agency and U.S. Bank National Association, Los Angeles, California, as trustee (the "Trustee"). Under an Assignment Agreement dated as of November 1, 2021, between the Agency and the Trustee, the Lease Payments will be irrevocably assigned to the Trustee for the benefit of the Owners of the Certificates. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES." See also "CERTAIN RISK FACTORS."

Interest. Interest represented by the Certificates will be payable on June 1 and December 1 of each year, commencing December 1, 2021. See "THE CERTIFICATES."

Book-Entry Only. When executed and delivered, the Certificates will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Certificates. Ownership interests in the Certificates may be purchased in book-entry form only. Beneficial owners of Certificates will not receive physical certificates representing the Certificates purchased but will receive a credit balance on the books of the nominees of such purchasers who are participants of DTC. See "THE CERTIFICATES – Book-Entry Only System" and "APPENDIX F – Book-Entry Only System."

Payments. Principal and interest due with respect to the Certificates will be paid by the Trustee to DTC, which will in turn remit those payments to its participants for subsequent disbursement to the beneficial owners of the Certificates as described in this Official Statement. See "THE CERTIFICATES – Book-Entry Only System" and "APPENDIX F – Book-Entry Only System."

Prepayment. The Certificates are subject to prepayment prior to maturity as described herein. See "THE CERTIFICATES – Prepayment."

Limited Obligation. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE DISTRICT, THE AGENCY, THE COUNTY OF FRESNO, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF CALIFORNIA OR OTHERWISE, OR AN OBLIGATION FOR WHICH THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

MATURITY SCHEDULE

(See inside cover)

This cover page contains information for quick reference only. It is not a summary of all the provisions of the Certificates. Investors must read the entire official statement to obtain information essential in making an informed investment decision. See "CERTAIN RISK FACTORS" for a discussion of factors that should be considered, in addition to the other matters set forth in this Official Statement, in evaluating the investment quality of the Certificates.

The Certificates are offered when, as and if executed and delivered, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel. Certain legal matters will be passed upon for the District by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel, and for the Trustee by its counsel. Kutak Rock LLP, Denver, Colorado, is serving as counsel to the Underwriter. It is anticipated that the Certificates will be available for delivery on or about November 16, 2021.

STIFEL

The date of this Official Statement is: October 28, 2021.

MATURITY SCHEDULE

CLOVIS UNIFIED SCHOOL DISTRICT
(Fresno County, California)

Base CUSIP†: 189344

2021 CERTIFICATES OF PARTICIPATION
(Federally Taxable)

Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2022	$ 3,715,000	0.435%	0.435%	EV2
2023	2,415,000	0.605	0.605	EW0
2024	2,430,000	0.929	0.929	EX8
2025	2,450,000	1.290	1.290	EY6
2026	2,480,000	1.500	1.500	EZ3
2027	2,520,000	1.822	1.822	FA7
2028	2,565,000	2.052	2.052	FB5
2029	2,620,000	2.226	2.226	FC3
2030	2,675,000	2.125	2.476	FD1
2031	2,735,000	2.250	2.626	FE9
2032	2,795,000	2.776	2.776	FF6
2033	2,870,000	2.700	2.926	FG4
2034	2,950,000	2.850	3.076	FH2
2035	3,035,000	3.050	3.226	FJ8
2036	3,125,000	3.100	3.276	FK5

$12,190,000 - 3.150% Term Certificates due June 1, 2041; Yield: 3.368%; CUSIP†: FN9

$5,000,000 - 3.368% Term Certificates due June 1, 2041; Yield: 3.368%; CUSIP†: FL3

$20,165,000 - 3.300% Term Certificates due June 1, 2046; Yield: 3.468%; CUSIP†: FP4

$16,780,000 - 3.450% Term Certificates due June 1, 2051; Yield: 3.568%; CUSIP†: FQ2

$7,020,000 - 3.568% Term Certificates due June 1, 2051; Yield: 3.568%; CUSIP†: FM1

† *CUSIP Copyright 2021, CUSIP Global Services is a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Global Market Intelligence. Neither the District nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.*

CLOVIS UNIFIED SCHOOL DISTRICT
(Fresno County, California)

BOARD OF TRUSTEES

Steven G. Fogg, M.D., *Board President*
Susan K. Hatmaker, *Vice President*
Tiffany Stoker Madsen, *Clerk*
Hugh Awtrey, *Member*
David DeFrank, *Member*
Yolanda Moore, *Member*
Elizabeth "Betsy" Sandoval, *Member*

DISTRICT ADMINISTRATION

Eimear O'Farrell, Ed.D., *Superintendent*
Michael Johnston, *Associate Superintendent, Administrative Services*
Susan Rutledge, *Assistant Superintendent, Business Services*

PROFESSIONAL SERVICES

FINANCIAL ADVISOR

Keygent LLC
El Segundo, California

SPECIAL COUNSEL AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

DISTRICT COUNSEL

Lozano Smith, Attorneys at Law
Fresno, California

TRUSTEE

U.S. Bank National Association
Los Angeles, California

UNDERWRITER'S COUNSEL

Kutak Rock LLP
Denver, Colorado

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

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

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

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

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

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

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

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

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

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

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OFFICIAL STATEMENT

$102,535,000
2021 CERTIFICATES OF PARTICIPATION
Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the
CLOVIS UNIFIED SCHOOL DISTRICT
to Central Valley Support Services Joint Powers Agency
(Federally Taxable)

This Official Statement (which includes the cover page and Appendices hereto) (collectively, the "**Official Statement**"), provides certain information concerning the sale and delivery of the certificates of participation captioned above (the "**Certificates**"), which evidence the direct, undivided fractional interests of the Owners thereof in lease payments (the "**Lease Payments**") to be made by the Clovis Unified School District (the "**District**") of Fresno County (the **"County"**), California (the **"State"**) pursuant to a Lease Agreement dated as of November 1, 2021 (the "**Lease Agreement**"), between the District and the Central Valley Support Services Joint Powers Agency (the "**Agency**").

All capitalized terms used in this Official Statement but not otherwise defined have the meanings set forth in the Trust Agreement (defined below) or the Lease Agreement. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

INTRODUCTION

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

The District. The District is a unified school district the boundaries of which encompass an area of approximately 198 square miles within the central portion of the County. The territory of the District includes most of the City of Clovis (the "**City**"), a portion of the City of Fresno, and adjacent unincorporated areas of the County, with an estimated population of 205,100 residents. The District was formed in 1960 and provides education for students in grades K-12. The District currently operates 34 elementary schools, five intermediate schools, five high schools, two alternative education sites, two community day schools, the Clovis Online Charter School, one adult school, and, with the Fresno Unified School District, a Joint Powers Agency high school. The District's total enrollment is approximately 43,563 students for fiscal year 2021-22. See "THE DISTRICT" and "DISTRICT FINANCIAL INFORMATION" herein.

COVID-19 Statement. The COVID-19 pandemic has resulted in a public health crisis that is fluid and unpredictable with financial and economic impacts that cannot be predicted. As such, investors are cautioned that the District cannot at this time predict the full impacts that the COVID-19 pandemic may have on its enrollment, average daily attendance, operations and finances, property values in the District, and economic activity in the District, the State and the nation, among others. For more disclosure regarding the COVID-19 pandemic, see "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Disclosure Relating to COVID-19" herein.

Use of Proceeds. The proceeds of the sale of the Certificates will be used to finance various capital projects of the District, and pay related delivery expenses. See "THE FINANCING PLAN" herein.

Security and Sources of Payment. The Certificates evidence and represent the direct, undivided fractional interests of the registered owners (the "**Owners**") thereof in the Lease Payments to be made by the District for the right to use of certain land and improvements (the "**Leased Property**"), to be leased by the District from the Agency under the Lease Agreement. See "THE LEASED PROPERTY."

The District and the Agency will enter into a Site Lease dated as of November 1, 2021 (the "**Site Lease**"). Under the Site Lease, the District (as owner of the Leased Property) will lease the Leased Property to the Agency. Concurrently, the District and the Agency will enter into the Lease Agreement, under which the District will sublease the Leased Property back from the Agency.

The Certificates will be executed and delivered under a Trust Agreement dated as of November 1, 2021 (the "**Trust Agreement**"), among the District, the Agency and U.S. Bank National Association, Los Angeles, California, as trustee (the "**Trustee**").

The Trustee and the Agency will enter into an Assignment Agreement dated as of November 1, 2021 (the "**Assignment Agreement**"), under which the Agency will assign to the Trustee for the benefit of the Certificate Owners substantially all of the Agency's right, title and interest in and to the Lease Agreement, including its right to receive the Lease Payments due under the Lease Agreement, provided that the Agency will retain the rights to indemnification and to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement.

The Lease Payments are payable from any lawfully available source of funds of the District, and the District has covenanted to budget and appropriate annually for payment of the Lease Payments.

See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

No Reserve Fund. A reserve fund will not be established for the Certificates.

Limited Obligation. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE DISTRICT, THE AGENCY, THE COUNTY, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OR OTHERWISE, OR AN OBLIGATION FOR WHICH THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Covenant to Appropriate*; *Abatement. The District is required under the Lease Agreement to take such actions as may be necessary to include all Lease Payments coming due in each of its annual budgets during the Term of the Lease and to make the necessary annual appropriations for all such Lease Payments. The semiannual Lease Payments payable under the Lease Agreement will comprise the interest and principal represented by the Certificates. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

However, the Lease Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the District's right to the use and possession of the Leased Property or any portion thereof due to material damage to or destruction

of the Leased Property or due to the taking of the Leased Property in eminent domain proceedings. If the Lease Payments are abated under the Lease Agreement, and are not paid from alternative sources as described in this Official Statement, the Certificate Owners would receive less than the full amount of principal and interest represented by the Certificates. To the extent proceeds of rental interruption insurance are available (as described below), the Lease Payments (or a portion thereof) may be made from those sources during periods of abatement. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Abatement" and "CERTAIN RISK FACTORS."

Prepayment. The Certificates are subject to prepayment prior to maturity as described herein. See "THE CERTIFICATES – Prepayment."

Legal Matters. The execution and delivery of the Certificates is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California ("**Special Counsel**"), to be delivered in substantially the form attached hereto as Appendix D. Jones Hall, A Professional Law Corporation, San Francisco, California, is also serving as Disclosure Counsel to the District (**"Disclosure Counsel"**). Kutak Rock LLP, Denver, Colorado, is serving as counsel to the Underwriter ("**Underwriter's Counsel**"). Certain matters will be passed upon for the District by its counsel, Lozano Smith, Attorneys at Law, Fresno, California, and for the Trustee by its counsel. *Payment of the fees of Special Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon the delivery of the Certificates.*

Tax Matters. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California ("**Special Counsel**"), based upon existing laws, regulations, rulings and court decisions, and assuming (among other things) compliance with certain covenants, the portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from State of California personal income taxes, although Special Counsel observes that said interest is not intended to be excluded from gross income for federal income tax purposes. Special Counsel express no opinion regarding any other tax consequences caused by the ownership or disposition of, or the accrual or receipt of the portion the Lease Payments designated as and comprising interest and received by the owners of the Certificates. See "TAX MATTERS" and Appendix D hereto for the form of Special Counsel's opinion to be delivered concurrently with the Bonds.

Certain Risk Factors. As described under the heading "CERTAIN RISK FACTORS," there are investment considerations and other risk factors associated with the purchase of the Certificates. Any one or more of the risks discussed, and others, could lead to a decrease in the market value of the Certificates. Potential purchasers of the Certificates are advised to review the entire Official Statement carefully and to conduct such due diligence and other review as they deem necessary and appropriate under the circumstances.

Continuing Disclosure. The District has covenanted and agreed that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, dated the date of the Certificates and executed by the District (the **"Continuing Disclosure Certificate"**). The form of the Continuing Disclosure Certificate is included in Appendix E hereto. See "CONTINUING DISCLOSURE."

Summaries of Documents. The summaries or references to the Site Lease, the Trust Agreement, the Lease Agreement, the Assignment Agreement and other documents, agreements and statutes referred to in this Official Statement, and the description of the Certificates included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries,

references and descriptions are qualified in their entireties by reference to each such document or statute.

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement and information concerning the Certificates are available from the District from the Superintendent's Office at 1450 Herndon Avenue, Clovis, California 93611, Phone: (559) 327-9000. The District may impose a charge for copying, mailing and handling. The District also maintains a website. The information contained in such website is not incorporated herein by reference.

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

The information set forth herein 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 Certificates referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

[END OF INTRODUCTION]

THE FINANCING PLAN

Purposes. The proceeds of the Certificates will be applied to (1) provide financing for a number of capital projects in the District, including a center to be known as the Terry Bradley Education Center, and (2) pay delivery costs.

Project Fund. Pursuant to the Trust Agreement, the Trustee will establish a project fund designated the **"Project Fund."** Funds deposited in the Project Fund will be withdrawn by the Trustee upon the written request of the District to pay or reimburse Project Costs, as such term is defined in the Trust Agreement. See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS - Trust Agreement". See also "SOURCES AND USES OF FUNDS" herein.

SOURCES AND USES OF FUNDS

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

SOURCES AND USES OF FUNDS
2021 Certificates of Participation

Sources of Funds	
Principal Amount of Certificates	$102,535,000.00
Less Original Issue Discount	(1,707,179.45)
Total Sources	$100,827,820.55
Uses of Funds	
Project Fund	$100,000,000.00
Delivery Costs[(1)]	827,820.55
Total Uses	$100,827,820.55

(1) All estimated delivery costs including, but not limited to, Underwriter's discount, printing costs, and fees of Special Counsel, Disclosure Counsel, Financial Advisor, Trustee, the rating agency and certain other costs.

THE LEASED PROPERTY

Description and Location

Lease Payments will be made by the District under the Lease Agreement for the use and possession of the Leased Property, which consists of the real property and improvements known as Clovis North Educational Center located at 2770 East International Avenue in Fresno, California. The Leased Property was constructed in 2007 and serves junior high (Granite Ridge Intermediate) and high school (Clovis North High School) students, sharing a common administration and campus. The insured replacement value of the real property comprising the Leased Property is over $180 million.

Fair Rental Value

The Lease Agreement provides that the Lease Payments and any Additional Payments which are payable in a Rental Period will constitute the total rental for the Leased Property for that Rental Period, and will be paid by the District in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Leased Property during each Rental Period.

The Agency and the District have agreed and determined in the Lease Agreement that the total Lease Payments and Additional Payments represent the fair rental value of the Leased Property. In making such determination, consideration has been given to the estimated fair market value of the Leased Property, other obligations of the parties under the Lease Agreement, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the District and the general public.

Substitution and Release of Property

The Site Lease and the Lease Agreement provide that, upon compliance with certain conditions specified in said agreements, the District may substitute alternate real property for all or any portion of the Leased Property or may release a portion of the Leased Property from the Site Lease and the Lease Agreement, respectively. See “APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement.”

THE AGENCY

The Agency is a joint powers agency and public body organized and existing under the Joint Exercise of Powers Act, and a Joint Exercise of Powers Agreement, dated as of March 1, 1999, among the District, the Golden Valley Unified School District and the Fresno Unified School District, as amended. The Agency is a separate legal entity from its members. The Agency was formed to provide support services to educational agencies in the Central Valley of California to study, acquire, construct, own, operate, control, maintain, use, provide, and service the facilities used by students and employees to provide transportation, food services and printing and warehouse delivery for the same. The governing board of the Agency adopted a resolution authorizing the issuance of the Certificates at its public meeting held on October 6, 2021.

The Agency has issued and may issue in the future issue bonds and other financial obligations including certificates of participation. Such obligations of the Agency are not secured by the Lease Payments under the Lease Agreement executed with respect to the Certificates, and the Certificates are not secured by any other assets, revenues or property of the Agency other than the Lease Payments as provided in the Lease Agreement. The Agency is not required to advance any moneys derived from any source of income other than the Lease Payments for payment of the principal of and interest on the Certificates.

THE CERTIFICATES

Certificate Terms

General. The Certificates evidence and represent direct, fractional undivided interests of the Owners thereof in the principal and interest components of the Lease Payments to be made by the District pursuant to the Lease Agreement.

The Certificates are dated the date of original delivery thereof and will be executed and delivered, without coupons, in denominations evidencing principal in the amounts of $5,000 or any integral multiple thereof, except that no Certificate shall represent principal payable in more than one year. The interest components evidenced by the Certificates will be due and payable semiannually on June 1 and December 1 of each year (each a "**Payment Date**"), commencing December 1, 2021.

Each Certificate shall be dated as of the date of its execution, and interest represented thereby shall be payable from the Payment Date next preceding the date of execution thereof, (a) unless it is executed following the close of business on the 15th day of the month preceding each Payment Date, whether or not such 15th day is a Business Day (a "**Record Date**") and on or before the next succeeding Payment Date, in which event interest represented thereby shall be payable from such Payment Date, or (b) unless it is executed on or before the first Record Date, in which event interest represented thereby shall be payable from the day when the Certificates, duly executed by the Trustee, are delivered to the Underwriter; *provided, however*, that if, as of the date of any Certificate, interest represented by such Certificate is in default, interest represented thereby shall be payable from the Payment Date to which interest has previously been paid or made available for payment with respect to such Certificate. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Lease Payments evidenced by the Certificates will be payable no later than the fifth day preceding each Payment Date (in the event that any payment due under the Lease

Agreement is due on a day which is not a Business Day, such payment shall be made on the next Business Day), the principal components of which will evidence interest components calculated at the rates per annum, all as set forth on the inside front cover page of this Official Statement.

Prepayment

The Certificates are subject to prepayment as described below. Capitalized terms used below and not defined have the meanings assigned to such terms in the Trust Agreement. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Optional Prepayment. The Certificates maturing on or before June 1, 2031 are not subject to optional prepayment. The Certificates maturing on or after June 1, 2032, are subject to optional prepayment in whole, or in part among maturities on a pro rata basis and by lot within a maturity, on any date on or after June 1, 2031, from prepayments of the Lease Payments made at the option of and as directed by the District pursuant to the Lease Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid together with accrued interest represented thereby to the date fixed for prepayment, without premium.

Extraordinary Optional Prepayment from State Reimbursements or General Obligation Bond Proceeds. The Certificates are subject to prepayment, at the option of and as directed by the District, in whole or in part commencing on June 1, 2026 and on any date thereafter, from the proceeds of any grant, loan or other form of financial assistance from the State of California or any department or agency thereof made to the District for the purpose of reimbursing all or any portion of the costs of the Project, which are credited towards the prepayment of the Lease Payments under the Lease Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium. In addition, the Certificates are subject to prepayment, at the option of and as directed by the District, in whole or in part commencing on June 1, 2026 and on any date thereafter, from the proceeds of general obligation bonds issued by the District for that purpose, which are credited towards the prepayment of the Lease Payments under the Lease Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

Mandatory Prepayment from Sinking Fund Prepayments. The Certificates maturing on June 1, 2041, June 1, 2046 and June 1, 2051 (the "**Term Certificates**") are subject to mandatory sinking fund prepayment by lot on June 1 in each year as set forth in the following tables, respectively, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

3.150% Term Certificates Maturing June 1, 2041

Sinking Fund Prepayment Date (June 1)	Certificates Principal Amount To Be Prepaid
2037	$2,285,000
2038	2,355,000
2039	2,435,000
2040	2,515,000
2041 (Maturity)	2,600,000

3.368% Term Certificates Maturing June 1, 2041

Sinking Fund Prepayment Date (June 1)	Certificates Principal Amount To Be Prepaid
2037	$940,000
2038	970,000
2039	1,000,000
2040	1,030,000
2041 (Maturity)	1,060,000

3.300% Term Certificates Maturing June 1, 2046

Sinking Fund Prepayment Date (June 1)	Certificates Principal Amount To Be Prepaid
2042	$3,775,000
2043	3,900,000
2044	4,030,000
2045	4,160,000
2046 (Maturity)	4,300,000

3.450% Term Certificates Maturing June 1, 2051

Sinking Fund Prepayment Date (June 1)	Certificates Principal Amount To Be Prepaid
2047	$3,130,000
2048	3,240,000
2049	3,350,000
2050	3,470,000
2051 (Maturity)	3,590,000

3.568% Term Certificates Maturing June 1, 2051

Sinking Fund Prepayment Date (June 1)	Certificates Principal Amount To Be Prepaid
2047	$1,310,000
2048	1,355,000
2049	1,405,000
2050	1,450,000
2051 (Maturity)	1,500,000

Notwithstanding the foregoing, if some but not all of the above-referenced Term Certificates are prepaid under the mandatory prepayment provisions described below, the aggregate principal amount of said Term Certificates to be prepaid in each year as reflected in the foregoing table shall be reduced by the aggregate principal amount of Term Certificates so prepaid, to be allocated among sinking fund installments on a pro rata basis in integral multiples of $5,000 such that the resulting amount of principal represented by the applicable Term Certificates subject to prepayment on any date is equal to the aggregate principal components of the Lease Payments coming due and payable on such date.

Mandatory Prepayment from Net Proceeds. The Certificates are subject to mandatory prepayment, in whole or in part on any Business Day, among maturities on a pro rata basis and by lot within a maturity, from the Net Proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under the Lease Agreement and the Trust Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium. The District shall have the discretion to determine whether and to what extent such Net Proceeds are applied to the prepayment of the Certificates and the District shall file a Written Certificate with the Trustee setting forth such determination. The Trustee shall select the Certificates to be prepaid on a pro rata basis among maturities. See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Prepayments from Net Proceeds and the resulting prepayment of Certificates that were purchased at a price greater than the applicable prepayment price could reduce the otherwise expected yield on such Certificates. See "CERTAIN RISK FACTORS – Early Prepayment of Certificates" herein.

Purchase In Lieu of Prepayment. In lieu of prepayment of Certificates as provided in the Trust Agreement and described above, amounts held by the Trustee for such prepayment may, at the written request of the District, be applied by the Trustee to the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the District may in its discretion direct, but not to exceed the prepayment price which would be payable if such Certificates were prepaid.

Notice of Prepayment. The Trustee shall give notice of the prepayment of the Certificates on behalf and at the expense of the District, at least 20 days but not more than 60 days prior to the prepayment date. Such notice must:

(a) state the prepayment date and prepayment price;

(b) state the numbers or maturities of the Certificates to be prepaid, if less than all of the then Outstanding Certificates are to be called for prepayment;

(c) if a Certificate is to be prepaid only in part, identify the portion of the Certificate which is to be prepaid;

(d) require that such Certificates be surrendered on the prepayment date at the Office of the Trustee for prepayment at said prepayment price;

(e) state that interest represented by the Certificates will not accrue from and after the prepayment date; and

(f) state that on the prepayment date the principal represented by each Certificate will become due and payable, together with accrued interest represented thereby to the prepayment date, and that from and after such date interest represented thereby ceases to accrue and be payable.

Such notice may declare that it is conditional and subject to rescission at the direction of the District in the same manner that said notice has been provided. Neither the failure to receive any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

While the Certificates are subject to the book-entry system, the Trustee will not be required to give any notice of prepayment to any person or entity other than DTC and to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System and at the District's written direction, other securities depositories and information services. DTC and the DTC Participants shall have sole responsibility for providing any such notice of prepayment to the Beneficial Owners of the Certificates to be prepaid. Any failure of DTC to notify any DTC Participant, or any failure of a DTC Participant to notify the Beneficial Owner of any Certificates to be prepaid, of a notice of prepayment or its content or effect will not affect the validity of the notice of prepayment, or alter the effect of prepayment described below under "**Effect of Prepayment.**"

Selection of Certificates. Whenever provision is made in the Trust Agreement for the prepayment of Certificates and less than all Outstanding Certificates of any maturity are called for prepayment, the Trustee shall select Certificates of such maturity for prepayment by lot. For the purposes of such selection, Certificates shall be deemed to be composed of $5,000 portions, and any such portion may be separately prepaid.

Effect of Prepayment. Moneys for the prepayment (including the interest to the applicable date of prepayment) of Certificates having been set aside in the Lease Payment Fund, the Certificates shall become due and payable on the date of such prepayment, and, upon presentation and surrender thereof at the Office of the Trustee, said Certificates shall be paid at the unpaid principal amount (or applicable portion thereof) represented thereby plus interest accrued and unpaid to said date of prepayment.

If, on said date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to said date of prepayment, shall be held by the Trustee or such escrow agent as shall be selected by the District so as to be available therefor on such date of prepayment, then, from and after said date of prepayment, interest represented by the Certificates shall cease to accrue and become payable. All moneys held by the Trustee

for the prepayment of Certificates shall be held in trust for the account of the Owners of the Certificates so to be prepaid, and shall be held by the Trustee in cash, uninvested.

Book-Entry Only System

The Certificates will be executed and delivered as fully registered certificates, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Certificates (the "**Beneficial Owners**") in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in this Official Statement) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Certificates. See "APPENDIX F – BOOK-ENTRY ONLY SYSTEM." If the book-entry only system is no longer used with respect to the Certificates, the Certificates will be registered and transferred in accordance with the Trust Agreement, as described below.

Transfer and Exchange of Certificates

While the Certificates are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC. See "APPENDIX F – BOOK-ENTRY ONLY SYSTEM." During any period in which the Certificates are not subject to DTC's book-entry system, their exchange and transfer will be governed by provisions of the Trust Agreement summarized in "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

CERTIFICATE PAYMENT SCHEDULE

Following is the schedule of Payment Dates with respect to the Certificates assuming no prepayments. Under the Lease Agreement, Lease Payments are due the fifth Business Day immediately preceding each Payment Date.

SCHEDULE OF PAYMENT DATES
Clovis Unified School District

Payment Date	Principal Component	Interest Component	Total Lease Payments
12/1/21	-	$119,717.15	$119,717.15
6/1/22	$3,715,000	1,436,605.83	5,151,605.83
12/1/22	-	1,428,525.70	1,428,525.70
6/1/23	2,415,000	1,428,525.70	3,843,525.70
12/1/23	-	1,421,220.33	1,421,220.33
6/1/24	2,430,000	1,421,220.33	3,851,220.33
12/1/24	-	1,409,932.98	1,409,932.98
6/1/25	2,450,000	1,409,932.98	3,859,932.98
12/1/25	-	1,394,130.48	1,394,130.48
6/1/26	2,480,000	1,394,130.48	3,874,130.48
12/1/26	-	1,375,530.48	1,375,530.48
6/1/27	2,520,000	1,375,530.48	3,895,530.48
12/1/27	-	1,352,573.28	1,352,573.28
6/1/28	2,565,000	1,352,573.28	3,917,573.28
12/1/28	-	1,326,256.38	1,326,256.38
6/1/29	2,620,000	1,326,256.38	3,946,256.38
12/1/29	-	1,297,095.78	1,297,095.78
6/1/30	2,675,000	1,297,095.78	3,972,095.78
12/1/30	-	1,268,673.90	1,268,673.90
6/1/31	2,735,000	1,268,673.90	4,003,673.90
12/1/31	-	1,237,905.15	1,237,905.15
6/1/32	2,795,000	1,237,905.15	4,032,905.15
12/1/32	-	1,199,110.55	1,199,110.55
6/1/33	2,870,000	1,199,110.55	4,069,110.55
12/1/33	-	1,160,365.55	1,160,365.55
6/1/34	2,950,000	1,160,365.55	4,110,365.55
12/1/34	-	1,118,328.05	1,118,328.05
6/1/35	3,035,000	1,118,328.05	4,153,328.05
12/1/35	-	1,072,044.30	1,072,044.30
6/1/36	3,125,000	1,072,044.30	4,197,044.30
12/1/36	-	1,023,606.80	1,023,606.80
6/1/37	3,225,000	1,023,606.80	4,248,606.80
12/1/37	-	971,788.45	971,788.45
6/1/38	3,325,000	971,788.45	4,296,788.45
12/1/38	-	918,362.40	918,362.40
6/1/39	3,435,000	918,362.40	4,353,362.40
12/1/39	-	863,171.15	863,171.15
6/1/40	3,545,000	863,171.15	4,408,171.15
12/1/40	-	806,214.70	806,214.70
6/1/41	3,660,000	806,214.70	4,466,214.70
12/1/41	-	747,414.30	747,414.30
6/1/42	3,775,000	747,414.30	4,522,414.30
12/1/42	-	685,126.80	685,126.80
6/1/43	3,900,000	685,126.80	4,585,126.80
12/1/43	-	620,776.80	620,776.80
6/1/44	4,030,000	620,776.80	4,650,776.80
12/1/44	-	554,281.80	554,281.80
6/1/45	4,160,000	554,281.80	4,714,281.80
12/1/45	-	485,641.80	485,641.80
6/1/46	4,300,000	485,641.80	4,785,641.80
12/1/46	-	414,691.80	414,691.80
6/1/47	4,440,000	414,691.80	4,854,691.80

[Table continued on the following page]

SCHEDULE OF PAYMENT DATES
Clovis Unified School District
(Continued)

Payment Date	Principal Component	Interest Component	Total Lease Payments
12/1/47	-	$337,328.90	$337,328.90
6/1/48	$4,595,000	337,328.90	4,932,328.90
12/1/48	-	257,265.70	257,265.70
6/1/49	4,755,000	257,265.70	5,012,265.70
12/1/49	-	174,413.00	174,413.00
6/1/50	4,920,000	174,413.00	5,094,413.00
12/1/50	-	88,687.50	88,687.50
6/1/51	5,090,000	88,687.50	5,178,687.50
TOTALS:	**$102,535,000**	**$55,577,252.60**	**$158,112,252.60**

SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES

Nature of the Certificates

General. Each Certificate evidences and represents a direct, undivided fractional interest in the principal component of the Lease Payment due under the Lease Agreement on the Payment Date or prepayment date of such Certificates, and the interest component of all Lease Payments (based on the stated interest rate with respect to such Certificate) to accrue from the date of delivery to its principal payment date or prepayment date, as the case may be. The Lease Payments and Additional Payments are payable from any lawfully available source of funds of the District, subject to the provisions of the Lease Agreement relating to abatement due to damage, destruction and eminent domain of the Leased Property, and mandatory prepayment relating thereto. The District covenants to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments due under the Lease Agreement in each of its final approved budgets. The District further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the District for all Lease Payments and Additional Payments which come due and payable during the period covered by each such budget. The covenants on the part of the District contained in the Lease Agreement are duties imposed by law.

Assignment of Rights in Lease Agreement to Trustee. The Agency, under the Assignment Agreement, will assign to the Trustee for the benefit of the Certificate Owners substantially all of the Agency's right, title and interest in and to the Lease Agreement, including, without limitation, its right to receive Lease Payments to be paid by the District; except that the Agency will retain certain rights under the Lease Agreement (including the rights to Additional Payments, repayment of advances, indemnification and payment of attorneys' fees). The District will pay Lease Payments directly to the Trustee, as assignee of the Agency, for deposit in the Lease Payment Fund established pursuant to the Trust Agreement. See "– Lease Payments" below.

Lease Payments

General. For the right to the use and occupancy of the Leased Property, the Lease Agreement requires the District to make the Lease Payments. To secure the payment of the Lease Payments, the District is required to pay to the Trustee, for deposit into the Lease Payment Fund established and maintained by the Trustee, on the fifth day before each Payment Date (or

if such day is not a Business Day, on the next succeeding Business Day), an amount sufficient to pay the Lease Payment then due.

Pursuant to the Trust Agreement, the Trustee shall withdraw moneys from the Lease Payment Fund on each Payment Date in amounts which equal the Lease Payment due on such Payment Date and shall cause all sums withdrawn from the Lease Payment Fund to be deposited in the Certificates Payment Account, and shall cause the same to be applied to the payment of principal and interest evidenced by the Certificates coming due on such Payment Date.

Scheduled Lease Payments relating to the Certificates are set forth above under the heading "LEASE PAYMENT SCHEDULE."

***Additional Rent*.** The Lease Agreement requires the District to pay, in addition to the Lease Payments, all costs and expenses incurred by the District under the Lease Agreement or under the Trust Agreement, or incurred by the Agency to comply with the provisions of the Trust Agreement, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trustee and all of its reasonable costs and expenses (including amounts payable to the Trustee by virtue of indemnification) payable as a result of the performance of and compliance with its duties under the Trust Agreement, and all reasonable costs and expenses of attorneys, auditors, engineers and accountants engaged by the Agency or the Trustee in connection with the Leased Property or the performance of their duties under the Lease Agreement or under the Trust Agreement (collectively, "**Additional Payments**").

***Covenant to Budget and Appropriate Funds*.** The District covenants under the Lease Agreement to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments due under the Lease Agreement in each of its final approved budgets. The District further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the District for the payment of all Lease Payments and Additional Payments which come due and payable during the period covered by each such budget. The covenants on the part of the District contained in the Lease Agreement are duties imposed by law and it is the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in the Lease Agreement to be carried out and performed by the District.

See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS - The Lease Agreement - Lease Payments; Budget and Appropriation; Abatement."

Limited Obligation

NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE DISTRICT TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE DISTRICT, THE AGENCY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OR OTHERWISE, OR AN OBLIGATION FOR WHICH THE DISTRICT IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Abatement Due to Damage or Destruction

Lease Payments will be paid by the District in each rental period for the District's right to use and occupy the Leased Property for such rental period. The obligation of the District to pay Lease Payments will be abated, proportionately, during any period in which, by reason of damage or destruction, there is substantial interference with the use and possession of the Leased Property by the District. The Lease Agreement provides that the amount of such abatement shall be determined by the District such that the resulting Lease Payments represent the fair consideration for the use and possession of the portion of the Leased Property not damaged or destroyed or taken. Notwithstanding the foregoing, there will be no abatement of Lease Payments under the Lease Agreement to the extent that the proceeds of hazard insurance or rental interruption insurance are available to pay Lease Payments which would otherwise be abated, it being declared in the Lease Agreement that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction; and the Term of the Lease shall be extended as provided in the Lease Agreement, except that the Term of the Lease will in no event be extended more than ten years beyond the termination date. Abatement of Lease Payments is not an event of default under the Lease Agreement and does not permit the Trustee to take any action or avail itself of any remedy against the District. In the event of any such partial damage or destruction or taking, the Lease Agreement will continue in full force and effect and the District waives any right to terminate the Lease Agreement by virtue of any such damage or destruction or taking. For information regarding rental interruption insurance, see "-Covenant to Maintain Property Insurance" below.

The Trustee cannot terminate the Lease Agreement solely on the basis of such substantial interference. Abatement of Lease Payments is not an event of default under the Lease Agreement and does not permit the Trustee to take any action or avail itself of any remedy against the District. For a description of abatement resulting from condemnation of all or part of the Leased Property, see "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement – Lease Payments – Abatement."

Termination or Abatement Due to Eminent Domain

Lease Payments will be paid by the District in each rental period for the District's right to use and occupy the Leased Property for such rental period. Under the Lease Agreement, if the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of the Lease will cease with respect thereto as of the day possession is so taken.

If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, (a) the Lease Agreement will continue in full force and effect with respect thereto and will not be terminated by virtue of such taking, and the parties waive the benefit of any law to the contrary, and (b) there will be a partial abatement of Lease Payments allocated thereto, in an amount to be determined by the District such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property, calculated in accordance with the Lease Agreement.

Notwithstanding the foregoing, there will be no abatement of Lease Payments under the Lease Agreement to the extent that the proceeds of hazard insurance or rental interruption

insurance are available to pay Lease Payments which would otherwise be abated, it being declared in the Lease Agreement that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Lease Payment Fund

Establishment. Under the Trust Agreement the Trustee will establish a special fund designated as the **"Lease Payment Fund"**. All moneys at any time deposited by the Trustee in such fund will be held by the Trustee in trust for the benefit of the District and the Owners of the applicable series of Certificates. So long as any Certificates are Outstanding, neither the District nor the Agency will have any beneficial right or interest in said funds or the moneys deposited in the respective Lease Payment Fund, except only as provided in the Trust Agreement, and such moneys will be used and applied by the Trustee as set forth in the Trust Agreement.

Deposits. All Lease Payments received by the Trustee will be deposited in the Lease Payment Fund.

Application of Moneys. All amounts in the Lease Payment Fund will be used and withdrawn by the Trustee solely for the purpose of paying the principal and interest represented by the Certificates as they become due and payable, in accordance with the Trust Agreement.

Lease Payment Fund; Surplus. Any surplus remaining in the Lease Payment Fund after prepayment and payment of the Certificates, including accrued interest (if any) and payment of any applicable fees and expenses to the Trustee, or provision for such prepayment or payment having been made to the satisfaction of the Trustee, will be withdrawn by the Trustee and remitted to the District.

Action on Default

If the District defaults under the Lease Agreement, the Trustee, as assignee of the Agency's rights under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the District, and will have the right to re-let the Leased Property, or alternatively the Trustee may retain the Lease Agreement and hold the District liable for all Lease Payments thereunder on an annual basis. Lease Payments may not be accelerated upon a default under the Lease Agreement. The Trustee's ability to exercise these remedies may subject to certain limitations as further described in "CERTAIN RISK FACTORS."

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Agency) contained in the Lease Agreement and the Trust Agreement, see "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

No Reserve Fund

No special reserve fund has been established for the Certificates. See "CERTAIN RISK FACTORS – No Reserve Fund" herein.

Covenant to Maintain Property Insurance

The Lease Agreement requires the District to obtain public liability and property damage insurance, casualty insurance, rental interruption insurance, and to obtain a title insurance policy with respect to the Leased Property, as described below.

Public Liability and Property Damage Insurance. The District will maintain or cause to be maintained, throughout the term of the Lease Agreement, comprehensive general insurance in protection of the Agency, the District and their respective members, officers, agents, employees and assigns. Such insurance shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such insurance shall provide coverage in such liability limits and be subject to such deductibles as the District deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, and may be maintained in whole or in part in the form of a program of self-insurance by the District, or in the form of the participation by the District in a joint powers authority or other program providing pooled insurance. The District shall apply the Net Proceeds of such insurance toward extinguishment or satisfaction of the liability with respect to which such Net Proceeds are paid.

Casualty Insurance. The District will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of the Lease Agreement, casualty insurance against loss or damage to the Leased Property, in an amount at least equal to the greater of (a) the replacement value of such buildings, facilities and improvements which constitute a part of the Leased Property, or (b) the aggregate principal amount of the outstanding Certificates. Such insurance shall, as nearly as practicable, cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and shall include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the District, whose determination is final and conclusive. Such insurance may be subject to such deductibles as the District deems prudent but not in excess of $100,000. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the District in the form of self-insurance. The District shall apply the Net Proceeds of such insurance as provided in the Lease Agreement.

Rental Interruption Insurance. The District will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of the Lease, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the buildings, facilities and other improvements constituting any part of the Leased Property, as a result of any of the hazards covered in the insurance required by the preceding paragraph, in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years during the remaining Term of the Lease. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, provided that the provider of such insurance shall be rated at least “A” by A.M. Best & Company, and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the District in the form of self-insurance. The Net Proceeds of such insurance, if any, shall be paid to the Trustee and deposited in the Lease Payment Funds as provide in the Trust Agreement, and

shall be credited towards the payment of the applicable Lease Payments allocable to the insured improvements as the same become due and payable.

Title Insurance. The District shall obtain a CLTA title insurance policy from Stewart Title Company, insuring the District's fee title and leasehold estate in the Leased Property under the Lease Agreement, as well as the leasehold estate of the Agency under the Site Lease, in an amount at least equal to the aggregate principal amount of the Certificates. All Net Proceeds received under such title insurance policy will be deposited with the Trustee in the Lease Payment Funds and credited towards the prepayment of the Lease Payments as provided in the Lease Agreement.

See also "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement – Insurance."

Insurance and Condemnation Fund; Application of Net Proceeds

The Lease Agreement requires that Net Proceeds of any insurance or condemnation award with respect to the Leased Property (other than proceeds of rental interruption insurance, which are required to be deposited into the Lease Payment Fund) be paid to the Trustee to be applied as provided in the Trust Agreement. The Trust Agreement provides that such Net Proceeds received by the Trustee shall be deposited in the Insurance and Condemnation Fund and that the District shall, within 90 days of the deposit of Net Proceeds with the Trustee, file a certificate with the Trustee and the Net Proceeds shall be applied by the Trustee as follows:

Application of Net Proceeds of Insurance. Any Net Proceeds of insurance collected by the District in the event of accident to or destruction of any component of the Leased Property shall be paid to the Trustee under the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" which the Trustee shall establish. If the District determines and notifies the Trustee in writing of its determination, within 90 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interests of the District, then such Net Proceeds shall be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments and the corresponding mandatory prepayment of Certificates, which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given. The determination of the District to apply Net Proceeds to the prepayment of Certificates is subject to the following:

(a) if the Leased Property is damaged or destroyed in full, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if such Net Proceeds, together with other available moneys, are sufficient to cause the corresponding prepayment of all Lease Payments allocable to the Leased Property; and

(b) if the Leased Property is damaged or destroyed in part but not in whole, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if the Lease Payments which result after the corresponding abatement thereof under the Lease Agreement are sufficient to pay the full amount of principal and interest represented by the Certificates which remain Outstanding after such prepayment.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the District, upon receipt of written requisitions of the District stating with respect to each payment to be made (a) the name and address of the person, firm or corporation to whom payment is due, (b) the amount to be paid and (c) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation. Any balance of the Net Proceeds remaining after the District shall file a written certificate with the Trustee stating that such work has been completed shall, after payment of all amounts then due and owing to the Trustee hereunder, be paid to the District.

See "THE CERTIFICATES – Prepayment – Mandatory Prepayment from Net Proceeds."

Application of Net Proceeds of Condemnation Award. The Trust Agreement provides that, if all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund, under the Lease Agreement, and shall be applied and disbursed by the Trustee as follows:

(a) If the District gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the District in the Leased Property or the ability of the District to meet any of its financial obligations under the Lease Agreement, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Leased Property, and the District has given written notice to the Trustee of such determination, the Trustee shall transfer such proceeds pro rata to the Lease Payment Fund to be credited towards the payment of the Lease Payments as they become due and payable.

(b) If the District gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the District in the Leased Property or the ability of the District to meet any of its financial obligations under the Lease Agreement, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Leased Property, the Trustee shall pay to the District, or to its order, from said proceeds such amounts as the District may expend for the repair or rehabilitation of the Leased Property.

(c) If (i) less than all of the Leased Property is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the District gives written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the District in the Leased Property or the ability of the District to meet any of its financial obligations under the Lease Agreement, or (ii) all of the Leased Property is taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds pro rata to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments under the Lease Agreement and applied to the corresponding mandatory prepayment of Certificates, which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given.

In making any such determination whether to repair, replace or rehabilitate the Leased Property under the Lease Agreement, the District may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which must be filed with the Trustee. Any such determination by the District is final. See also "THE CERTIFICATES – Prepayment – Mandatory Prepayment from Net Proceeds."

Disclosure Relating to COVID-19

Background. The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (**"COVID-19"**), which was first detected in China and spread throughout the world, including the United States, was declared a pandemic by the World Health Organization, a national emergency by President Trump and a state of emergency by the Governor of the State (the "**Governor**") in March 2020. Since said declarations, tremendous volatility in the financial markets occurred, and nations have taken actions to curb the spread including stay at home orders and other actions which have unknown long-term impacts including on worldwide and local economies. As of this date, several vaccines have been provided approval, most on an emergency basis, by federal health authorities and are widely available.

Federal Response. President Trump's declaration of a national emergency on March 13, 2020 made available more than $50 billion in federal resources to combat the spread of the virus. A multi-billion-dollar relief package was signed into law by the President Trump on March 18, 2020, providing for Medicaid expansion, unemployment benefits and paid emergency leave during the crisis. In addition, the Federal Reserve lowered its benchmark interest rate to nearly zero, introduced a large bond-buying program and established emergency lending programs to banks and money market mutual funds.

On March 27, 2020, the United States Congress passed a $2 trillion relief package, being the largest stimulus bill in history, referred to as the Coronavirus Aid, Relief, and Economic Security Act (the **"CARES Act"**). The package provided direct payments to taxpayers, jobless benefits, assistance to hospitals and healthcare systems, $367 billion for loans to small businesses, a $500 billion fund to assist distressed large businesses, including approximately $30 billion for emergency grants to educational institutions and local educational agencies. This funding allocation included approximately $13.5 billion in formula funding to make grants available to each state's educational agency in order to facilitate K-12 schools' responses to the COVID-19 pandemic.

On April 9, 2020, the Federal Reserve took actions aimed at providing up to $2.3 trillion in loans to support the national economy, including supplying liquidity to participating financial institutions in the Small Business Administration's (**"SBA"**) Paycheck Protection Program (**"PPP"**), purchasing up to $600 billion in loans through the Main Street Lending Program and offering up to $500 billion in lending to states and municipalities.

On April 24, 2020, an additional $484 billion federal aid package was signed, providing additional funding for the PPP, the SBA disaster assistance loans and grant program, hospital grants and funding for a COVID-19 testing program.

On December 27, 2020, the President signed the Coronavirus Response and Relief Supplemental Appropriations Act (the **"CRRSA Act"**), an additional $900 billion federal relief package intended to follow and expand on provisions of the CARES Act. The measure includes another round of direct stimulus payments to individuals and families, extended unemployment

benefits, expanded the PPP, and provided approximately $82 billion in supplemental aid to support the educational needs of states, school districts, and institutions of higher education, among other stimulus measures.

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (the **"ARP Act"**), a $1.9 trillion economic stimulus plan that will provide another round of stimulus checks to individuals and families, extend federal supplemental unemployment benefits, provide more funding for state and local governments, expand subsidies for healthcare insurance, and provide additional funding for COVID-19 testing, vaccination, and treatment, among several other provisions that will affect many industries, businesses, and individuals. With respect to relief for educational agencies, grants of $125.8 billion will be provided to states to support statewide and local funding for elementary and secondary schools and public postsecondary institutions. Funding can be used for a number of education-related expenses, including inspecting and improving school facilities to ensure adequate air quality, providing mental health services, reducing class sizes, implementing social distancing guidelines, and purchasing personal protective equipment. At least 20% of the funding will have to be used to address learning loss, including through summer learning or enrichment, after-school programs, or extended-day or extended-year programs. States that receive the grants cannot reduce their spending levels on education as a proportion of their budgets during fiscal 2022 or 2023, compared with the average level from fiscal 2017 through 2019.

State Response. At the State level, on March 15, 2020, the Governor ordered the closing of California bars and nightclubs, the cancellation of gatherings of more than 250. On March 16, 2020, the State legislature passed $1.1 billion in general purpose spending authority providing emergency funds to respond to the pandemic. On March 19, 2020, the Governor issued a state-wide blanket shelter-in-place order, ordering all California residents to stay home except for certain essential purposes. The restrictions initially began to be rolled back in May 2020 in accordance with State and local guidelines. Thereafter, on August 28, 2020, the Governor released a system entitled "Blueprint for a Safer California" (the **"State Blueprint"**) aimed at reducing the spread of COVID-19. The State Blueprint placed the State's 58 counties into four color-coded tiers generally based on test positivity and adjusted case rate in the county. Each tier imposed restrictions on certain activities to reduce the spread. The tier system was ultimately terminated on June 15, 2021, following significant reductions in positivity and hospitalizations due to the availability of effective COVID-19 vaccines.

On February 23, 2021, the Governor signed legislation providing $7.6 billion in State funding aimed at helping individuals and businesses that were not included in federal aid. It includes sending a $600 rebate to low-income, disabled and undocumented persons when 2020 taxes are filed, $2 billion in grants to help small business, $35 million for food and diaper banks and $400 million in subsidies for childcare providers. It also reverses cuts made last summer to public universities and State courts when the State had projected a record-breaking budget deficit.

Notwithstanding that several vaccines have been approved for public use with respect to COVID-19, the spread of COVID-19 and related variants is ongoing, and future actions to reduce its spread and its impact on global and local economies are uncertain and cannot be predicted. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: the Governor's office (http://www.gov.ca.gov) and the California Department of Public Health (https://covid19.ca.gov/). *The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such website*s.

Impact of COVID-19 Pandemic on Education. The State's and other local (if any) shelter-in-place orders suspended in-person classroom instruction throughout schools in the State from March 2020 through the end of the academic year. School districts in the State generally commenced the 2020-21 academic year in accordance with the Governor's order of July 17, 2020 (Pandemic Plan for Learning and Safe Schools) and the State's Blueprint which resulted in significant amounts of distance learning as opposed to in-person instruction during the 2020-21 academic year. The 2021-22 academic year has commenced with in-person learning with an independent study option.

On March 13, 2020, the Governor issued Executive Order N-26-20 which established a streamlined process for school closures in response to COVID-19, providing for continued State funding to support distance learning or independent study, subsidized school meals to low-income students, and continuing payment for school district employees, among other measures. In addition, Senate Bill 117 (March 17, 2020) was approved and addressed attendance issues and instructional hour requirements, among other items, and effectively held school districts harmless from funding losses that could result from these issues under the State's education funding formulas. In addition, federal funding to school districts was made available to most school districts under the CARES Act, the CRRSA Act and the ARP Act.

On December 30, 2020, the Governor announced the Safe Schools for All Plan (**"SSFA Plan"**), a plan aimed at incentivizing schools to offer in-person learning. Some portions of the SSFA Plan went into effect immediately, however on March 4, 2021 the legislature passed and on March 5, 2021 the Governor signed Senate and Assembly Bill 86, reaching an agreement on a school reopening plan, with the stated intent that schools offer in-person instruction to the greatest extent possible during the 2020-21 fiscal year. The plan provides schools with financial incentives totaling $2 billion to offer in-person instruction beginning on April 1 to students with extra needs or requiring special attention and, for students in some grades, depending on what tier their county is in under the State Blueprint. Funding is allocated based on LCFF funding. For districts not offering in-person instruction by April 1, funds decrease by one percent for each instructional day that schools are not open through May 15 (not including scheduled vacation days) and after May 15, eligibility ceases. Funds obtained must primarily be spent on purposes consistent with providing in-person instruction, including COVID-19 testing, cleaning, personal protective equipment, facility needs, staffing costs, and social and mental health supports provided in conjunction with in-person instruction. Districts must continue to offer distance learning options.

The State's fiscal year 2021-22 Budget passed by the Legislature on June 14, 2021 together with related legislation approved on June 28, 2021, and signed by the Governor, makes historic levels of funding available for educational purposes, including funding the expansion of transitional kindergarten, funding of community wellness and student health hubs on campuses, expanded learning programs and increased special education funding, among others.

For more information about how the District has responded to the COVID-19 pandemic and the District's current assessment of the impact of the COVID-19 pandemic on its finances, see "THE DISTRICT– District's Response to COVID-19 Pandemic."

Impacts of COVID-19 Pandemic Uncertain. The possible impacts that the COVID-19 pandemic might have on the District's finances, programs, credit ratings on its debt obligations, local property values and the economy in general are uncertain at this time. In addition, there may be unknown consequences of the COVID-19 pandemic, which the District is unable to predict.

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THE DISTRICT

General Information

The boundaries of the District encompass an area of approximately 198 square miles within the central portion of the County. The territory of the District includes most of the City of Clovis, a portion of the City of Fresno, and adjacent unincorporated areas of the County, with an estimated population of 205,100 residents. The District was formed in 1960.

The District is a unified school district providing education for students in grades K-12. The District currently operates 34 elementary schools, five intermediate schools, five high schools, two alternative education sites, two community day schools, the Clovis Online Charter School, one adult school, and, with the Fresno Unified School District, a Joint Powers Agency high school. The District's enrollment is approximately 43,563 students for fiscal year 2021-22.

There is one dependent charter school operating in District boundaries. The Clovis Online Charter School was established on May 18, 2008, as a dependent charter school, with its current charter effective through June 30, 2024. The Clovis Online Charter School's term can be renewed or extended by the District. The District accounts for the charter school within the Charter School Fund.

The Clovis Global Academy is an independent charter school for TK-8th grade students which was approved by the Fresno County Board of Education on March 19, 2020. Classes commenced in August 2020. At the time of charter approval, enrollment was expected to be between 239 and 425 students per year during its initial 5-year charter term,

For information on how the District has responded to the COVID-19 pandemic, see below under “-District’s Response to COVID-19 Pandemic.”

Administration

Board of Trustees. The District is governed by a seven-member Board of Trustees, each member of which is elected by trustee area to a four-year term. The management and policies of the District are administered by a Superintendent and a staff that provides business, pupil, personnel, administrative and instructional support services. Current members of the Board of Trustees, together with their office and the date their term expires, are listed below.

BOARD OF TRUSTEES
Clovis Unified School District

Name	Position	Term Expires
Steven G. Fogg, M.D.	President	November 2024
Susan K. Hatmaker	Vice President	November 2022
Tiffany Stoker Madsen	Clerk	November 2022
Hugh Awtrey	Member	November 2024
David DeFrank	Member	November 2024
Yolanda Moore	Member	November 2024
Elizabeth “Betsy” Sandoval	Member	November 2022

Superintendent and Administrative Personnel. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. The following is information regarding certain District officials.

Eimear O'Farrell, Ed.D., Superintendent. Eimear O'Farrell, Ed.D., has served as Superintendent of the District since June 2017. Dr. O'Farrell has 35 years of experience in the field of education, first in Dublin, Ireland, and then as an elementary teacher for Our Lady of Victory Elementary in Fresno, before joining the District in 1996 as a third grade teacher at Maple Creek Elementary. She has served at both the elementary and secondary level as a teacher, a Guidance Instructional Specialist, a Learning Director, an Elementary Principal and a Deputy Principal before assuming the position of Principal at Clovis West High School in 2012. In 2014, she was appointed Area Superintendent of the Clovis West Area. A firm believer in modeling the habits of a life-long learner, Eimear earned her doctoral degree in 2010.

Michael Johnston, Associate Superintendent, Administrative Services. Michael Johnston joined the District in September 2002. Prior to that he worked for Dos Palos-Oro Loma Unified School District from 1998 to 2002. He received his Bachelor of Arts Degree in Business Administration from California State University, Fresno, in 1991 and his Master of Arts degree in Education Administration from California State University, Fresno, in 2005.

Susan Rutledge, Assistant Superintendent, Business Services. Susan Rutledge joined the District in April 2012. Prior to that she worked for Madera Unified School District. She received her Bachelor's Degree in Marketing from California State University, Fresno, in 2001 and her Master of Science degree in Accountancy from the University of Phoenix in 2010.

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Recent Enrollment Trends

The following table shows recent enrollment history for the District with budgeted for fiscal year 2021-22.

ANNUAL ENROLLMENT†
Fiscal Years 2003-04 through 2021-22
Clovis Unified School District

Fiscal Year	Student Enrollment†	Annual Change	Annual Percent Change
2003-04	34,663	--	--
2004-05	35,344	681	2.0%
2005-06	36,378	1,034	2.9
2006-07	37,101	723	2.0
2007-08	36,810	(291)	(0.8)
2008-09	37,461	651	1.8
2009-10	38,004	543	1.4
2010-11	38,495	491	1.3
2011-12	39,040	545	1.4
2012-13	39,894	854	2.2
2013-14	40,783	889	2.2
2014-15	41,169	386	0.9
2015-16	41,883	714	1.7
2016-17	42,746	863	2.1
2017-18	43,106	360	0.8
2018-19	43,264	158	0.4
2019-20*	43,654	390	0.9
2020-21*	42,790	(864)	(2.0)
2021-22*	43,563	773	1.8

† Includes enrollment of the one dependent charter school operating within the District.
*The COVID-19 Pandemic commenced in approximately March 2020, at which time remote learning was required by State and local authorities. The 2020-21 academic year commenced in remote format. Hybrid learning generally commenced in Spring 2021. The 2021-22 academic year has commenced in in-person format with an independent study option. Figures for 2021-22 are Budgeted. The COVID-19 Pandemic has impacted enrollment particularly in 2020-21 in lower grade levels such as kindergarten.
Source: California Department of Education except Clovis Unified School District for fiscal year 2021-22.

Pursuant to Education Code Section 47605 and following, the District has sponsored a dependent charter for Clovis Online School, which serves students in grades seven through twelve. The District maintains a Charter School Fund to account for revenues and expenditures of the Clovis Online School.

Employee Relations

The District staffing to consists of approximately 4,585 full time equivalent employees (**"FTEs"**) in fiscal year 2021-22. The employees of the District are not represented by exclusive bargaining units except with respect to the Operation Support Unit which is represented by CSEA. The employee groups are summarized as follows:

SUMMARY OF EMPLOYEE GROUPS
Clovis Unified School District
Fiscal Year 2021-22

Employee Category	Representation
Teachers	At the present time, teachers are not represented by an exclusive bargaining agent. Salaries and fringe benefits are determined through an informal process of "meet and confer" with a group of teachers selected by their peers. This group includes approximately 1,950 FTE employees in fiscal year 2021-22.
Business Services/Confidential	The group includes all secretarial, clerical and paraprofessional personnel. As is the case with the teachers, this group is not represented by an exclusive bargaining agent. An informal "meet and confer" process is also used to determine salaries and fringe benefits. This group includes approximately 570 FTE employees in fiscal year 2021-22.
Operation Support Unit	This group includes maintenance, transportation, custodial, grounds, and cafeteria personnel and is represented by California School Employees Association ("**CSEA**"). Negotiations with CSEA are settled with respect to salaries through 2021-22. This group includes approximately 542 FTE employees in fiscal year 2021-22.
Management	This group of employees is not represented by an exclusive representative and includes all certificated and classified management personnel. The group includes approximately 670 employees in fiscal year 2021-22.
Non-Represented	This group of employees includes primarily teacher aides and other "casual labor" personnel. This group includes approximately 836 FTE employees in fiscal year 2021-22.
Security Personnel	The District presently has a security staff of 17 FTE employees in fiscal year 2021-22 who are not represented by an exclusive bargaining representative.

District Insurance Coverage

The District is self-insured for workers' compensation, health, vision and dental programs. The District accounts for and finances its uninsured risks of loss in the self insurance and general fund. The District provides coverage for up to a maximum of $350,000 for each workers' compensation claim and $700,000 for each health insurance claim. The District purchases commercial insurance for claims in excess of coverage provided by the general fund and for all other risks of loss.

The District participates under five joint powers agreements ("**JPA**") units, as allowed by the California Government Code, as follows:

Schools Excess Liability Fund (SELF)

Purpose: To provide liability insurance coverage in excess of $1,000,000 (up to $25,000,000).

Participants: Other school districts in California.

Governing Board: One designee for each district votes for a 16-member Board of Directors.

Payments: During fiscal year 2019-20, the District made a payment of $723,416 to SELF for liability insurance coverage.

Alliance of Schools for Cooperative Insurance Programs (ASCIP)

Purpose: Arrange for and provide property and liability insurance for its members.

Participants: Other governmental agencies.

Governing Board: Eleven voting members of the ASCIP Executive Committee appointed by the member districts.

Payments: During fiscal year 2019-20, the District made payments of $2,905,042 to ASCIP for property and liability insurance coverage and $1,788,387 for workers' compensation insurance coverage.

Central Valley Support Services (CVSS)

Purpose: To provide maintenance, operations, food service, transportation, printing, and warehouse/delivery services or any other support services approved by the Governing Board to its members.

Participants: Clovis Unified School District, Golden Valley Unified School District, and Fresno Unified School District.

Governing Board: The Governing Board shall consist of a District representative appointed by the Superintendent and a member of the operations staff of each educational agency holding membership in CVSS selected by that agency, and the Treasurer of CVSS.

Payments: During fiscal year 2019-2020, the District made no payments to CVSS.

Center for Advanced Research & Technology (CART)

Purpose: To provide for the financing and operation of a joint technical center for high school age students.

Participants: Clovis Unified School District and Fresno Unified School District.

Governing Board: Representatives from the member public educational agencies and related associations.

Payments: During fiscal year 2019-20, the District made payments of $1,002,155 to CART for the financing and operation of a joint technical center for high school age students.

Educational Technology

Purpose: The Education Technology Joint Powers Authority (Ed Tech JPA) aims to streamline procurement, provide competitive pricing, and secure favorable technology contracts for educational agencies and other eligible entities.

Participants: Clovis Unified School District, Irvine Unified School District, Capistrano Unified School District, Fullerton School District and El Dorado County Office of Education

Governing Board: One representative from each founding member district.

Payments: Each founding member contributed a one-time payment for the startup of the JPA.

Payments: During fiscal year 2019-20, the District made no payments to the Ed Tech JPA.

See "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR 2019-20 – Note 15."

District's Response to COVID-19 Pandemic

To reduce the potential for community transmission of COVID-19 and in accordance with all official recommendations, guidelines and mandates, the District closed its facilities with respect to in-person instruction in March 2020. Distance learning was implemented, which extended through the 2019-20 academic year. The District commenced the 2020-21 academic year in distance learning, and eventually provided a hybrid of in-person and remote learning. The 2021-22 academic year has commenced with in-person with an independent study/distance learning option. The District will adjust its teaching modes as needed to adjust to all orders and mandates, with guidance from the State and local officials.

To address expenses arising due to COVID-19 pandemic, the District has received and/or expects to receive one-time federal and State funding in the total amount of approximately $150 million. The funds have been and will be spent in accordance with the requirements of the funding source, and generally relate to expenses that have arisen due to COVID-19, such as acquiring personal protective equipment, cleaning and sanitizing facilities, technology needs to accommodate distance learning, addressing learning loss mitigation, counselling and extra learning support personnel.

The District is funded pursuant to the State's education funding formula known as LCFF, and as such, the District's main operating revenues will be affected by the State's financial position. The extent of the impact of the COVID-19 pandemic on education funding cannot be fully predicted. See herein under the heading "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS" for information on the State's current and proposed budgets.

With respect to pension costs, the District cannot currently predict if the COVID-19 pandemic will have a material impact on its required employer contributions which could rise if the unfunded actuarial accrued liabilities of PERS and STRS materially increase, although the State reduced employer contribution rates as part of its fiscal year 2020-21 Budget in response to the COVID-19 pandemic.

The District maintains reserves for economic uncertainties, which exceeds the applicable required minimum reserve under State law, and has a projected ending fund balance for fiscal year 2021-22 of $138,405,395, representing 22.7% of expenditures. See "DISTRICT FINANCIAL INFORMATION – District Budget and Interim Financial Reporting - District Reserves."

The impacts of the COVID-19 pandemic on global, State-wide and local economies, which could impact District operations and finances, and local property values are unknown and cannot be predicted by the District.

DISTRICT FINANCIAL INFORMATION

Education Funding Generally

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

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

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

- A base grant for each local education agency per unit of ADA, which varies with respect to different grade spans. The base grant is $2,375 more than the average revenue limit provided prior to LCFF implementation. The base grants will be adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.

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

- An additional concentration grant of up to 65% (which was increased from 50% as part of the State's trailer bill to the 2021-22 State Budget - Assembly Bill 130) of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.

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

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

Full implementation of LCFF occurred in fiscal year 2018-19 in connection with adoption of the State Budget for said fiscal year. Funding levels used in the LCFF target entitlement calculations, not including any supplemental or concentration grant funding entitlements, for fiscal year 2021-22 are set forth in the following table.

Fiscal Year 2021-22 Base Grant* Under LCFF by Grade Span
(Targeted Base Grant)

Entitlement Factors per ADA	K-3	4-6	7-8	9-12
2019-20 Base Grants	$7,702	$7,818	$8,050	$9,329
Statutory COLA (2.31%)	$178	$181	$186	$215
2020-21 Base Grant Per ADA	$7,880	$7,999	$8,236	$9,544
2021-22 Funded COLA for LCFF (2.70%)	$213	$216	$222	$258
2021-22 Base Grant per ADA before Grade Span Adjustments	$8,093	$8,215	$8,458	$9,802
Grade Span Adjustment Factors	10.4%	--	--	2.6%
Grade Span Adjustment Amounts	$842	--	--	$255
2021-22 Adjusted Base Grants	$8,935	$8,215	$8,458	$10,057

*Does not include supplemental and concentration grant funding entitlements.
Source: California Department of Education.

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

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

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

the school accountability report card, and establish policies to implement the federal accountability system.

Basic Aid or Community Supported districts are school districts which have local property tax revenues which exceed such district's funding entitlement under LCFF. As such, in lieu of State funding under LCFF, Basic Aid districts are entitled to keep the full share of local property tax revenues, even the amount which exceeds its funding entitlement under LCFF. The District's funding formula is currently determined pursuant to LCFF, and not as a Basic Aid district.

Accounting Practices

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

District accounting is organized on the basis of fund groups, with each group consisting of a separate set of self-balancing accounts containing assets, liabilities, fund balances, revenues and expenditures. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30.

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

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

Financial Statements

General. The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's June 30, 2020 Audited Financial Statements were prepared by Eide Bailly LLP, Certified Public Accountants, Fresno, California and are attached hereto as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at Office of the Assistant Superintendent, Business

Services of the District, Clovis Unified School District, 1450 Herndon Avenue, Clovis, California 93611, telephone (559) 327-9127. The District has not requested, and the auditor has not provided, any review or update of such Financial Statements in connection with inclusion in this Official Statement. Copies of such financial statements will be mailed to prospective investors and their representatives upon written request to the District. This District may impose a charge for copying, mailing and handling.

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General Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows the audited income and expense statements for the general fund for the District for the fiscal years 2015-16 through 2019-20.

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2015-16 through 2019-20 (Audited)
Clovis Unified School District

Revenues	Audited 2015-16	Audited 2016-17	Audited 2017-18	Audited 2018-19	Audited 2019-20
LCFF Sources	$317,072,679	$339,166,659	$349,769,504	$377,019,505	$392,892,145
Federal Revenues	16,956,331	17,883,624	16,920,841	20,288,418	18,521,320
Other State Revenues	70,168,138	60,947,481	61,391,192	85,436,107	71,922,755
Other Local Revenues	16,832,759	18,414,399	18,880,148	20,020,899	22,678,169
Total Revenues	421,029,907	436,412,163	446,961,685	502,764,929	506,014,389
Expenditures					
Instruction	227,244,669	247,449,414	258,281,492	281,774,471	286,342,871
Instruction-Related Activities:					
Supervision of Instruction	18,158,342	21,058,272	20,880,417	21,343,157	21,370,447
Instructional Library, Media, Tech	4,866,573	6,440,753	7,619,401	8,204,449	6,618,519
School Site Administration	23,754,523	25,407,789	26,348,258	28,795,430	28,708,421
Pupil Services:					
Home-to-School Transport	9,542,013	12,803,574	11,053,313	13,471,976	12,944,418
Food Services	--	59,999	--	262,839	67,609
All Other Pupil Services	27,529,076	32,450,002	34,247,623	39,843,130	41,299,290
General Administration:					
Data Proc.	2,821,281	3,561,884	3,861,427	4,852,522	5,138,136
All Other General Administration	14,632,636	16,060,038	16,925,431	17,419,570	17,405,931
Plant Services	39,991,585	43,190,238	47,025,280	48,602,958	51,397,514
Facility Acquisition and Construction	303,135	634,903	8,739,717	932,050	939,301
Ancillary Services	8,198,877	8,972,490	917,654	9,525,660	8,218,894
Other Outgo	772,950	859,913	925,061	953,815	1,064,127
Enterprise Services	--	--	--	12,563	--
Debt Service: Principal	1,369,760	1,523,372	1,611,104	1,552,516	1,479,661
Debt Service: Interest	20,501	25,493	25,698	33,724	43,727
Total Expenditures	379,205,921	420,498,134	438,461,876	477,580,830	483,038,866
Excess of Revenues Over/(Under) Expenditures	41,823,986	15,914,029	8,499,809	25,184,099	22,975,523
Other Financing Sources (Uses)					
Operating Transfers in[1]	1,951,543	1,900,350	1,125,483	2,229,339	1,384,851
Proceeds from Capital Leases	1,675,912	1,400,000	1,750,000	1,500,000	1,200,000
Operating Transfers out[2]	(16,068,448)	(9,128,569)	(8,737,534)	(7,854,336)	(9,903,108)
Total Other Financing Sources (Uses)	(12,440,993)	(5,828,219)	(5,862,051)	(4,124,997)	(7,318,257)
Net Change in Fund Balance	29,382,993	10,085,810	2,637,758	21,059,102	15,657,266
Fund Balance, July 1	52,258,950	81,641,943	91,727,753	94,365,511	115,424,613
Fund Balance, June 30	$81,641,943	$91,727,753	$94,365,511	$115,424,613	$131,081,879

(1) Transfers-in generally consist of amounts transferred in from the Facilities Fund (for example, for solar rebates, amounts to reimburse the general fund for facilities projects, and 3% administrative fee on developer fee revenues).
(2) Transfers-out generally consist of amounts to the Deferred Maintenance Fund, Special Reserve Capital Outlay Fund and Adult Fund related to facilities projects and funding of the adult school.
Source: Clovis Unified School District Audit Reports.

District Budget and Interim Financial Reporting

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

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the Fresno County Superintendent of Schools (the **"County Superintendent"**). The County Superintendent is independent from, and not an officer of, the County.

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

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

A State law adopted in 1991 (**"A.B. 1200"**) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification.

Interim Certifications Regarding Ability to Meet Financial Obligations. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-

current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The county office of education reviews the certification and issues the following types of certifications:

- ***Positive certification*** - the school district that will meet its financial obligations for the current fiscal year and the subsequent two fiscal years.

- ***Negative certification*** - the school district will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year.

- ***Qualified certification*** - the school district may not meet its financial obligations for the current fiscal year or the subsequent two fiscal years.

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

District's Budget Approval/Disapproval and Certification History. Each of the District's interim reports in the previous five and current fiscal year have been certified as positive. Copies of the District's budget, interim reports and certifications may be obtained upon request from the District Office at 1450 Herndon Avenue, Clovis, California 93611, Phone: (559) 327-9000. The District may impose charges for copying, mailing and handling.

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General Fund Fiscal Years 2020-21 and 2021-22 (Unaudited Actuals and Adopted Budget). The following table shows the income and expense statements for the District's general fund for fiscal years 2020-21 and 2021-22 (unaudited actuals and adopted budget).

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2020-21 and 2021-22 (Unaudited Actuals and Budgeted)[(1)]*
Clovis Unified School District

	Unaudited Actuals 2020-21	Budgeted 2021-22
Revenues		
LCFF	$395,449,308	$416,909,623
Federal Revenues	46,504,542	97,777,377
Other State Revenues	100,006,385	87,538,643
Other Local Revenues	10,175,122	13,669,580
Total Revenues	552,135,339	615,895,222
Expenditures[(1)]		
Certificated Salaries	208,875,485	202,510,507
Classified Salaries	86,907,635	87,735,508
Employee Benefits	139,981,768	148,677,802
Books and Supplies	35,945,451	132,311,519
Contract Services & Operating Exp.	39,862,573	35,049,488
Capital Outlay	4,526,155	914,889
Other Outgo (excluding indirect costs)	2,059,248	2,139,669
Other Outgo – Transfers of Indirect Costs	(1,217,988)	(1,545,650)
Total Expenditures	516,940,340	607,793,732
Excess of Revenues Over/(Under) Expenditures	35,194,998	8,101,490
Other Financing Sources (Uses)		
Operating transfers in[(2)]	1,142,374	3,336,000
Operating transfers out[(3)]	(4,076,520)	(5,923,968)
Other sources/uses[(2)]	--	1,700,000
Total Other Financing Sources (Uses)	(2,934,146)	(887,968)
Net change in fund balance	32,260,851	7,213,522
Fund Balance, July 1	131,081,878	163,342,730
Fund Balance, June 30	$163,342,730	$170,556,252

*Totals may not sum due to rounding.

(1) 2021-22 Budget does not include 2021-22 pay raise of 5.5% approved in June 2021. Such amounts will be included in the 2021-22 First Interim Report and multi-year projections. District multi-year projections continue to reflect reserves at above required levels.

(2) Transfers in and other sources attributed to Developer Fee Revenue Admin Fee and COP Contributions for approved projects.

(3) Transfers out attributed to debt service, Adult Fund contribution and certificate of participation debt service..

Source: Clovis Unified School District.

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 2% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future. The District has historically had a reserve in excess of 2% of expenditures, and has a Board-adopted policy to maintain a reserve of 10% of expenditures.

Under State law (Education Code Section 42127.01), there are certain restrictions on the amount of reserves that can be maintained by non-Basic Aid districts or districts with over 2,500 ADA that apply under certain circumstances. State law provides that in a fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account is equal to or exceeds 3% of the combined total of General Fund revenues appropriated for school districts, a school district budget shall not contain a combined assigned or unassigned ending general fund balance that is in excess of 10% of those funds. A county superintendent of schools may grant a school district under its jurisdiction a waiver from the requirements under certain circumstances.

The District cannot predict if or when the foregoing reserve cap will be triggered, or when or how any additional changes to legal provisions governing the reserve cap would impact its reserves and future spending.

For fiscal year 2021-22, the budgeted general fund ending balance of $170,556,252 includes reserves as follows:

CLOVIS UNIFIED SCHOOL DISTRICT
Fiscal Year 2021-22 General Fund Reserve Balance
(Budgeted)

Non-Spendable Revolving Cash	$144,000
Stores	2,383,166
Restricted	23,261,525
Assigned:	20,700,533
Unassigned:	124,067,028
Total	$170,556,252

Source: Clovis Unified School District.

Attendance – LCFF Funding

Funding Trends per ADA. As previously described, prior to fiscal year 2013-14, school districts in the State derived most State funding based on a formula which considered a revenue limit per unit of ADA. With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth total LCFF funding and ADA for the District for fiscal years 2014-15 through 2020-21 (Projected).

AVERAGE DAILY ATTENDANCE AND FUNDING TRENDS
Clovis Unified School District
Fiscal Years 2014-15 and 2021-22(Budgeted)

Fiscal Year	ADA	Total LCFF Funding
2014-15	39,379	$279,504,215
2015-16	40,027	317,072,678
2016-17	40,723	339,166,659
2017-18	41,005	349,769,504
2018-19	41,166	377,019,505
2019-20	41,555	392,892,145
2020-21(1)	41,560	395,449,308
2021-22(1)	41,560	416,909,623

(1) Unaudited Actuals/Budgeted.
Source: Clovis Unified School District.

Unduplicated Pupil Count. The District's unduplicated pupil count for purposes of supplemental and concentration grant funding under LCFF, to the extent applicable, is approximately 45%. Under LCFF, school districts with a more than 55% unduplicated student count qualify for supplemental funding and concentration grant funding.

Possible Impacts of COVID-19. As described herein, the short-term and long-term impact of COVID-19 on the District's attendance, revenues and local property values, and the impacts of Federal and State legislation resulting from the COVID-19 pandemic, cannot be predicted.

Revenue Sources

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

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

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

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

Federal Revenues. The federal government provides funding for several District programs, including special education programs, programs under the Every Student Succeeds

Act, the Individuals With Disabilities Education Act, and specialized programs such as Drug Free Schools and others.

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

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

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

Other Local Revenues; Developer Fees. In addition to local property taxes, the District receives additional local revenues from items such as interest earnings and other local sources such as developer and mitigation fees. The following table summarizes a recent history of developer fee collections.

HISTORICAL DEVELOPER FEE REVENUES
Clovis Unified School District
Fiscal Years 2015-16 through 2020-21

Fiscal Year	Amount*
2015-16	$10,425,563
2016-17	16,195,446
2017-18	17,048,154
2018-19	17,468,688
2019-20	17,722,931
2020-21[(1)]	15,000,000

(1) Unaudited.
Source: Clovis Unified School District.

District Retirement Systems

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

STRS. All full-time certificated employees participate in STRS, a cost-sharing, multiple-employer contributory public employee retirement system. STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program. Benefit

provisions and contribution amounts are established by State statutes, as legislatively amended. The program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers and the State. The District's employer contributions to STRS for recent fiscal years are set forth in the following table.

STRS EMPLOYER CONTRIBUTIONS
Clovis Unified School District
Fiscal Years 2014-15 through 2021-22 (Budgeted)

Fiscal Year	Amount*
2014-15	$14,478,018
2015-16	18,423,302
2016-17	22,942,735
2017-18	27,195,966
2018-19	31,357,995
2019-20	33,819,487
2020-21(1)	51,888,904
2021-22(1)	52,616,960

*Increases in fiscal years 2015-16 and following attributed to increase in contribution rates and modified accounting reporting requirements.
(1) Unaudited Actuals/Budgeted.
Source: Clovis Unified School District.

Prior to fiscal year 2014-15, employee, employer and State contribution rates did not vary annually to account for funding shortfalls or surpluses in the STRS plan. School districts were required to contribute by statute 8.25% of eligible salary expenditures and participants contributed 8% of their respective salaries. However, in September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming contribution rates at that time continued and other actuarial assumptions were realized. This shortfall resulted from the combination of investment losses and insufficient statutory contribution rates. To address this problem, in connection with the State's adoption of its fiscal year 2014-15 Budget, the Governor signed into law Assembly Bill 1469 (**"AB 1469"**). 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. Under AB 1469, K-14 school districts' contribution rates increased from fiscal year 2014-15 through 2020-21 as shown in the following table, along with projections for the employer rates for fiscal years 2021-22 through 2023-24.

STRS EMPLOYER CONTRIBUTION RATES
Fiscal Years 2014-15 through 2023-24

Fiscal Year	Employer Contribution Rate
2014-15	8.88%
2015-16	10.73
2016-17	12.58
2017-18	14.45
2018-19	16.28
2019-20	17.10[(1)]
2020-21	16.15[(2)]
2021-22	16.92[(3)]
2022-23	19.10[(3)]
2023-24	19.10[(3)]

(1) Reduced from 18.13% under AB 1469 to 17.10% due to State supplemental payments to STRS under SB 90 and other State contributions to STRS.
(2). Reduced from 19.10% under AB 1469 to 16.15% due to State supplemental payments to STRS under SB 90 and other State contributions to STRS.
(3) Projected.
Source: AB 1469; STRS.

The STRS unfunded liability, on a market value of assets basis, was approximately $105.875 billion as of June 30, 2020.

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

PERS CONTRIBUTIONS
Clovis Unified School District
Fiscal Years 2014-15 through 2021-22 (Budgeted)

Fiscal Year	Amount
2014-15	$7,122,827
2015-16	7,625,393
2016-17	9,726,387
2017-18	11,525,394
2018-19	14,479,421
2019-20	16,573,262
2020-21[(1)]	14,757,339
2021-22[(1)]	17,319,112

(1) Unaudited Actuals/Budgeted.
Source: Clovis Unified School District.

Like the STRS program, the PERS program has experienced an unfunded liability in recent years. The PERS unfunded liability, on a market value of assets basis, was approximately $32.7 billion as of June 30, 2020 (the date of the last actuarial valuation). To address this issue, the PERS board has taken a number of actions. In April 2013, for example, the PERS board approved changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates. In addition, in April 2014, PERS set new contribution rates, reflecting new demographic assumptions and other changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy intended to incrementally lower its discount rate (its assumed rate of investment return) in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. In December 2016, PERS voted to lower its discount rate from the current 7.5% to 7.0% over the next subsequent three years according to the following schedule.

PERS DISCOUNT RATE
Fiscal Years 2018-19 through 2020-21

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

Source: PERS.

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

The District's employer contribution rates for the current and next two fiscal years are set forth in the following table.

EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2021-22 through 2023-24[(1)]

Fiscal Year	Employer Contribution Rate[(2)]
2021-22	22.910%
2022-23	26.100
2023-24	27.100

(1) The PERS board is expected to approve official employer contribution rates for each fiscal year shown during the immediately preceding fiscal year.
(2) Expressed as a percentage of covered payroll. Rates have been reduced following adoption of the fiscal year 2020-21 State Budget and SB 90 and AB 84.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 ("**PEPRA**"), which impacted various aspects of public retirement systems in the State, including the STRS and PERS programs. In general, PEPRA (i) increased the retirement age for public employees depending on job function, (ii) capped the annual pension benefit payouts for public

employees hired after January 1, 2013, (iii) required public employees hired after January 1, 2013 to pay at least 50% of the costs of their pension benefits (as described in more detail below), (iv) required final compensation for public employees hired after January 1, 2013 to be determined based on the highest average annual pensionable compensation earned over a period of at least 36 consecutive months, and (v) attempted to address other perceived abuses in the public retirement systems in the State. PEPRA applies to all public employee retirement systems in the State, *except* the retirement systems of the University of California, and charter cities and charter counties whose pension plans are not governed by State law. PEPRA's provisions went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on or after that date; existing employees who are members of employee associations, including employee associations of the District, have a five-year window to negotiate compliance with PEPRA through collective bargaining.

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

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

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

Additional Information. Additional information regarding the District's retirement programs is available in Note 13 of the District's audited financial statements attached hereto as APPENDIX B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811. More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Other Post-Employment Benefits

Plan Description. The Post-Employment Benefits Plan (the "**Plan**") is a single-employer defined benefit healthcare plan administered by the District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of 1,136 retirees and beneficiaries currently receiving benefits and 3,545 active Plan members.

Contribution Information. The benefit payment requirements of the Plan members and the District are established and may be amended by the District. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District. For fiscal year 2019-20, the District paid $8,063,788 in benefits.

Actuarial Assumptions and Other Inputs. The District's total OPEB liability of $422,133,490 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019, and rolling forward the total OPEB liability to June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: salary increases 3.0%, discount rate 3.0%, and healthcare cost trend rates 5.4% for 2020, 5.1% for 2021, and 4.9% for 2022 and later. The discount rate was based on The Bond Buyer 20-Bond General Obligation Index. Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males and Females, as appropriate, without projection.

The actual assumptions used in the June 30, 2018 valuation were based on the results of an actual experience study for the period July 1, 2016 to June 30, 2018.

Changes in OPEB Liability of the District. The changes in OPEB liability of the District as of June 30, 2020, is shown in the following table:

CHANGES IN TOTAL OPEB LIABILITY
Clovis Unified School District

	Total OPEB Liability
Balance at June 30, 2019	$357,120,975
Service Cost	12,130,038
Interest	11,432,331
Changes of assumptions or other inputs	49,513,934
Benefit payments	(8,063,788)
Net changes	65,012,515
Balance at June 30, 2020	$422,133,490

Source: Clovis Unified District Audit Report.

OPEB Expense. For the year ended June 30, 2020, the District recognized an OPEB expense of $32,636,367.

Long-Term Borrowing of the District

In addition to long-term debt in the form of pensions and OPEB, the District has debt relating to voter-approved general obligation bonds, long term lease financings in the form of certificates of participation, a State loan, a lease for cafeteria facilities, and a capital lease. Each of these obligations is described below. The District has never defaulted on the payment of principal or interest on any of its indebtedness.

General Obligation Bonds. The District currently has outstanding general obligation bond and refunding bond indebtedness which has been issued pursuant to the authority of bond elections held within District boundaries on March 6, 2001, March 2, 2004, June 5, 2012 and November 3, 2020, respectively. The following table provides a summary of outstanding general obligation bond indebtedness.

GENERAL OBLIGATION BONDED INDEBTEDNESS
Clovis Unified School District

Issue Date	Name of General Obligation Bond Issue	Original Principal Amount	Bonds Outstanding September 1, 2021
10/22/2002	GO Bonds, Election of 2001, Series B	$29,000,255.00	$9,114,036.65
12/15/2004	GO Bonds, Election of 2004, Series A	119,998,286.00	43,201,239.85
03/01/2006	GO Bonds, Election of 2004, Series B	48,001,060.00	13,846,059.55
08/30/2012	GO Bonds, Election of 2012, Series A*	79,996,801.00	8,650,000.00
08/08/2013	GO Bonds, Election of 2012, Series B	49,996,579.00	1,378,507.20
09/03/2014	GO Bonds, Election of 2012, Series C*	64,995,505.00	54,045,504.55
08/20/2015	GO Bonds, Election of 2012, Series D*	103,007,035.00	84,217,033.60
10/17/2017	2017 General Obligation Refunding Bonds	43,121,677.00	38,816,676.90
10/31/2018	2018 General Obligation Refunding Bonds*	20,710,000.00	16,050,000.00
11/26/2019	2019 General Obligation Refunding Bonds	23,630,000.00	18,195,000.00
03/10/2021	GO Bonds, Election of 2020, Series A	50,000,000.00	50,000,000.00
Total	--	--	$337,514,058.30

**The District Board of Trustees has authorized the refinancing of certain maturities of these bonds with the proceeds of 2021 Refunding General Obligation Bonds which are currently expected to be issued in November 2021.*

In fiscal year 2022-23, District staff anticipates presenting for consideration by the Board of Trustees a resolution authorizing the issuance of a second series of general obligation bonds pursuant to its November 3, 2020 bond authorization in the amount of approximately $100 million to finance the second phase of projects authorized by voters at said election.

Certificates of Participation. The District has three series of outstanding certificates of participation that have been issued pursuant to lease agreements with the Central Valley Support Services Joint Powers Agency. The annual payments for the outstanding certificates of participation of the District are shown in the following table.

ANNUAL LEASE PAYMENTS
Certificates of Participation- Annual Payments by Series
Clovis Unified School District

Year Ending June 30	Series 2010	Series 2011	Series 2020	Total All Series
2022	$443,700	$413,188	$470,200	$1,327,088
2023	--	416,775	470,200	886,975
2024	--	414,056	1,960,200	2,374,256
2025	--	545,000	1,955,600	2,500,600
2026	--	515,000	1,958,800	2,473,800
2027	--	--	1,959,400	1,959,400
2028	--	--	1,957,400	1,957,400
2029	--	--	1,957,800	1,957,800
2030	--	--	1,960,400	1,960,400
Total	$443,700	$2,304,019	$14,650,000	$17,397,719

Source: Clovis Unified School District; Underwriter.

State Loan for Portables. The District financed the purchase of portable classroom facilities for its Child Development Program through the California Department of Education's Child Care Facilities Revolving Fund. The agreement with the California Department of Education includes 0% interest rate for the portable classroom loan. During the term of the repayment, the title to the facilities is in the name of the State, and the title will pass to the District after repayment of the loan. The District bears the responsibility of maintaining the facilities and keeping the facilities free and clear of any levies, liens, and encumbrances. The loan matures in 2022 with the following schedule:

ANNUAL PAYMENTS
State Loan for Child Care Facilities
Clovis Unified School District

Fiscal Year Ending June 30	Annual Loan Repayment
2022	$63,000
Total	$63,000

Source: Clovis Unified School District.

Agency 2020 Lease Revenue Bonds. On February 20, 2020, the Agency issued its 2020 Lease Revenue Bonds (Clovis Unified School District Campus Catering Facilities Project) in the principal amount of $4,915,000 for the purpose of acquiring land and facilities to be leased to the District for its cafeteria service operations. Lease payments are payable from any lawfully available source of the District, including from funds received by the District pursuant to the National School Lunch Program, in accordance with the following schedule.

ANNUAL LEASE PAYMENTS
Cafeteria Facilities Lease
Clovis Unified School District

Year Ending	Principal Component	Interest Component	Total Payments
06/01/22	$210,000.00	$185,600.00	$395,600.00
06/01/23	220,000.00	177,200.00	397,200.00
06/01/24	225,000.00	168,400.00	393,400.00
06/01/25	240,000.00	159,400.00	399,400.00
06/01/26	265,000.00	149,800.00	414,800.00
06/01/27	275,000.00	139,200.00	414,200.00
06/01/28	285,000.00	128,200.00	413,200.00
06/01/29	300,000.00	116,800.00	416,800.00
06/01/30	315,000.00	104,800.00	419,800.00
06/01/31	345,000.00	92,200.00	437,200.00
06/01/32	355,000.00	78,400.00	433,400.00
06/01/33	370,000.00	64,200.00	434,200.00
06/01/34	385,000.00	49,400.00	434,400.00
06/01/35	410,000.00	34,000.00	444,000.00
06/01/36	440,000.00	17,600.00	457,600.00
TOTALS	$4,640,000.00	$1,665,200.00	$6,305,200.00

Source: Clovis Unified School District.

Capital Leases. The District leases computers and other equipment under a capitalized lease agreement. The lease purchase agreement is dated July 1, 2021 and is in the principal amount of $1,700,000 with an annual interest rate of 0.94%, with payment due annually on August 15 through August 15, 2024. The remaining principal amount due pursuant said agreement is $1,270,508.11.

Short-Term Debt. The District issued a tax and revenue anticipation note (the **"Note"**) in the principal amount of $34,260,000 at an interest of 0.250% per annum to meet cash flow needs in fiscal year 2020-21. The Note was included in a pooled financing and secures in part repayment of the California Education Notes Program Fiscal Year 2020-21 Note Participations Series E (Federally Taxable) issued on March 26, 2021. The District pledged taxes, income, revenue (including but not limited to revenue from state and federal governments), cash receipts and other moneys (including moneys deposited in inactive or term deposits, but excepting certain moneys encumbered for a special purpose) which are generally available for the payment of current expenses and other obligations of the District, and which were received in or accrued to Fiscal Year 2020-21. The District set aside 50 percent principal in September 30, 2021, and will set aside 50 percent of principal and interest on November 30, 2021. The Note matures on December 30, 2021. All required set-asides have been made to date.

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

Background

General. The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. School districts in California receive operating income primarily from two sources: (1) the State funded portion which is derived from the State's general fund, and (2) a locally funded portion, being a district's share of the 1% general *ad valorem* tax levy authorized by the California Constitution (see "DISTRICT FINANCIAL INFORMATION – Education Funding Generally" above). School districts in California which are not funded as Basic Aid school districts, are dependent on revenues from the State for a large portion of their operating budgets. California school districts receive an average of about 55% of their operating revenues from various State sources.

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

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

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

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

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

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

Available Public Resources

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

- The California State Treasurer Internet home page at www.treasurer.ca.gov, under the heading "Bond Finance" and sub-heading "-Public Finance Division", (1) posts various State of California Official Statements, many of which contain a summary of the current State Budget, past State Budgets, and the impact of those budgets on school districts in the State, and (2) also posts various financial documents for the State under the "-Financial Information" link.

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

- The State Legislative Analyst's Office prepares analyses of the proposed and adopted State budgets. The analyses are accessible on the Legislative Analyst's Internet home page at www.lao.ca.gov under the headings "The Budget" and "State Budget Condition."

Prior Years' Budgeting Techniques. Declining revenues and fiscal difficulties which arose in the State commencing in fiscal year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools until a later date in the fiscal year or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies. As a result of the COVID-19 pandemic and subsequent economic recession, budget-cutting strategies such as those used in recent years are being used and may continue to be used in the future during a period of budgetary strain.

2013-14 State Budget: Significant Change in Education Funding. As described previously herein, the 2013-14 State Budget and its related implementing legislation enacted significant reforms to the State's system of K-12 education finance with the enactment of the LCFF. Significant reforms such as the LCFF and other changes in law may have significant impacts on the District's finances.

2021-22 State Budget

On June 14, 2021 the State Legislature adopted the 2021-22 State Budget Act bill (the **"2021-22 State Budget Act"**), and on June 28, 2021 and after adopted certain changes and associated trailer bills. On July 12, 2021, the Governor signed the 2021-22 State Budget Act (as

enacted, the **"2021-22 State Budget"**), a historic $262.6 billion spending plan fueled by a $76 billion state surplus and $27 billion in aid from the federal government. The following is drawn from the Department of Finance (**"DOF"**) summary of the 2021-22 State Budget.

The 2021-22 State Budget indicates that revenues are up significantly from the forecast included in the Governor's proposed State budget for fiscal year 2021-22, resulting in a large budgetary surplus. This is a result of strong cash trends, two major federal relief bills since the beginning of 2021, continued stock market appreciation, and a significantly upgraded economic forecast from the prior fiscal year. The 2021-22 State Budget also reports that the State has received approximately $285 billion in federal COVID-19 stimulus funding for State programs. Although the 2021-22 State Budget acknowledges that building reserves and paying down debts are critical, the 2021-22 State Budget allocates approximately 85% of discretionary funds to one-time spending. The multi-year forecast reflects a budget roughly in balance, although the 2021-22 State Budget assumes that risks remain to the economic forecast, including a stock market decline that could reduce State revenues.

For fiscal year 2020-21, the 2021-22 State Budget projects total general fund revenues and transfers of $188.8 billion and authorizes expenditures of $166.1 billion. The State is projected to end the 2020-21 fiscal year with total available reserves of $39.8 billion, including $25.1 billion in the traditional general fund reserve, $12.3 billion in the BSA, $1.9 billion in the PSSSA and $450 million in the Safety Net Reserve Fund. For fiscal year 2021-22, the 2021-22 State Budget projects total general fund revenues and transfers of $175.3 billion and authorizes expenditures of $196.4 billion. The State is projected to end the 2021-22 fiscal year with total available reserves of $25.2 billion, including $4 billion in the traditional general fund reserve, $15.8 billion in the BSA, $4.5 billion in the PSSSA and $900 million in the Safety Net Reserve Fund. The balance in the PSSSA in fiscal year 2021-22 is projected to trigger school district reserve caps beginning in fiscal year 2022-23. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2" herein.

The 2021-22 State Budget sets the Proposition 98 minimum funding guarantee for fiscal year 2021-22 at $93.7 billion. This results in per-pupil funding of $13,976 from Proposition 98 funding, growing to $21,555 when accounting for all funding sources. The Proposed 2021-22 State Budget also makes retroactive increases to the minimum funding guarantee in fiscal years 2019-20 and 2020-21, setting them at $79.3 billion and $93.4 billion, respectively. Collectively, this represents a three-year increase in the minimum funding guarantee of $47 billion from the level projected by the 2020-21 State budget. In addition, Test 1 is projected to be in effect over this three year period.

Other significant features relating to K-12 school district funding include the following:

- *Local Control Funding Formula* – The 2021-22 State Budget funds a compounded COLA of 4.05%, representing an adjustment of 2.31% allocable to fiscal year 2020-21 and a fiscal year 2021-22 adjustment of 1.7%. Additionally, to assist local educational agencies address ongoing fiscal pressures, the 2021-22 State Budget also includes $520 million in Proposition 98 funding to provide a 1% increase in LCFF base funding. This discretionary increase, when combined with the compounded COLA, results in a 5.07% growth in LCFF funding over 2020-21 levels. In addition, to increase the number of adults providing direct services to students on school campuses, the 2021-22 State Budget includes an ongoing increase to the LCFF Concentration Grant of $1.1 billion, an increase from 50% to 65%. See "– State Funding of Education – Local

Control Funding Formula" herein. Local educational agencies that are recipients of these funds will be required to demonstrate in their LCAPs how these funds are used to increase the number of certificated and classified staff on their campuses, including school counselors, nurses, teachers, paraprofessionals, custodial staff, and other student support providers.

- *Deferrals* – The State budget for fiscal year 2020-21 deferred approximately $1.9 billion in K-12 apportionments in fiscal year 2019-20, growing to more than $11 billion in fiscal year 2020-21. The 2021-22 State Budget eliminates in its entirety all K-12 deferrals in fiscal year 2021-22.

- *Universal Transitional Kindergarten* – The 2021-22 State Budget includes a series of provisions intended to incrementally establish a universal transitional kindergarten for four-year-old children. Full implementation is expected by fiscal year 2025-26. Local educational agencies will able to use fiscal year 2021-22 for planning and infrastructure development. The 2021-22 State Budget indicates that the costs to the State general fund of the plan are projected to be approximately $600 million in fiscal year 2022-23, growing to approximately $2.7 billion in fiscal year 2025-26. The 2021-22 State Budget includes $200 million in one-time Proposition 98 funding for planning and implementation grants for all local educational agencies, and $100 million in one-time Proposition 98 funding to train and increase the number of early childhood educators. To build on and enhance the quality of the existing transitional kindergarten program, the 2021-22 State Budget also proposes new ongoing Proposition 98 funding beginning in fiscal year 2022-23 to provide one additional certificated or classified staff person in each transitional kindergarten classroom, reducing adult-to-child ratios from 1:24 to 1:12.

- *Student Supports* – $3 billion, available over several years, to expand and strengthen the implementation and use of community school models in communities with high levels of poverty. Community schools typically integrate health, mental health and other services for students and families and provide these services directly on school campuses. In addition, the 2021-22 State Budget provides $547.5 million in one-time Proposition 98 funding to assist high school students, particularly those that are eligible for free and/or reduced priced meals, English learners or foster youth, to graduate having completed certain classes required for admission to the California State University and University of California systems.

- *County Offices of Education*. In recognition of the disproportionate impact of the COVID-19 pandemic on youth in foster care, the 2021-22 State Budget provides $30 million in one-time Proposition 98 funding to county offices of education to work with local partners to coordinate and provide direct services to these students.

- *Expanded Learning Time* – $1.8 billion of Proposition 98 funding as part of a multi-year plan to implement expanded-day, full-year instruction and enrichment for all elementary school students, with a focus on local educational agencies with the highest concentrations of low-income students, English language learners, and youth in foster care. Pursuant to this plan, all local educational agencies will receive funding for expanded learning opportunities based on their number of low-income students, English language learners, and youth in foster care, with local educational agencies with the highest concentrations of these students receiving a higher funding rate. All

local educational agencies will be required to offer expanded learning opportunities to the students generating the funding, with the local educational agencies receiving the higher funding rate required to offer expanded learning opportunities to all students. Students will have access to no-cost after school and summer programs, which when combined with regular instructional time, is expected to provide these students with the opportunity for nine hours of developmentally appropriate academics and enrichment activities per instructional day and for six weeks each summer. Additionally, these programs will be required to maintain adult-to-student ratios of no less than 1:10 for transitional kindergarten and kindergarten students and 1:20 for students in first through sixth grades.

- *Educator Preparation, Retention and Training* – $2.9 billion to support a variety of initiatives intended to further expand the State's educator preparation and training infrastructure, including meeting the needs of early childhood educators.

- *Nutrition* – $54 million in additional Proposition 98 funding to reimburse all meals served to students, including those who would not normally qualify for reimbursement under the State's existing meal program. Beginning in fiscal year 2022-23, all public schools will be required to provide two free meals per day to any student who requests one, regardless of income eligibility. Further, all schools eligible for the federal universal meals provision program will be required to apply for it, and the State will cover any remaining unreimbursed costs up to the federal free per-meal rate, at an estimated annual cost of $650 million in Proposition 98 funding. Additionally, the 2021-22 State Budget provides $150 million in one-time Proposition 98 funding for school districts to upgrade kitchen infrastructure and equipment, and to provide training to food service employees.

- *Remote Learning* – The 2021-22 State Budget requires that all districts return to full-time in-person instruction for the 2021-22 school year. Consistent with all school years prior to fiscal year 2020-21, this mode of instruction will be the default for all students, and generally one of only two ways in which local educational agencies can earn State apportionment funding in fiscal year 2021-22. However, to give families a high-quality option for non-classroom based instruction, and to provide local educational agencies with an option to generate state funding by serving students outside the classroom in response to parent requests, the Budget requires school districts and county offices of education to provide students with an independent study option and includes a series of improvements to the state's existing independent study programs.

- *Special Education* – $1.7 billion to invest in and improve instruction and services for students with disabilities to provide, among other things, learning recovery support, an increase in the State-wide base funding rate for special education funding, a 4.05% COLA to State special education funding, and early intervention services for preschool-aged children.

- *Career Technical Education (**"CTE"**)* – An increase of $150 million in ongoing Proposition 98 funding to augment opportunities for local educational agencies to participate in the CTE Incentive Grant Program. The 2021-22 State Budget also provides an increase of $86.4 million in one-time Proposition 98 funding for CTE regional occupational centers or programs operated by joint powers authorities to address costs associated with the COVID-19 pandemic.

For additional information regarding the 2021-22 State Budget, see the DOF website at www.dof.ca.gov. However, the information presented on such website is not incorporated herein by reference.

Disclaimer Regarding State Budgets

The execution of State budgets including the above may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks associated with proposed spending reductions, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2021-22 State Budget or subsequent State Budgets, will have on its own finances and operations. However, the Bonds are secured by *ad valorem* property taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

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

Availability of State Budgets

The complete adopted State budgets and related information are available from the California Department of Finance website at www.ebudget.ca.gov. Impartial analyses of these documents are published by the Legislative Analyst Office, and can be accessed at www.lao.ca.gov/budget. The District can take no responsibility for the continued accuracy of internet addresses referenced herein or for the accuracy, completeness or timeliness of information posted on these sites, and such information is not incorporated in this Official Statement by these references. The information referred to above should not be relied upon when making an investment decision with respect to the Certificates.

Uncertainty Regarding Future State Budgets

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

PROPERTY TAXATION

School districts in the State derive some of their operating revenues from their share of local property taxes. The Certificates are secured by Lease Payments to be budgeted and appropriated annually from the District's general fund, and not from the levy and collection of property taxes.

Property Tax Collection Procedures

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

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

Property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. A bill enacted in 1983, SB813 (Statutes of 1983, Chapter 498), however, provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

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

Waiver of State Laws Relating to Penalties for Non-Payment of Property Taxes. In an attempt to mitigate the effects of the COVID-19 pandemic on State property taxpayers, on May 6, 2020, the Governor signed Executive Order N-61-20 ("**Order N-61-20").** Under Order N-61-20, certain provisions of the State Revenue and Taxation Code are suspended until May 6, 2021 to the extent said provisions require a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. Said penalties, costs and interest shall be cancelled under the conditions provided for in Order N-61-20, including if the property is residential real property occupied by the taxpayer or the real property qualifies as a small business under certain State laws, the taxes were not delinquent prior to March 4, 2020, the taxpayer files a claim for relief with the tax collector, and the taxpayer demonstrates economic hardship or other circumstances that have arisen due to the COVID-19 pandemic or due to a local, state, or federal governmental response to COVID-19.

Disclaimer Regarding Property Tax Collection Procedures. The property tax collection procedures described above are subject to amendment based on legislation or executive order, including Order N-61-20, which may be enacted by the State legislature or declared by the Governor from time to time. The District cannot predict the impact of Order N-61-20 on property tax revenues in the County or the District, whether future amendments or orders will occur, and what impact, if any, said future amendments or orders could have on the procedures relating to the levy and collection of property taxes, and related interest and penalties.

Assessed Valuations

Generally. The assessed valuation of property in the District is established by the Fresno County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIIIA of the California Constitution. Prior to 1981-82, assessed valuations were reported at 25% of the full value of property. For a discussion of how properties currently are assessed, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS." Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

Assessed Valuation History. The following table sets forth historical assessed value in the District.

CLOVIS UNIFIED SCHOOL DISTRICT
Assessed Valuations of All Taxable Property
Fiscal Years 2000-01 to 2021-22

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2000-01	$8,014,104,383	$282,893	$288,466,423	$8,302,853,699	--
2001-02	8,620,220,240	1,601,735	302,993,845	8,924,815,820	7.5%
2002-03	9,309,309,122	814,480	341,298,074	9,651,421,676	8.1
2003-04	10,347,073,838	371,202	379,660,347	10,727,105,387	11.1
2004-05	11,801,284,745	394,906	400,082,838	12,201,762,489	13.7
2005-06	13,615,549,205	1,934,684	392,529,847	14,010,013,736	14.8
2006-07	15,893,692,827	1,915,948	435,011,506	16,330,620,281	16.6
2007-08	18,005,851,118	1,717,426	513,581,412	18,521,149,956	13.4
2008-09	18,324,722,414	1,717,426	497,448,409	18,823,888,249	1.6
2009-10	17,382,168,739	1,717,426	611,407,665	17,995,293,830	(4.4)
2010-11	17,295,870,441	1,717,426	585,929,544	17,883,517,411	(0.6)
2011-12	17,232,189,005	1,726,421	546,348,861	17,780,264,287	(0.6)
2012-13	17,038,147,300	1,726,421	540,861,545	17,580,735,266	(1.1)
2013-14	18,170,575,699	1,726,421	530,476,415	18,702,778,535	6.4
2014-15	19,611,151,031	1,726,421	520,352,772	20,133,230,224	7.6
2015-16	20,753,193,377	1,855,562	567,555,719	21,322,604,658	5.9
2016-17	21,737,864,863	1,855,562	533,579,721	22,273,300,146	4.5
2017-18	23,192,368,568	1,855,562	567,300,639	23,761,524,769	6.7
2018-19	24,511,995,046	1,841,262	573,876,230	25,087,712,538	5.6
2019-20	26,131,865,672	1,456,110	607,269,054	26,740,590,836	6.6
2020-21	27,707,278,250	1,456,110	620,405,202	28,329,139,562	5.9
2021-22	29,280,790,419	1,456,110	622,243,880	29,904,490,409	5.6

Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and man-made or natural disasters such as earthquakes, fires, floods and drought. Seismic activity is also a risk in the region where the District is located. The State has experienced drought conditions in recent years, including a period of drought followed by record-level precipitation in late 2016 and early 2017 which resulted in related severe flooding and mudslides in certain regions. As of September 30, 2021, the U.S. Drought Monitor indicates that the State is classified as experiencing mostly extreme to exceptional drought conditions, with the County in the exceptional drought category. On May 10, 2021, the Governor declared a drought emergency in 41 of the State's 58 counties, which includes the County, citing above average temperature and dry conditions. This declaration was expanded by the Governor on July 8, 2021 to nine additional counties and the Governor called on all Californians to voluntarily reduce water intake by 15% from 2020 levels. The declaration did not impose mandatory consumption cutbacks but could result in the State implementing certain strategies to alleviate problems that arise during a period of drought. Mandatory cutbacks could be imposed at the local level. In addition, the State has had several severe wildfires in recent years, which have burned thousands of acres and destroyed thousands of homes and structures. Currently several wildfires are burning in the State primarily in the northern region, and not in a region threatening the District's facilities. Several wildfires have originated in wildlands adjacent to urban areas. The District cannot predict

or make any representations regarding the effects that prolonged droughts or wildfires or any other type of natural or manmade disasters, including the COVID-19 pandemic (see next paragraph), and related conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

Global Pandemic/Disease. Currently the world is experiencing a global pandemic as a result of the outbreak of COVID-19 which has resulted in an economic recession that could cause general marked declines in property values. For disclosure relating to the COVID-19 pandemic, see also "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19 Pandemic."

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

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Top Twenty Property Taxpayers

The 20 taxpayers in the District with the greatest combined assessed valuation of taxable property on the fiscal year 2020-21 tax roll, and the assessed valuations thereof, are shown below.

The more property (by assessed value) which is owned by a single taxpayer in the District, the greater amount of tax collections are exposed to weaknesses in the taxpayer's financial situation and ability or willingness to pay property taxes. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records 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.

CLOVIS UNIFIED SCHOOL DISTRICT
Top 20 Secured Property Taxpayers
Fiscal Year 2021-22

	Property Owner	Primary Land Use	2021-22 Assessed Valuation	% of Total [1]
1.	River Park Properties	Shopping Center	$ 161,554,715	0.55%
2.	E & J Gallo Winery	Winery	151,611,634	0.52
3.	Gap Inc.	Distribution Center	103,672,300	0.35
4.	Lennar Homes of California Inc.	Residential Development	84,875,440	0.29
5.	Wal-Mart Real Estate Business Trust	Commercial	70,675,554	0.24
6.	The Residences at the Row LP	Apartments	61,252,510	0.21
7.	Cedar & Shepherd LP	Apartments	57,630,890	0.20
8.	Fresno Supreme Inc.	Apartments	55,217,546	0.19
9.	GSF Jackson Park Place Investors LP	Apartments	54,180,962	0.19
10.	Villagio Shopping Center LLC	Shopping Center	49,377,003	0.17
11.	Spruce Avenue Apartments LLC	Apartments	48,541,775	0.17
12.	RLO LLC	Shopping Center	46,375,523	0.16
13.	Tremonte Properties LLC	Commercial	43,351,270	0.15
14.	Dennis Prindiville, Trustee	Shopping Center	43,145,724	0.15
15.	R & B Properties	Apartments	42,159,914	0.14
16.	Clovis-Herndon Center II LLC	Shopping Center	40,839,322	0.14
17.	Fresn LLC	Convalescent Hospital	40,462,842	0.14
18.	NMSBPCSLDHB	Office Building	39,275,984	0.13
19.	CCRP	Commercial	37,472,074	0.13
20.	De Wayne & Sandra Zinkin	Office Building	36,755,187	0.13
			$1,268,428,169	4.33%

(1) 2021-22 local secured assessed valuation: $29,280,790,419.
Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the **"Teeter Plan"**), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if the amount credited had been collected. The District participates in the Teeter Plan, and thus receives 100% of secured property taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes.

So long as the Teeter Plan remains in effect, the District's receipt of revenues with respect to the levy of *ad valorem* property taxes will not be dependent upon actual collections of the *ad valorem* property taxes by the County. However, under the statute creating the Teeter Plan, the Board of Supervisors can under certain circumstances terminate the Teeter Plan in part or in its entirety with respect to the entire County and, in addition, the Board of Supervisors can terminate the Teeter Plan with respect to the District if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%. In the event that the Teeter Plan were terminated, the amount of the levy of *ad valorem* property taxes in the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

There can be no assurance that the County will continue to maintain the Teeter Plan or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of the spread of COVID-19 or other outbreak of disease or natural or manmade disaster. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Disclosure Relating to COVID-19." Furthermore, the District cannot predict the impact, if any, that changes or modifications to property tax collection procedures, including Order N-61-20 which waives the collection of certain penalties and interest on delinquent property taxes resulting from the COVID-19 pandemic, might have on the County's Teeter Plan. See "PROPERTY TAXATION – Property Tax Collection Procedures" herein.

Notwithstanding operation of the Teeter Plan, historical secured tax levy collections and delinquencies in the District are summarized in the following table. Figures for fiscal year 2020-21 are not yet available.

CLOVIS UNIFIED SCHOOL DISTRICT
1996-97 through 2019-20
Secured Tax Charges and Delinquency Rates

Fiscal Year	Secured Tax Charge[(1)]	Amount Delinquent June 30	Percent Delinquent June 30
1996-97	$76,777,997	$1,759,431	2.29%
1997-98	79,027,998	1,630,205	2.06
1998-99	80,529,421	1,569,726	1.95
1999-00	86,653,909	1,417,738	1.64
2000-01	93,624,239	1,592,194	1.70
2001-02	100,330,898	1,471,415	1.47
2002-03	110,434,356	2,072,118	1.88
2003-04	125,408,858	1,930,239	1.54
2004-05	142,553,685	2,395,521	1.68
2005-06	164,687,218	3,123,578	1.90
2006-07	192,840,771	5,835,019	3.03
2007-08	218,816,218	8,638,651	3.95
2008-09	220,089,417	7,042,754	3.20
2009-10	209,676,474	4,881,949	2.33
2010-11	207,347,975	3,398,776	1.64
2011-12	200,353,079	2,779,824	1.39
2012-13	198,698,676	2,065,904	1.04
2013-14	221,913,183	1,947,469	0.88
2014-15	239,393,010	2,054,865	0.86
2015-16	254,009,031	2,209,728	0.87
2016-17	267,765,339	2,183,002	0.82
2017-18	288,431,989	2,250,405	0.78
2018-19	306,692,611	2,560,263	0.83
2019-20	328,159,841	3,105,494	0.95

(1) All taxes collected by the County on secured property in the District.
Source: California Municipal Statistics, Inc.

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Debt Obligations

Set forth below is a direct and overlapping debt report (the "**Debt Report**") prepared by California Municipal Statistics, Inc. for debt as of September 1, 2021. 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.

CLOVIS UNIFIED SCHOOL DISTRICT
Statement of Direct and Overlapping Bonded Debt
Dated as of September 1, 2021

2021-22 Assessed Valuation: $29,904,490,409

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable (1)	Debt 9/1/21
State Center Community College District	29.686%	$ 95,102,070
Clovis Unified School District	**100.000**	**337,514,060**(2)
California Statewide Communities Development Authority CFD No. 2012-01	100.000	4,050,000
City of Fresno Community Facilities Districts	100.000	1,880,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$438,546,130
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Fresno County General Fund Obligations	32.379%	$ 8,802,231
Fresno County Pension Obligation Bonds	32.379	65,899,518
Clovis Unified School District Certificates of Participation	**100.000**	**18,815,000**
City of Clovis Certificates of Participation	95.622	19,418,085
City of Fresno General Fund Obligations	33.585	52,817,573
City of Fresno Pension Obligation Bonds	33.585	33,045,961
Clovis Veterans Memorial District General Fund Obligations	98.258	3,409,553
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		$202,207,921
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):		$10,415,000
COMBINED TOTAL DEBT		$651,169,051(3)

Ratios to 2021-22 Assessed Valuation:

DIRECT DEBT ($337,514,060)	**1.13%**
Total Direct and Overlapping Tax and Assessment Debt	1.47%
COMBINED DIRECT DEBT ($356,329,060)	**1.19%**
Combined Total Debt	2.18%

Ratios to Redevelopment Incremental Valuation ($1,120,765,288):

Total Overlapping Tax Increment Debt	0.93%

(1) 2020-21 ratios.
(2) Excludes the Certificates described herein. Also excludes 2021 Refunding General Obligation Bonds, Series B expected to be issued concurrently with the issuance of the Certificates, but includes the bonds to be refunded with the proceeds thereof.
(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

COUNTY INVESTMENT POOL

In accordance with Government Code Section 53600 *et seq*., the Fresno County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq*. In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See APPENDIX G hereto for a copy of Fresno County's Investment Policy and Investment Report.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Articles XIIIA, XIIIB, XIIIC, and XIIID of the State Constitution, Propositions 62, 98, 111, 187 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the District to levy taxes and spend tax proceeds for operating and other purposes.

Constitutionally Required Funding of Education

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

Article XIIIA of the California Constitution

Basic Property Tax Levy. On June 6, 1978, California voters approved Proposition 13 ("**Proposition 13**"), which added Article XIIIA to the State Constitution ("**Article XIIIA**"). Article XIIIA limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIIIA approved by State voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness (which provided the authority for the issuance of the 2010 Note), and (iii) (as a result of an amendment to Article XIIIA approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment". This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

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

Legislation Implementing Article XIIIA. Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

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

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

Article XIIIB of the California Constitution

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

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

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all

qualified capital outlay projects as defined by the legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

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

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

Unitary Property

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

Articles XIIIC and XIIID

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

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4.

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

Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

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

Proposition 98

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

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school

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

Proposition 111

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

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

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

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

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

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

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

Proposition 1A and Proposition 22

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

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

California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

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

Proposition 30 and Proposition 55

Proposition 30 appeared on the November 6, 2012 statewide ballot as an initiated constitutional amendment ("**Proposition 30**"), and it was approved by State voters. Proposition 30 increased the State sales tax from 7.25 percent to 7.50 percent, increased personal income tax rates on higher income brackets for seven years, and temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax is levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increased the marginal personal income tax rate by: (i) 1% for taxable income over $250,000 but less than $300,000 for single filers (over $340,000 but less than $408,000 for joint filers), (ii) 2% for taxable income over $300,000 but less than $500,000 for single filers (over $408,000 but less than $680,000 for joint filers), and (iii) 3% for taxable income over $500,000 for single filers (over $680,000 for joint filers).

The revenues generated from the temporary tax increases are included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See "Proposition 98" and "Proposition 111" above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the "**EPA**"). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to 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 boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

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

Proposition 19

On November 3, 2020, State voters approved Proposition 19, a legislatively referred constitutional amendment (**"Proposition 19"**), which amends Article XIIIA to (i) expand as of April 1, 2021 special rules that govern the transfer of a residential property's tax base value to a replacement residence for homeowners that are over the age of 55, severely disabled, or whose property has been impacted by wildfire or natural disaster, when they buy a different home anywhere within the State, (ii) narrows as of February 16, 2021 existing special rules for the valuation of inherited real property due to a transfer between family members, and (iii) allocates most resulting State revenues and savings (if any) to fire protection services and reimbursing local governments for taxation-related changes. The District cannot predict whether the implementation of Proposition 19 will increase, decrease or have no overall impact on the District's assessed values.

Future Initiatives and Changes in Law

Article XIIIA, Article XIIIB, Article XIIIC and Article XIIID of the California Constitution and Propositions 98, 111, 22, 1A, 26, 30 and 39 were each adopted as measures that qualified for the ballot under the State's initiative process. From time to time other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

CERTAIN RISK FACTORS

The following factors, along with all other information in this Official Statement, should be considered by potential investors in evaluating the Certificates. The discussion does not purport to be, nor should it be construed to be, complete nor a summary of all factors which may affect the financial condition of the District, the District's ability to make Lease Payments in the future, or the effectiveness of any remedies that the Trustee may have or circumstances under which Lease Payments may be abated. Finally, the order in which the following is presented is not intended to reflect the relative importance of any particular risk factor.

No Pledge of Taxes

The Lease Payments and other payments due under the Lease Agreement are not secured by any pledge of taxes or other revenues of the District. The Lease Payments are secured by a District covenant to annually budget and appropriate sufficient funds to make Lease Payments from any lawfully available funds, including the District's general fund. In the event that the District's general fund revenues are less than its total obligations, the District may choose to pay other costs or expenses before making the Lease Payments.

The obligation of the District to pay the Lease Payments and Additional Payments does not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. The obligation of the District to pay Lease Payments and Additional Payments does not constitute a debt or indebtedness of the Agency, the District, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

Although the Lease Agreement does not create a pledge, lien or encumbrance upon the funds of the District, the District is obligated under the Lease Agreement to pay Lease Payments and Additional Payments from any source of legally available funds (subject to certain exceptions) and the District has covenanted in the Lease Agreement that, for as long as the Leased Property is available for its use and possession, it will make the necessary annual appropriations within its budget for all Lease Payments and Additional Payments. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

The District is currently liable on other obligations payable from general revenues and may incur additional obligations payable from its general fund.

Additional Obligations of the District

The District has existing obligations payable from its general fund. See "DISTRICT FINANCIAL INFORMATION – Long Term District Debt - Long Term Lease Obligations." In addition, under the Lease Agreement the District is permitted to enter into other obligations which constitute additional charges against its revenues without the consent of owners of the Certificates. To the extent that additional obligations are incurred by the District, the funds available to pay Lease Payments may be decreased.

Decline in Economic Conditions: COVID-19

The District is unable to predict all of the economic consequences of the COVID-19 pandemic on its finances, local property values, and other possible consequences that cannot be predicted at this time.

Because the District receives most of its revenue from the State under the LCFF funding formula, it is likely that the District's revenues will be impacted if there is a decline in the economy, which will impact the State's revenues and ability to budget for education funding. The State's 2021-22 State Budget provides for significant investment in education funding, suggesting that, along with one-time COVID relief funding available through State and federal programs, the impacts on education funding may not be as extensive as previously expected. However, the District cannot predict what the long-term impacts of the COVID-19 pandemic may have on future State budgets, its finances or the local, regional or Statewide economies. See "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS" herein.

No Reserve Fund

No reserve fund has been established for the Certificates. A reserve would provide a certain amount of funds to make debt service payments on the Certificates in the event that there was a failure by the District to pay Lease Payments resulting from a failure to budget and appropriate, or due to damage, destruction or eminent domain resulting in an abatement of Lease Payments. Although the District is required to maintain rental interruption insurance and property damage insurance which would provide a source of payment in the event of damage or destruction, if the District fails to budget and appropriate the Lease Payments, the remedy would be to pursue legal and equitable remedies for enforcement. The Lease Payments are not in any event subject to acceleration. See the following discussions of "-Limited Recourse on Default" and "-Abatement."

Limited Recourse on Default

Whenever any event of default referred to in the Lease Agreement happens and continues, the Trustee, as the assignee of the Agency, is authorized under the terms of the Lease Agreement to exercise any and all remedies available under law or granted under the Lease Agreement.

Notwithstanding a default under the Lease Agreement, there is no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then due or past due to be immediately due and payable. Neither the Agency nor the Trustee has any right to re-enter or re-let the Leased Property except following the occurrence and during the continuation of an event of default under the Lease Agreement.

Following an event of default, the Agency may elect either to terminate the Lease Agreement and seek to collect damages from the District or to maintain the Lease Agreement in effect and seek to collect the Lease Payments as they become due. The Lease Agreement further provides that so long as an event of default exists under the Lease Agreement, the Agency, or its assignee, may re-enter the Leased Property for the purpose of taking possession of all or any portion of the Leased Property and to re-let the Leased Property and, in addition, at its option, with or without such entry, to terminate the Lease Agreement as described therein. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement."

No assurance can be given that the Trustee will be able to re-let the Leased Property so as to provide rental income sufficient to pay principal and interest evidenced by the Certificates in a timely manner or that such re-letting will not adversely affect the exclusion of interest with respect thereto from gross income for federal or State income tax purposes. Due to the essential governmental purposes which are served by the Leased Property, it is not certain whether a court would permit the exercise of the remedies of repossession and re-letting with respect to the Leased Property.

In the event of a default, there is no remedy of acceleration of the total Lease Payments due over the Term of the Lease and the Trustee is not empowered to sell the Leased Property and use the proceeds of such sale to prepay the Certificates or pay debt service with respect thereto. The District will be liable only for Lease Payments on an annual basis and, in the event of a default, the Trustee would be required to seek a separate judgment each year for that year's defaulted Lease Payments. Any such suit for money damages would be subject to limitations on legal remedies against school districts in California, including a limitation on enforcement of judgments against funds of a fiscal year other than the fiscal year in which the Lease Payments were due and against funds needed to serve the public welfare and interest.

Abatement

The obligation of the District under the Lease Agreement to pay Lease Payments is in consideration of the use and possession of the Leased Property.

Under certain circumstances relating to damage, destruction, condemnation or title defects with respect to the Leased Property which cause a substantial interference with the use and possession of the Leased Property, the District's obligation to make Lease Payments is subject to full or partial abatement and could result in the Trustee having inadequate funds to pay the principal and interest with respect to the Certificates as and when due. See "SECURITY AND

SOURCES OF PAYMENT FOR THE CERTIFICATES – Abatement" and "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement." Abatement is not a default under the Lease Agreement and does not result in the Trustee having the right to take any action to avail itself of any remedy against the District.

Property Taxes

Levy and Collection. The District does not have any independent power to levy and collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the District's share of local property tax revenues, and accordingly, could have an adverse impact on the ability of the District to make Lease Payments. Likewise, delinquencies in the payment of property taxes could have an adverse effect on the District's ability to pay principal and interest with respect to the Certificates when due.

Reduction in Inflationary Rate. Article XIIIA of the California Constitution provides that the full cash value base of real property used in determining assessed value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS." Such measure is computed on a calendar year basis. Because Article XIIIA limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The District is unable to predict if any adjustments to the full cash value base of real property within the District, whether an increase or a reduction, will be realized in the future.

Appeals and Adjustments of Assessed Values. There are two types of appeals of assessed values that could adversely impact property tax revenues:

> Proposition 8 Appeals. Most of the appeals that might be filed in the District would be based on Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property must be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value.
>
> Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, 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. These market-driven appeals are known as Proposition 8 appeals.
>
> Any reduction in the assessment ultimately granted as a Proposition 8 appeal applies to the year for which application is made and during which the written application was filed. These reductions are often temporary and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA. However,

current case law is uncertain as to whether or not property may be adjusted to its prior value at once or if adjustments may only be made subject to the 2% limitation. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution – Inflationary Adjustment of Assessed Valuation."

Base Year Appeals. A second type of assessment appeal is called a base year appeal, where the property owners challenge the original (basis) value of their 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.

No assurance can be given that property tax appeals in the future will not significantly reduce the District's property tax revenues.

Local Housing Market. Economic downturns can have a negative impact on local property values. High rates of foreclosures tend to depreciate values of homes in the overall market, which could lead to more Proposition 8 appeals. Although the District's total assessed valuation has been increasing in recent years, it is not possible to predict how the COVID-19 pandemic, a future mortgage crisis, tightening credit markets, increased foreclosure activity and major reductions in home prices throughout the region could affect home values, assessed values, assessment appeals or collections of property taxes by the County.

State Budget Considerations

Most school districts in California, including the District, operate as LCFF-funded school districts and as such receive a significant amount of their funding from State appropriations, as determined in each year's State Budget. As a result, decreases in State revenue sources may impact the amount of funds appropriated to school districts, as has occurred in recent years.

A deterioration in the State's economy due to the COVID-19 pandemic or any other factors such as reduced income tax revenues and sales tax revenues can negatively impact the State Budget and the District's revenues, and therefore funds available to make Lease Payments. In addition, the State legislature has at times adopted legislation in connection with its annual budgets which may impact education funding, and may do so again in the future.

The District cannot predict how State budgets and future legislation, if any, may impact its finances.

Absence of Earthquake and Flood Insurance

If any portion of the Leased Property is destroyed or rendered useless by any form of natural hazard such as a fire, an earthquake or flood, an abatement could occur and result in the Trustee having inadequate funds to pay the principal and interest represented by the Certificates as and when due. The Lease Agreement does not require the District to obtain earthquake or flood insurance on the Leased Property. As such, if damage or destruction occurs due to earthquake or flood, insurance proceeds will not be available for deposit into the Insurance and Condemnation Fund and applied to pay the Certificates or rebuild the Leased Property.

All building components of the Leased Property were constructed under the standards of the "Field Act" (California State Building Code, Title 24). The Field Act requires substantially higher construction standards for public schools and hospitals than are required for other types of construction. The Field Act requires that building systems be capable of withstanding seismic forces from the "most credible" earthquake likely to occur in the vicinity of the building system being constructed.

Early Prepayment of Certificates

As described above, the Certificates are subject to extraordinary optional prepayment before their stated maturity at the option of the District, in whole, or in part by lot, on any date commencing on June 1, 2026, from State reimbursements or general obligation bond proceeds, upon payment of a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment, without premium. The District may apply for State matching funds, if and to the extent they become available and the Project qualifies for State funding. In addition, the District has unissued general obligation bond authorization, and it may issue bonds for the purpose of the Projects, and apply the proceeds to the prepayment of the Certificates. The District may also pursue additional general obligation bond authorizations beyond existing approved bond authorization and apply the proceeds to the prepayment of the Certificates. As such, Certificate Owners should be aware that there is a risk that the Certificates will be prepaid prior to maturity pursuant to the extraordinary optional prepayment provision described herein.

Substitution and Release of Property

The Site Lease and the Lease Agreement permit the District to substitute other property (the "Substitute Property") for the Leased Property upon satisfaction of certain conditions, including a requirement that the District certify that the estimated value of the Substitute Property is at least equal to the aggregate original principal amount of the Certificates, and the fair rental value of the Substitute Property is at least equal to the Lease Payments thereafter coming due and payable under the Lease Agreement.

In the event that the District utilizes the provisions of the Lease Agreement permitting the substitution or release of property, no assurance can be given that estimated value of the property which is leased under the Site Lease and the Lease Agreement will exceed the aggregate original principal amount of the Certificates. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement" for a more detailed description of the substitution and release provisions of the Lease Agreement.

Limitations on Remedies; Bankruptcy

The rights of the owners of the Certificates are subject to the limitations on legal remedies against municipalities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the owners of the Certificates, and enforcement of the District's obligations under the Lease Agreement, may become subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the

State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities in the State.

Bankruptcy proceedings under Chapter 9 of the Bankruptcy Code (Title 11, United States Code), which governs the bankruptcy proceedings for public agencies such as the District, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Certificates 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. See "– Limited Recourse on Default" above.

LEGAL OPINIONS

The proceedings in connection with the authorization, sale, execution and delivery of the Certificates are subject to the approval as to their legality of Jones Hall, A Professional Law Corporation, San Francisco, California ("**Special Counsel**"). A copy of the legal opinion with respect to the Certificates, certified by the official in whose office the original is filed, will be attached to each Certificates, and the form of the opinion is attached as Appendix D hereto. Jones Hall, A Professional Law Corporation, San Francisco, California, is also acting as Disclosure Counsel to the District ("**Disclosure Counsel**"). Kutak Rock LLP, Denver, Colorado, is serving as counsel to the Underwriter ("**Underwriter's Counsel**"). Certain matters will be opined upon for the District by its counsel, Lozano Smith, Attorneys at Law, Fresno, California (**"District Counsel"**).

The fees of Special Counsel, Disclosure Counsel, District Counsel, the Trustee, the Underwriter and Underwriter's Counsel are contingent upon the execution and delivery of the Certificates.

FINANCIAL ADVISOR

Keygent LLC, El Segundo, California, is acting as the District's financial advisor (the "**Financial Advisor**") in connection with the Certificates. The Financial Advisor is a registered "Municipal Advisor" with the Securities Exchange Commission and the Municipal Securities Rulemaking Board. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The fees of the Financial Advisor with respect to the Certificates are contingent upon their sale and delivery. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

TAX MATTERS

The portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is not intended by the District to be excluded from gross income for federal income tax purposes. However, in the opinion of Jones Hall, A Professional Law Corporation, Special Counsel, San Francisco, California, the portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from California personal income taxes. The proposed form of opinion of Special Counsel with

respect to the Certificates, which is to be delivered on the date of delivery of the Certificates, is set forth in APPENDIX D.

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

NO MATERIAL LITIGATION

There is no action, suit or proceeding known to be pending, or threatened, restraining or enjoining the execution or delivery of the Certificates, the Trust Agreement, the Lease Agreement, the Site Lease, the Assignment Agreement or any other document relating to the Certificates or in any way contesting or affecting the validity of the foregoing.

The District is subject to lawsuits and claims that may arise in the normal course of operating the District. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under known and existing lawsuits and claims will not materially affect the financial position or operations of the District.

RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("**S&P**") has assigned a rating of "AA-" to the Certificates. The District has provided certain additional information and materials to S&P (some of which does not appear in this Official Statement because it is not material for purposes of making an investment decision). Such rating reflects only the views of S&P and an explanation of the significance of such rating and related outlook may be obtained only from S&P. There is no assurance that any credit rating given to the Certificates will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by S&P if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Certificates.

CONTINUING DISCLOSURE

The District has covenanted, for the benefit of holders and beneficial owners of the Certificates to provide certain financial information and operating data relating to the District to the Municipal Securities Rulemaking Board on an annual basis (an "**Annual Report**") not later than nine months after the end of the District's fiscal year (which currently would be March 31), commencing March 31, 2022, with the report for the 2020-21 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. The Annual Report and other required notices will be filed by the District with the Municipal Securities Rulemaking Board (the "**MSRB**") in the manner prescribed by the Securities Exchange Commission. The specific nature of such information is set forth below under the caption APPENDIX E – "Form of Continuing Disclosure Certificate." These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the "**Rule**").

The District has existing disclosure undertakings that have been made pursuant to the Rule in connection with the issuance of its outstanding debt. A review has been made of the District's undertakings and filings made in the previous five years. No instances of material non-compliance have been identified.

The District has engaged a Keygent LLC to serve as its dissemination agent to assist it with its undertakings, including the undertaking in connection with the Certificates.

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

UNDERWRITING

The Certificates are being purchased by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**"). Under a Certificate Purchase Agreement (the "**Purchase Agreement**"), the Underwriter has agreed to purchase the Certificates at the price of $100,315,145.55 (representing the aggregate principal amount of $102,535,000, less an Underwriter's discount of $512,675.00 and less original issue discount of $1,707,179.45).

The Purchase Agreement provides that the Underwriter will purchase all of the Certificates (if any are purchased), and the Underwriter's obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel.

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

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EXECUTION

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

CLOVIS UNIFIED SCHOOL DISTRICT

By: /s/ *Michael Johnston*
Associate Superintendent,
Administrative Services

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS

The following is a brief summary of certain provisions of the Site Lease, the Lease Agreement, the Trust Agreement and the Assignment Agreement. This summary is not intended to be definitive and is qualified in its entirety by reference to such documents for the complete terms thereof. Copies of such documents are available upon request from the District.

DEFINED TERMS

The following terms have the following meanings, notwithstanding that any such terms may be elsewhere defined in this Official Statement. Any terms not expressly defined in this Summary but previously defined in this Official Statement have the respective meanings previously given.

"Additional Payments" means the amounts payable by the District under the Lease Agreement as descried under the heading "THE LEASE AGREEMENT – Lease Payments; Budget and Appropriation; Abatement – Additional Payments" below.

"Business Day" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in the State of California, or in any state in which any Office of the Trustee is located.

"Closing Date" means the day when the Certificates, duly executed by the Trustee, are delivered to the Underwriter.

"Completion Date" means, with respect to the Project, the date identified as the date of completion thereof in the written certificate of a District Representative under the Lease Agreement.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the District or the Agency relating to the execution and delivery of the Certificates, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee (which shall include legal fees and the first annual administration fee of the Trustee), financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Certificates, and any charges and fees in connection with the foregoing.

"Cost of Issuance Fund" means the fund by that name established and held by the Trustee under the Trust Agreement.

"Defeasance Securities" means: (a) any direct general non-callable obligations of the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America; (b) any obligations the timely payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America or which are secured by obligations described in the preceding clause (a); (c) the interest component of Resolution Funding Corporation strips which have been stripped by

request to the Federal Reserve Bank of New York in book-entry form; (d) pre-refunded municipal bonds rated in the highest rating category by any nationally-recognized rating agency; and (e) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies: (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development; and (vi) obligations of the Federal Home Loan Bank (FHLB).

"District Representative" means the Superintendent, the Associate Superintendent, Administrative Services, the Assistant Superintendent, Business Services, or any other person authorized by resolution of the Board of Trustees of the District to act on behalf of the District under or with respect to the Lease Agreement and the Trust Agreement.

"Event of Default" means an event of default under the Lease, as defined in the Lease Agreement.

"Fiscal Year" means the twelve-month period beginning on July 1 of any year and ending on June 30 of the next succeeding year, or any other twelve-month period by the District as its fiscal year pursuant to written notice filed with the Trustee.

"Insurance and Condemnation Fund" means the fund by that name to be established and held by the Trustee under the Trust Agreement.

"Lease Payment Date" means, with respect to any Interest Payment Date, the fifth Business Day preceding such Interest Payment Date.

"Lease Payment Fund" means the fund by that name established and held by the Trustee under the Trust Agreement.

"Leased Property" means all of the land which is more particularly described in Appendix A to the Lease Agreement, consisting generally of the land and buildings constituting the Clovis North Educational Center which is located generally at 2770 East International Avenue in the City of Fresno. If the District exercises its option under the Lease Agreement with respect to the substitution of property or its option under the Lease Agreement with respect to the release of property, the term "Leased Property" will thereupon be modified accordingly.

"Net Proceeds" means any insurance proceeds or eminent domain award (including any proceeds of sale to a governmental entity under threat of the exercise of eminent domain powers), paid with respect to the Leased Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

"Office" means such office or offices as the Trustee may designate in writing to the Agency from time to time as its corporate trust office for purposes of the Trust Agreement.

"Outstanding", when used as of any particular time with respect to Certificates, means (subject to certain provisions of the Trust Agreement) all Certificates theretofore executed and delivered by the Trustee under the Trust Agreement except (a) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Certificates deemed to have

been paid under the Trust Agreement; and (c) Certificates in lieu of or in exchange for which other Certificates has been executed and delivered by the Trustee under the Trust Agreement.

"Owner", when used with respect to a Certificate, means the person in whose name the ownership of such Certificate shall be registered on the Registration Books.

"Permitted Encumbrances" means, as of any time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the District may permit to remain unpaid under Article V of the Lease Agreement; (b) the Site Lease, the Lease Agreement and the Assignment Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (d) the exceptions disclosed in the title insurance policy with respect to the Leased Property issued as of the Closing Date by Stewart Title Guaranty Company and which the District certifies in writing will not materially impair the use of the Leased Property for its intended purposes; and (e) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the District certifies in writing will not materially impair the use of the Leased Property for its intended purposes.

"Permitted Investments" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(a) Defeasance Securities;

(b) obligations of any federal agency which represent full faith and credit of the United States of America, or which are otherwise rated "A" by S&P;

(c) Bank deposit products and interest-bearing deposit accounts (including certificates of deposit) in federal or State chartered savings and loan associations or in federal or State of California banks (including the Trustee) which may include the Trustee and its affiliates, provided that: (i) the unsecured obligations of such commercial bank or savings and loan association are rated A or better by S&P; or (ii) such deposits are fully insured by the Federal Deposit Insurance Corporation or are collateralized by Permitted Investments described in clauses (a), (b) or (c) above;

(d) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" or better by S&P;

(e) federal funds or bankers acceptances with a maximum term of one year of any bank which an unsecured, uninsured and unguaranteed obligation rating of "A-1+" or better by S&P;

(f) investments in a money market fund, including those of an affiliate of the Trustee, having a rating by S&P of at least AAAm-G, AAAm or AAm, including funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee or such holding company provide investment advisory or other management services;

(f) pre-refunded municipal obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency,

instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based upon an irrevocable escrow account or fund, in the highest rating category of S&P; or (ii)(A) subject to the approval of S&P, which are fully secured as to principal and interest and prepayment premium, if any, by an escrow consisting only of Defeasance Securities, which escrow may be applied only to the payment of such principal of and interest and prepayment premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified prepayment date or dates under such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and prepayment premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the prepayment date or dates specified in the irrevocable instructions referred to above, as appropriate;

(g) investment agreements with financial institutions whose long-term general credit rating is A or better from S&P, by the terms of which the Trustee may withdraw funds if such rating falls below A; and

(h) the Local Agency Investment Fund of the State of California, created under Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

"Project" means all of the educational facilities and properties the acquisition, construction and improvement of which is financed from the proceeds of the Certificates. The District reserves the right to amend the description and scope of the Project from time to time in its sole discretion, and to add additional capital projects which will be used for the educational purposes of the District.

"Project Costs" means, with respect to the Project, all costs of the acquisition, construction and improvement thereof which are paid from moneys on deposit in the Project Fund, including but not limited to:

(a) all costs required to be paid to any person under the terms of any agreement for or relating to the acquisition, construction and improvement of the Project;

(b) obligations incurred for labor and materials in connection with the acquisition, construction and improvement of the Project;

(c) the cost of performance or other bonds and any and all types of insurance that may be necessary or appropriate to have in effect in connection with the acquisition, construction and improvement of the Project;

(d) all costs of engineering, architectural services and other preliminary investigation expenses, including the actual out-of-pocket costs for site investigations, surveys, hazardous materials investigations, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, development fees, sales commissions, and for supervising

construction, as well as for the performance of all other duties required by or consequent to the proper acquisition, construction and improvement of the Project;

(e) any sums required to reimburse the Agency or the District for advances made for any of the above items or for any other costs incurred and for work done, including but not limited to administrative costs of the Agency or the District, which are properly chargeable to the acquisition, construction and improvement of the Project;

(f) all financing costs incurred in connection with the acquisition, construction and improvement of the Project, including but not limited to Costs of Issuance and other costs incurred in connection with the Trust Agreement and the financing of the Project; and

(g) the interest components of the Lease Payments prior to the Completion Date, to the extent not payable from the proceeds of the Certificates deposited in the Lease Payment Fund on the Closing Date.

"Registration Books" means the records maintained by the Trustee pursuant to the Trust Agreement for registration of the ownership and transfer of ownership of the Certificates.

"Rental Period" means each period during the Term of the Lease Agreement commencing on and including June 2 in each year and extending to and including the next succeeding June 1, except that the first Rental Period begins on the Closing Date and ends on June 1, 2022.

"Securities Depositories" means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District designates in written notice filed with the Trustee.

"Special Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys of nationally recognized expertise with respect to legal matters relating to obligations the interest on which is excludable from gross income under applicable federal tax law.

"S&P" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, of New York, New York, its successors and assigns.

"Term of the Lease Agreement" means the time during which the Lease Agreement is in effect, as provided therein.

SITE LEASE

Under the Site Lease, the District leases the Leased Property to the Agency for the purpose of enabling the Agency to sublease the Leased Property back to the District under the Lease Agreement. The term of the Site Lease is coterminous with the term of the Lease Agreement. In consideration of the rental for the Leased Property under the Site Lease, the Agency agrees to enter into the Assignment Agreement and assign substantially all of its rights

thereunder to the Trustee, and to cause the net proceeds of the Certificates to be deposited with the Trustee into the Project Fund.

THE LEASE AGREEMENT

Lease of the Leased Property; Term

The Agency leases the Leased Property back to the District under the Lease Agreement. The Term of the Lease Agreement commences on the date of execution and delivery of the Lease Agreement and ends on the date on which the Trust Agreement is discharged thereunder, but under any circumstances not later than ten years following the final maturity date of the Certificates.

Substitution of Leased Property

The District has the option at any time and from time to time to substitute other real property (the "Substitute Property") for the Leased Property or any portion thereof (the "Former Property"), provided that the District satisfies all of the following requirements which are conditions precedent to such substitution:

(a) No Event of Default has occurred and is continuing.

(b) The District has filed with the Agency and the Trustee, and caused to be recorded in the office of the Fresno County Recorder sufficient memorialization of, an amendment thereof which adds to Appendix A to the Lease Agreement a description of such Substitute Property and deletes therefrom the description of such Former Property.

(c) The District has obtained a CLTA policy of title insurance which insures the District's leasehold estate in such Substitute Property, subject only to Permitted Encumbrances, in an amount at least equal to the estimated value thereof.

(d) The District has filed with the Agency and the Trustee a certificate executed by a District Representative stating that such Substitute Property serves the educational purposes of the District and constitutes property which the District is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the District and to serve an essential governmental function of the District.

(e) The Substitute Property does not cause the District to violate any of its covenants, representations and warranties made in the Lease Agreement or in the Trust Agreement.

(f) The District has filed with the Agency and the Trustee a certificate executed by a District Representative stating that (i) based on the estimated value of the Substitute Property, the remaining Lease Payments constitute fair rental value for the use and occupancy of the Substitute Property, taking into

consideration the factors set forth in the Lease Agreement, and (ii) the useful life of the Substitute Property at least extends to the date which is ten years following the final maturity of the Certificates.

(g) The District has mailed written notice of such substitution to each rating agency which then maintains a rating on the Certificates.

Upon the satisfaction of all such conditions precedent, the Term of the Lease Agreement will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property in the Site Lease and the Lease Agreement will apply with full force and effect to the Substitute Property. The District is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution. The Agency and the District will execute, deliver and cause to be recorded all documents required to discharge the Lease Agreement, the Site Lease and the Assignment Agreement against the Former Property.

Release of Property

The District has the option at any time and from time to time to release any portion of the Leased Property from the Lease Agreement and the Site Lease (the "Released Property") provided that the District has satisfied all of the following requirements which are declared to be conditions precedent to such release:

(a) No Event of Default has occurred and is continuing.

(b) The District has filed with the Agency and the Trustee, and caused to be recorded in the office of the Fresno County Recorder sufficient memorialization of, an amendment of the Lease Agreement and the Site Lease which removes the Released Property from the Lease Agreement and the Site Lease.

(c) The District has certified in writing to the Agency and the Trustee that based on the estimated value of the property which remains subject to the Lease following such release, the remaining Lease Payments constitute fair rental value for the use and occupancy of such property, taking into consideration the factors set forth in the Lease Agreement.

(d) The District has mailed written notice of such release to each rating agency which then maintains a rating on the Certificates.

Upon the satisfaction of all such conditions precedent, the Term of the Lease Agreement will thereupon end as to the Released Property. The District is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Agency and the District shall execute, deliver and cause to be recorded all documents required to discharge the Lease Agreement, the Site Lease and the Assignment Agreement of record against the Released Property.

Lease Payments; Budget and Appropriation; Abatement

Lease Payments. Subject to abatement as described below, the District will pay to the Agency, its successors and assigns, the Lease Payments (denominated into components of

principal and interest) in the respective amounts specified in the Lease Agreement, to be due and payable in immediately available funds on the Payment Dates immediately following each of the respective Lease Payment Dates specified in the Lease Agreement, and to be deposited by the District with the Trustee on each of the Lease Payment Dates specified in the Lease Agreement. Any amount held in the Lease Payment Fund on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole under the Lease Agreement and other than amounts required for payment of past due principal or interest represented by any Certificates not presented for payment) will be credited towards the Lease Payment then required to be paid; and no Lease Payment need be deposited with the Trustee on any Lease Payment Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be deposited with the Trustee. The Lease Payments payable in any Rental Period are for the use of the Leased Property during such Rental Period.

Budget and Appropriation. The District covenants to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments due under the Lease Agreement in each of its final approved budgets. The District further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the District for all the actual amount of Lease Payments and Additional Payments which come due and payable during the period covered by each such budget. The covenants on the part of the District contained in the Lease Agreement are duties imposed by law and it is the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in the Lease Agreement agreed to be carried out and performed by the District.

Additional Payments. In addition to the Lease Payments, the District shall pay when due, as additional rental for the Leased Property under the Lease Agreement, all costs and expenses incurred by the District under the Lease Agreement or under the Trust Agreement, or incurred by the Agency or the Trustee to comply with the provisions of the Trust Agreement, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trustee and all of its reasonable costs and expenses (including amounts payable to the Trustee by virtue of indemnification) payable as a result of the performance of and compliance with its duties under the Trust Agreement, and all reasonable costs and expenses of attorneys, auditors, engineers and accountants engaged by the Agency or the Trustee in connection with the Leased Property or the performance of their duties under the Lease Agreement or under the Trust Agreement.

Termination or Abatement Due to Eminent Domain. If the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of the Lease Agreement will cease with respect thereto as of the day possession is so taken. If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, (a) the Lease Agreement will continue in full force and effect with respect thereto and will not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (b) there will be a partial abatement of Lease Payments allocated thereto, in an amount to be determined by the District such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property.

Abatement Due to Damage or Destruction. The amount of Lease Payments will be abated during any period in which by reason of damage or destruction (other than by eminent domain as described above) there is substantial interference with the use and occupancy by the District of

the Leased Property or any portion thereof. The amount of such abatement shall be determined by the District such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Leased Property not damaged or destroyed. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, the Lease Agreement shall continue in full force and effect and the District waives any right to terminate the Lease Agreement by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under the Lease Agreement to the extent that the proceeds of hazard insurance or rental interruption insurance are available to pay Lease Payments which would otherwise be abated under the Lease Agreement, it being declared in the Lease Agreement that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Covenant Against Eminent Domain. During the Term of the Lease Agreement, the District shall not acquire the leasehold estate of the Agency in the Leased Property under the Site Lease through the exercise of its eminent domain powers or otherwise.

Title

At all times during the term of the Lease Agreement, the District will hold title to the Leased Property, subject to the Site Lease and other Permitted Encumbrances, and any and all additions which comprise fixtures, repairs, replacements or modifications thereto.

Maintenance, Utilities, Taxes and Modifications

Throughout the Term of the Lease Agreement, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property will be the responsibility of the District, and the District will pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property resulting from ordinary wear and tear or want of care on the part of the District or any assignee or sublessee thereof. In exchange for the Lease Payments, the Agency agrees to provide only the Leased Property.

The District also agrees pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Agency or the District affecting the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the District will be obligated to pay only such installments as are required to be paid during the Term of the Lease Agreement as and when the same become due.

The District may, at the District's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Agency notifies the District that, in its reasonable opinion, by nonpayment of any such items the interest of the Agency in the Leased Property will be materially endangered or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the District shall promptly pay such taxes, assessments or charges or provide the Agency with full security against any loss which may result from nonpayment, in form satisfactory to the Agency and the Trustee.

The District has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of the Lease Agreement. Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto, shall be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements. The District will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the District; provided that if any such lien is established and the District first notifies the Agency of the District's intention to do so, the District may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Agency with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Agency. The Agency will cooperate fully in any such contest, upon the request and at the expense of the District.

Insurance

The Lease Agreement requires the District to maintain or cause to be maintained the following insurance against risk of physical damage to the Leased Property and other risks for the protection of the Certificate Owners, the Agency and the Trustee:

Public Liability and Property Damage Insurance. The District will maintain or cause to be maintained, throughout the Term of the Lease Agreement, comprehensive general insurance in protection of the Agency, the District and their respective members, officers, agents, employees and assigns. Such insurance shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such insurance shall provide coverage in such liability limits and be subject to such deductibles as the District deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, and may be maintained in whole or in part in the form of a program of self-insurance by the District, or in the form of the participation by the District in a joint powers authority or other program providing pooled insurance. The District shall apply the proceeds of such insurance toward extinguishment or satisfaction of the liability with respect to which the net proceeds are paid.

Casualty Insurance. The District will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of the Lease Agreement, casualty insurance against loss or damage to the insured buildings, facilities and other improvements constituting any part of the Leased Property, in an amount at least equal to the lesser of (a) the replacement value of such buildings, facilities and improvements, or (b) the aggregate principal amount of the Outstanding Certificates. Such insurance shall, as nearly as practicable, cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and shall include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the District, whose determination is final and conclusive. Such insurance may be subject to such

deductibles as the District deems prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the District in the form of self-insurance. The Net Proceeds of any such insurance will be deposited by the Trustee in the Insurance and Condemnation Fund and applied at the election and direction of the District either to the replacement, repair, restoration, modification or improvement of the damaged Leased Property or to the prepayment of the Lease Payments and the corresponding prepayment of outstanding Certificates.

Rental Interruption Insurance. The District will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the buildings, facilities and other improvements constituting any part of the Leased Property, as a result of any of the hazards covered in the casualty insurance required under the Lease Agreement as described in the immediately preceding paragraph, in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years during the remaining Term of the Lease Agreement. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District, provided that the provider of such insurance shall be rated at least "A" by A.M. Best & Company, and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the District in the form of self-insurance. The Net Proceeds of such insurance, if any, shall be paid to the Trustee and deposited in the Lease Payment Fund, and shall be credited towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

Title Insurance. The District will, at its expense, cause the Site Lease, the Assignment Agreement and the Lease Agreement to be recorded in the office of the Fresno County Recorder on or before the Closing Date. Concurrent with such recordation, the District shall obtain a CLTA title insurance policy insuring the District's leasehold estate in the Leased Property under the Lease Agreement, in an amount at least equal to the aggregate principal amount of the Certificates. All Net Proceeds received under such title insurance policy will be deposited with the Trustee in the Lease Payment Fund and credited towards the prepayment of the Lease Payments.

Assignment; Subleases

The Agency has assigned certain of its rights under the Lease Agreement to the Trustee pursuant to the Assignment Agreement. The District may not assign any of its rights in the Lease Agreement, but may sublease all or a portion of the Leased Property only under the conditions contained in the Lease Agreement, including the condition that such sublease not cause the interest component of the Lease Payments to become subject to federal or State of California personal income taxes.

Installation of District's Personal Property

The District may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Leased Property. All such items will remain the sole property of the District, in which neither the Agency nor the Trustee has any interest, and may be modified or removed by the

District at any time, provided that the District shall repair and restore any and all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in the Lease Agreement prevents the District from purchasing or leasing items under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest attaches to any part of the Leased Property.

Amendment of Lease

The Agency and the District may at any time amend or modify any of the provisions of the Lease Agreement, but only (a) with the prior written consent of the Owners of a majority in aggregate principal amount of the Outstanding Certificates; or (b) without the consent of the Trustee or any of the Certificate Owners, but only if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the District contained in the Lease Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power therein reserved to or conferred upon the District;

(ii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained therein, for the purpose of conforming to the original intention of the District and the Agency;

(iii) to amend the description of any component of the Leased Property to reflect accurately the property originally intended to be included therein, or to effectuate any substitution of property as permitted or any release of property as permitted under the Lease Agreement;

(iv) to obligate the District to pay additional amounts of rental thereunder for the use and occupancy of the Leased Property or any portion thereof, but only if (A) such additional amounts of rental are pledged or assigned for the payment of any bonds, notes, leases or other obligations the proceeds of which are applied to finance the completion of the Project or other improvements to the Leased Property, and (B) the District has filed with the Trustee written evidence that the amendments made under this subsection (iv) will not of themselves cause a reduction or withdrawal of any rating then assigned to the Certificates; or

(v) in any other respect whatsoever as the Agency and the District deem necessary or desirable, provided that, in the opinion of Special Counsel, such modifications or amendments do not materially adversely affect the interests of the Owners of the Certificates.

The District shall obtain and cause to be filed with the Trustee an opinion of Special Counsel with respect to any amendment or modification of the Lease Agreement, stating that all conditions precedent to such amendment as set forth in the Lease Agreement have been satisfied. Promptly following the effective date of any amendment or modification of the Lease Agreement, the District shall give written notice thereof to each rating agency which then maintains a rating on the Certificates. Notwithstanding the foregoing, the District and the Agency

will not agree to any amendment hereof which would adversely affect the Trustee, without its prior written consent.

Events of Default

Each of the following constitutes an event of default under the Lease Agreement:

(a) Failure by the District to pay any Lease Payment or other payment required to be paid under the Lease Agreement at the time specified therein.

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed herein or in the Trust Agreement, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the District by the Agency or the Trustee; *provided, however*, that if the District notifies the Agency and the Trustee in writing that in its reasonable opinion the failure stated in the notice can be corrected, but not within such 30-day period, the failure will not constitute an Event of Default if the District notifies the Trustee in writing that it will commence to cure the failure within such 30-day period and thereafter diligently and in good faith cures such failure within 60 days following the filing of such written notification with the Trustee.

(c) The filing by the District of a voluntary petition in bankruptcy, or failure by the District promptly to lift any execution, garnishment or attachment, or adjudication of the District as a bankrupt, or assignment by the District for the benefit of creditors, or the entry by the District into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may be enacted.

Remedies on Default

Whenever any Event of Default has happened and is continuing, the Agency may exercise any and all remedies available under law or granted under the Lease Agreement. Notwithstanding anything in the Lease Agreement or in the Trust Agreement to the contrary, there is no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant of the Lease Agreement to be kept and performed by the District is expressly made a condition and upon the breach thereof the Agency may exercise any and all rights granted under the Lease Agreement; provided that no termination of the Lease Agreement shall be effected either by operation of law or acts of the parties to the Lease Agreement, except only in the manner in the Lease Agreement expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Agency may exercise each and every one of the following remedies, subject in all respects to the limitations described in the Lease Agreement.

(a) Enforcement of Payments Without Termination. If the Agency does not elect to terminate the Lease Agreement in the manner described below, the District agrees to remain liable for the payment of all Lease Payments and the performance of all conditions contained in the Lease Agreement and

shall reimburse the Agency for any deficiency arising out of the re-leasing of the Leased Property, or, if the Agency is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of the Lease Agreement.

The District irrevocably appoints the Agency as the agent and attorney-in-fact of the District to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Leased Property, to place such property in storage or other suitable place in the County of Lake for the account of and at the expense of the District. The District agrees to surrender and quit possession of the Leased Property upon demand of the Agency for the purpose of enabling the Leased Property to be re-let. Any rental obtained by the Agency in excess of the unpaid Lease Payments shall be deposited with the Trustee in the Lease Payment Fund, to be applied as a credit against future Lease Payments.

(b) Termination of Lease. If an Event of Default occurs and is continuing, the Agency at its option may terminate the Lease Agreement and re-lease all or any portion of the Leased Property. Any surplus received by the Agency from such re-leasing shall be deposited in the Lease Payment Fund. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Agency shall of itself operate to terminate the Lease Agreement, unless and until the Agency has given written notice to the District of the election on the part of the Agency to terminate the Lease Agreement. The District agrees that no surrender of the Leased Property, or of the remainder of the Term of the Lease Agreement or any termination of the Lease Agreement shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Agency by such written notice.

(c) Proceedings at Law or In Equity. If an Event of Default occurs and continues, the Agency may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under the Lease Agreement or to enforce any other of its rights under the Lease Agreement.

TRUST AGREEMENT

Trustee

The Trustee is appointed pursuant to the Trust Agreement and is authorized to prepare, execute and deliver the Certificates thereunder, and to act as a depository of amounts held thereunder. The Trustee is required to make deposits into and withdrawals from funds, and invest amounts held under the Trust Agreement in accordance with the District's instructions.

Funds

The Trust Agreement creates the Lease Payment Fund, the Project Fund and the Insurance and Condemnation Fund to be held in trust by the Trustee.

Lease Payment Fund. There shall be deposited in the Lease Payment Fund all Lease Payments received by the Trustee, including any moneys received by the Trustee for deposit therein pursuant to the Trust Agreement or the Lease Agreement. Moneys on deposit in the Lease Payment Fund will be used to pay principal and interest represented by the Certificates. Any earnings on investment of moneys in the Lease Payment Fund prior to the Completion Date will be transferred to the Project Fund. Any earnings on investment of moneys in the Lease Payment Fund following the Completion Date will remain therein and will be credited towards payment of the next Lease Payments. Any surplus remaining in the Lease Payment Fund after the payment of all Certificates, or provision for their payment has been made, will be paid to the District.

Project Fund. The Trustee will establish, maintain and hold in trust a separate fund to be known as the “Project Fund.” The Trustee will disburse moneys in the Project Fund from time to time to pay or reimburse the payment of Project Costs in accordance with written requisitions filed by the District with the Trustee. Each such requisition is sufficient evidence to the Trustee of the facts stated therein and the Trustee has no duty to confirm the accuracy of such facts. The Trustee is not responsible for payments made in accordance with the Trust Agreement. The District shall maintain accurate records showing all disbursements from the Project Fund, including records which show the name and address of each entity to whom payment is made and the amount and purpose of each payment.

Upon the determination by the District that the Project has been substantially completed, the Trustee will withdraw from the Project Fund and deposit in the Lease Payment Fund all amounts remaining on deposit in the Project Fund, other than amounts estimated by the District to be required to pay future Project Costs. Whether or not the Projects have been substantially completed, upon the filing with the Trustee of a written certificate of the District stating that no further amounts are intended to be requisitioned from the Project Fund, the Trustee will close the Project Fund and transfer all remaining amounts therein to the Lease Payment Fund.

Deposit and Application of Net Proceeds of Eminent Domain Award. If all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund, under the Lease Agreement, and shall be applied and disbursed by the Trustee as follows:

(a) If the District gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest

of the District in the Leased Property or the ability of the District to meet any of its financial obligations under the Lease Agreement, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Leased Property, and the District has given written notice to the Trustee of such determination, the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited towards the payment of the Lease Payments as they become due and payable.

(b) If the District gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the District in the Leased Property or the ability of the District to meet any of its financial obligations under the Lease Agreement, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Leased Property, the Trustee shall pay to the District, or to its order, from said proceeds such amounts as the District may expend for the repair or rehabilitation of the Leased Property, upon the filing of requisitions of the District Representative meeting the requirements of the Trust Agreement.

(c) If (i) less than all of the Leased Property is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the District gives written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the District in the Leased Property or the ability of the District to meet any of its financial obligations under the Lease Agreement, or (ii) all of the Leased Property is taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments under the Lease Agreement and applied to the corresponding prepayment of Certificates under the Trust Agreement, which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given.

In making any such determination whether to repair, replace or rehabilitate the Leased Property under the Trust Agreement, the District may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which must be filed with the Trustee. Any such determination by the District is final.

Investment of Funds; Valuation of Investments

Upon the written request of a District Representative filed with the Trustee from time to time, moneys held by the Trustee in any fund or account under the Trust Agreement shall be invested and reinvested by the Trustee in Permitted Investments which mature not later than the date such moneys are required or estimated by the District to be required to be expended under the Trust Agreement. In the absence of any written request of the District directing the investment of uninvested moneys held by the Trustee thereunder, the Trustee shall hold such moneys in cash, uninvested. Such investments, if registrable, shall be registered in the name of the Trustee, as trustee or in the name of its nominee, and shall be held by the Trustee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by the Trust Agreement. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as purchaser or agent in the making or disposing of any investment. Whenever in the Trust Agreement any moneys are

required to be transferred by the District to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments. For purposes of acquiring any investments thereunder, the Trustee may commingle funds held by it thereunder.

Events of Default and Remedies of Certificate Owners

Notice of Default; Remedies. If an Event of Default occurs of which the Trustee has been given or is deemed to have notice, then the Trustee shall promptly give written notice thereof to the Owner of each Outstanding Certificate by first class mail, postage prepaid, unless such Event of Default shall have been cured before the giving of such notice; provided, however that unless such Event of Default consists of the failure by the District to make any Lease Payment when due, the Trustee may elect not to give such notice to the Certificate Owners if and so long as the Trustee in good faith determines that it is otherwise not in the best interests of the Certificate Owners to give such notice.

If an Event of Default happens, then and in each and every such case during the continuance of such Event of Default, the Trustee may, and at the written direction of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding the Trustee shall, exercise any and all remedies available pursuant to law or granted pursuant to the Lease Agreement; *provided, however*, that notwithstanding anything in the Trust Agreement or in the Lease Agreement to the contrary, there shall be no right under any circumstances to accelerate the maturities of the Certificates or otherwise to declare any Lease Payment not then in default to be immediately due and payable.

Application of Funds. All moneys received by the Trustee under any right given or action taken under the provisions of the Trust Agreement or the Lease Agreement shall be applied by the Trustee in the order following upon presentation of the several Certificates, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

> *First*, to the payment of the fees, costs and expenses of the Trustee, including without limitation in declaring such Event of Default and in taking any remedial action with respect thereto, including reasonable compensation and costs and expenses to its agents, attorneys and counsel, and including such other necessary costs and expenses relating to the administration of the foregoing and to events leading up thereto;
>
> *Second*, to the payment of the whole amount then owing and unpaid with respect to the Certificates for principal and interest, with interest on the overdue principal and installments of interest at the highest rate of interest represented by any Outstanding Certificate (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Certificates, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest; and

Institution of Legal Proceedings. If one or more Events of Default occur and are continuing, the Trustee in its reasonable judgment may (but shall not be obligated to), and upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of Certificates by a suit in equity or action at law,

either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy in support of any of its rights or duties under the Trust Agreement.

Non-waiver. Nothing in the Trust Agreement or in the Certificates, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay or prepay the Lease Payments as provided in the Lease Agreement. No delay or omission of the Trustee or of any Owner of any of the Certificates to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by the Trust Agreement Trustee or to the Owners of Certificates may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Certificate Owners.

Remedies Not Exclusive. No remedy conferred upon or reserved to the Trustee or to the Certificate Owners in the Trust Agreement is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Trust Agreement or thereafter existing, at law or in equity or by statute or otherwise.

Power of Trustee to Control Proceedings. If the Trustee, upon the happening of an Event of Default, takes any action, by judicial proceedings or otherwise, under its duties under the Trust Agreement, whether upon its own reasonable judgment or upon the direction of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, it has full power, in the exercise of its reasonable judgment with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Certificates opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate may institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Trust Agreement, unless (a) such Owner has previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of a majority in aggregate principal amount of all the Certificates then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners have tendered to the Trustee indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee has refused or omitted to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee.

Amendment of Trust Agreement

The Trust Agreement may be amended by agreement among the parties thereto but without the consent of the Owners of the Certificates, but only (a) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power reserved to the Agency or the District, (b) to cure, correct or supplement any ambiguous or defective provision contained in the Trust Agreement, (c) in regard to questions arising thereunder, as the parties to the Trust Agreement may deem necessary or desirable and which shall not, in the opinion of Special Counsel, materially adversely affect the interests of the Owners

of the Certificates, and (d) to conform to any amendments of the Lease Agreement which are permitted to be made under the Lease Agreement.

Any other amendment requires the approval of the Owners of a majority in aggregate principal amount of the Certificates then outstanding, provided that no such amendment shall (a) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate represented thereby or extending the time of payment of interest, or reducing the amount of principal represented thereby or reducing any premium payable upon the prepayment thereof, without the express consent of the Owner of such Certificate, or (b) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification of the Trust Agreement, or (c) modify any of the rights or obligations of the Trustee without its written assent thereto.

Defeasance

If and when the obligations represented by any Outstanding Certificates shall be paid and discharged in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal and interest represented by such Certificates Outstanding, as and when the same become due and payable; or

(b) by depositing with the Trustee or any escrow agent, under an escrow deposit and trust agreement, security for the payment of Lease Payments relating to such Certificates as more particularly described in the Lease Agreement, said security to be held by the Trustee or such escrow agent on behalf of the District to be applied by the Trustee or by such escrow agent to pay or prepay such Lease Payments as the same become due, pursuant to the Lease Agreement.

then notwithstanding that such Certificates have not been surrendered for payment, all rights under the Trust Agreement of the Owners of such Certificates and all obligations of the Agency, the Trustee and the District with respect to such Certificates shall cease and terminate, except only the obligations of the Agency and the District under the Trust Agreement regarding indemnification of the Trustee and the obligations of the Trustee under the Trust Agreement, and the obligation of the Trustee to pay or cause to be paid, from Lease Payments paid by or on behalf of the District from funds deposited under paragraph (b) above, to the Owners of such Certificates not so surrendered and paid all sums represented thereby when due and in the event of deposits under paragraph (b), such Certificates shall continue to represent direct, undivided fractional interests of the Owners thereof in the Lease Payments.

Any funds held by the Trustee, at the time of discharge of the obligations represented by all Outstanding Certificates as a result of one of the events described in paragraphs (a) or (b) of above, which are not required for the payment to be made to Owners, shall, upon payment in full of all fees and expenses of the Trustee (including attorneys' fees) then due, be paid over to the District.

ASSIGNMENT AGREEMENT

The Agency and the Trustee will enter into the Assignment Agreement under which the Agency assigns and sets over to the Trustee, for the benefit of the Owners of the Certificates, all of the Agency's rights under the Lease Agreement (subject to certain exceptions), including the right of the Agency to receive and collect Lease Payments, its right to receive and collect proceeds of condemnation and insurance awards and the right to exercise rights and remedies of the Agency in the Lease Agreement to enforce payments of amounts thereunder. The Trustee accepts such assignment for the purpose of securing such payments due to and rights of the Owners of the Certificates, subject to the provisions of the Trust Agreement.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2020

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Financial Statements
June 30, 2020

Clovis Unified School District

Clovis Unified School District
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June 30, 2020

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Governing Board
Clovis Unified School District
Clovis, California

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clovis Unified School District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

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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 governmental activities, each major fund, and the aggregate remaining fund information of Clovis Unified School District, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14, budgetary comparison information on page 78, schedule of changes in the District's net OPEB liability and related ratios on page 79, schedule of the District's proportionate share of the net OPEB liability – MPP program on page 80, schedule of the District's proportionate share of the net pension liability on page 81, and the schedule of District contributions on page 82, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clovis Unified School District's financial statements. The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards as required by the audit requirements of *Title 2 U.S. Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the other supplementary information listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, and the other supplementary information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 17, 2021 on our consideration of Clovis Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clovis Unified School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clovis Unified School District's internal control over financial reporting and compliance.

Fresno, California
January 17, 2021

Governing Board
Hugh Awtrey
Christopher Casado
Steven G. Fogg, M.D.
Susan K. Hatmaker
Ginny L. Hovsepian
Elizabeth J. Sandoval
Tiffany Stoker Madsen

Administration
Elmear O'Farrell, Ed.D.
Superintendent
Don Ulrich, Ed.D.
Deputy Superintendent
Norm Anderson
Associate Superintendent
Barry S. Jager, Jr.
Associate Superintendent
Michael Johnston
Associate Superintendent

Management's Discussion and Analysis
June 30, 2020

This section of Clovis Unified School District's (the District) annual financial report presents the management's discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020, with comparative information for the fiscal year ending June 30, 2019.

Financial Highlights

The District continued its long history of implementing conservative budgets and proactively addressing the volatility of the State of California's revenues resulting in the District maintaining reserve levels well above the State's minimum amount of two percent.

Overview of the Financial Statements

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

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

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Figure A-1. Organization of Clovis Unified's Annual Financial Report

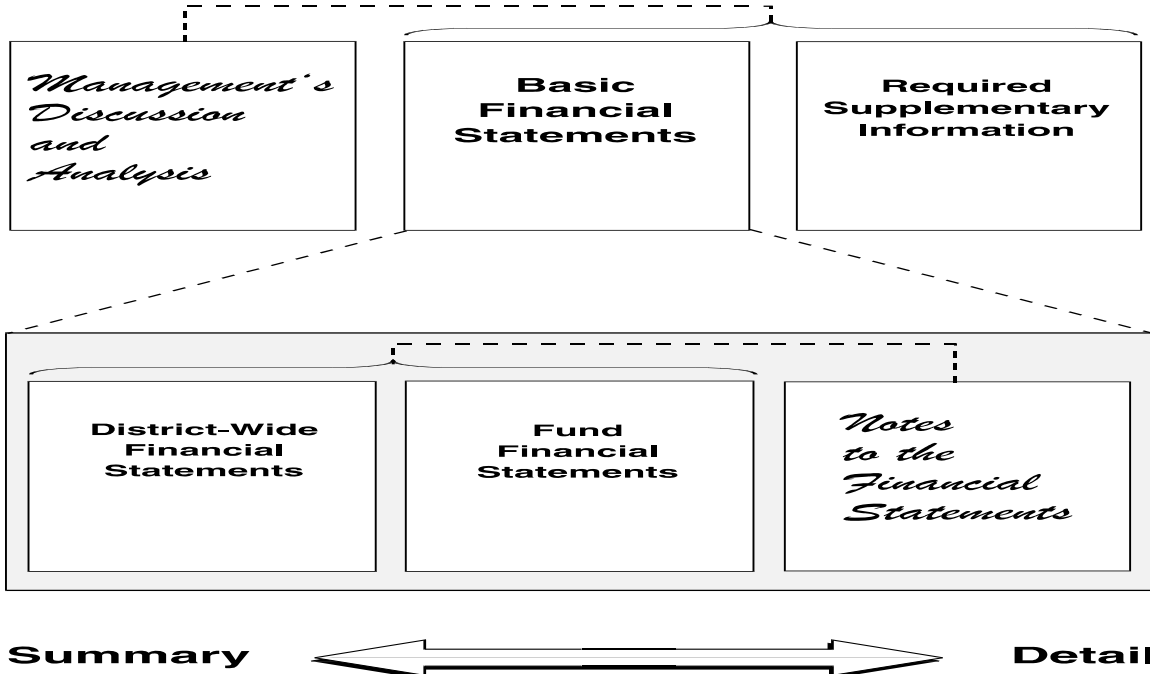

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2. Major Features of the Government-wide and Fund Financial Statements

		Fund Statements	
Type of Statements	**Government-Wide**	**Governmental Funds**	**Fiduciary Funds**
Scope	Entire District, except fiduciary activities	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as student body activities.
Required financial statements	•Statement of net position •Statement of activities	•Balance sheet •Statement of revenues, expenditures & changes in fund balances •Reconciliation to government-wide financial statements	•Statement of fiduciary net position •Statement of changes in fiduciary net position

Figure A-2. Major Features of the Government-wide and Fund Financial Statements

		Fund Statements	
Type of Statements	**Government-Wide**	**Governmental Funds**	**Fiduciary Funds**
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources Focus
Type of asset/liability information	All assets and liabilities both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, bot short-term and long-term; standard funds do not currently contain nonfinancial assets, though they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

GOVERNMENT-WIDE STATEMENTS

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

These two government-wide statements report the District's net position and how it has changed. Net position (the difference between assets and liabilities) is one way to measure the District's financial health or financial position.

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

- Governmental activities - The District's basic services are included here, such as regular and special education, transportation, food services, adult education and administration. Property taxes, state formula aid, categorical funding and fees charged, finance most of these activities.

FUND FINANCIAL STATEMENTS

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

- Governmental funds - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets, that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

- Proprietary funds **-** When the District charges users for the services it provides, whether to outside customers or to other departments within the District, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Position* and the *Statement of Revenues, Expenses, and Changes in Fund Net Position*. We use internal service funds to report activities that provide supplies and services for the District's other programs and activities, such as the District's Self-Insurance Fund. The internal service funds are reported with governmental activities in the government-wide financial statements.

- Fiduciary funds - The District is the trustee, or fiduciary, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position: The District's combined net position was $30.6 million on June 30, 2020, increasing by $27.9 million (1,030 percent). (See Table A-1.)

Table A-1

	Governmental Activities	
	2020	2019
Assets		
Current and other assets	$ 385,315,753	$ 303,788,970
Capital assets	956,642,591	942,434,956
Total assets	1,341,958,344	1,246,223,926
Deferred outflows of resources	203,448,856	167,041,185
Liabilities		
Current liabilities	59,856,527	40,115,513
Long-term liabilities	1,427,129,549	1,345,191,613
Total liabilities	1,486,986,076	1,385,307,126
Deferred inflows of resources	27,786,144	25,246,846
Net Position		
Net investment in capital assets	603,399,570	559,676,030
Restricted	114,840,585	76,113,753
Unrestricted	(687,605,175)	(633,078,644)
Total net position	$ 30,634,980	$ 2,711,139

Changes in Net Position: The District's total governmental revenues were $645.7 million (see Table A-2). Property taxes and state aid formula accounted for most of the District's revenue, with federal and state aid contributing about $324.5 million and property taxes contributing about $133.7 million. Another $90.2 million came from categorical programs, $41.5 million came from capital grants, and the remainder came from fees charged for services of $16.1 million and miscellaneous sources of $22.0 million including $17.7 million in developer fees.

The total cost of all governmental programs and services was $617.8 million (see Table A-2). The District's expenses are predominantly related to educating and caring for students (81 percent). The purely administrative activities of the District accounted for just four percent of total costs. Plant services was $59.3 million, accounting for 9.5 percent of the District's expenses. Revenues surpassed expenses, increasing net position by $27.9 million over last year predominately due to the other post-employment expenses recognized from the change in obligations balance from the prior year and changes in the net pension obligation and related deferred outflows and inflows of each.

Table A-2

	Governmental Activities	
	2020	2019
Revenues		
Program revenues		
Charges for services	$ 16,059,272	$ 12,733,079
Operating grants and contributions	90,249,426	98,059,505
Capital grants and contributions	41,479,499	-
General revenues		
Federal and State aid not restricted	324,525,549	317,350,812
Property taxes	133,717,496	121,825,408
Other general revenues	39,691,018	63,775,623
Total revenues	645,722,260	613,744,427
Expenses		
Instruction-related	420,362,849	409,168,092
Pupil services	78,947,224	76,477,181
Administration	26,426,115	25,665,842
Plant services	59,284,257	56,662,439
Other	32,777,974	39,446,915
Total expenses	617,798,419	607,420,469
Change in net position	$ 27,923,841	$ 6,323,958

GOVERNMENTAL ACTIVITIES

The continued good health of the District's finances can be credited to:

- Staffing formulas that maintain equality
- Maintaining an awareness of the changing fiscal issues and active participation from the Employee Compensation Committee and Employee Benefit Committee
- Projecting a minimum of five years out on the multi-year projection

Table A-3 presents the cost of six major District activities: instruction, pupil services, administration, plant services and then all remaining categories. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table A-3

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Instruction	$ 420,362,849	$ 409,168,092	$ (310,996,671)	$ (335,588,389)
Pupil services	78,947,224	76,477,181	(57,313,087)	(52,294,396)
Administration	26,426,115	25,665,842	(24,455,654)	(23,589,702)
Plant services	59,284,257	56,662,439	(56,890,567)	(53,350,099)
All other services	32,777,974	39,446,915	(20,354,243)	(31,805,299)
Total	$ 617,798,419	$ 607,420,469	$ (470,010,222)	$ (496,627,885)

- The net cost of governmental activities this year was $(470.0) million as reflected on the Statement of Activities.
- Some of the costs were paid by the users of the District's programs totaling $16.1 million.
- The federal and state governments subsidized certain programs with operating grants and contributions totaling $90.2 million.
- Most of the District's costs, $324.5 million, however, were paid for by District taxpayers and the taxpayers of California, in general.

THE DISTRICT'S FUNDS

As the District completed this year, our governmental funds reported a combined fund balance of $270.3 million which is an increase of $59.2 million from last year (Table A-4).

Table A-4

Governmental Funds	Balances and Activity			
	June 30, 2019	Revenues	Expenditures	June 30, 2020
General	$ 115,424,613	$ 508,599,240	$ 492,941,974	$ 131,081,879
Charter Schools	5,153,765	4,949,807	4,225,696	5,877,876
Adult Education	4,591,700	6,050,691	6,757,933	3,884,458
Child Development	2,819,485	12,264,279	14,299,459	784,305
Cafeteria	8,153,167	14,810,281	15,638,449	7,324,999
Deferred Maintenance	79,863	4,024,975	4,035,875	68,963
Building	7,471,938	4,729,761	7,853,346	4,348,353
Capital Facilities	14,999,821	18,722,696	15,663,913	18,058,604
County School Facilities	9,081,472	56,256,874	29,579,730	35,758,616
Special Reserve Fund for Capital Outlay Projects	3,132,025	15,898,105	3,562,168	15,467,962
Bond Interest and Redemption	39,015,301	71,475,905	62,966,491	47,524,715
COP Debt Service Fund	1,098,267	22,370	1,039,311	81,326
Total	$ 211,021,417	$ 717,804,984	$ 658,564,345	$ 270,262,056

The primary reasons for the changes are:

a. The fund balance in the General Fund increased $15.7 million to $131.1 million. The net increase is due to an overall increase in revenues; one-time and ongoing. One-time revenues were not allocated to any expenditures.
b. The special revenue funds reported a net decrease of $2.8 million with minimal changes across all funds except the Child Development Fund which decreased by $2.0 million.
c. The capital projects funds showed an increase of $38.9 million. This overall increase is due to $41.5 million in State construction funding that was finally received for several past projects and about $12.5 million in proceeds from a financing lease the district entered into with the Central Valley Support Services JPA.
d. The Bond Interest and Redemption Fund reported an increase of $8.5 million due to property tax collections in excess of bond principal and interest payments.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the District revised the annual operating budget several times due to updated projections and actual costs. Following are highlights of the largest changes:

- Net increases in both revenue and expense for federal, state and local grant awards.
- Posting of deferred categorical revenue.
- GASB Statement No. 68 requires the District to recognize the State's share of the District's unfunded CalSTRS liability. This resulted in a revenue and expenditure adjustment of $8.3 million.
- Decrease in Fee-based program revenue due to the COVID-19 pandemic.
- The Adopted Budget's revenues over expenditures resulted in the District anticipating a deficit of $4 million. The Adopted Budget was structured in such a way that the District could manage any changes from the State.
- The LCFF was fully funded as of the 2018-2019 fiscal year. The projected ADA growth increased from 323 at Adopted Budget to an actual P-2 ADA growth of 522.
- Actual revenues to expenditures resulted in a surplus of $15.6 million, however $2.3 million of the fund balance is non-spendable, $6.6 million is restricted for restricted programs and $22.5 million is assigned for site and department carryover, student computer refresh, textbooks and LCAP Supplemental programs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By June 30, 2020, the District had invested $956.6 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio visual equipment, and administrative offices. (See Table A-5.) This amount represents a net increase of $14.2 million or 1.5 percent over last year. Total depreciation expense for the year was $29.6 million.

Table A-5

	Governmental Activities	
	2020	2019
Land and construction in progress	$ 151,026,515	$ 122,720,962
Buildings and improvements	768,519,569	781,898,528
Equipment	37,096,507	37,815,466
Total	$ 956,642,591	$ 942,434,956

The District has work in progress related to modernization projects at multiple district sites and well as new construction.

The District received $41.5 million state facility revenue for projects completed several years ago. The District was able to proceed with planned modernizations due to the receipt of these funds. In 2019-2020, the District will commence construction of a new elementary school planned to open in August 2020. The new site will be funded with Developer Fee and bond revenues. The project is projected to cost $41 million in its entirety.

Long-Term Liabilities

At year-end the District had $1.4 billion in long-term liabilities outstanding discussed below. This is an increase of five percent from last year, as shown in Table A-6.

Table A-6

	Governmental Activities	
	2020	2019
Long-Term Liabilities		
General obligation bonds	$ 452,098,291	$ 467,700,125
Certificates of participation	1,538,005	3,073,005
Unamortized premiums/(discounts)	8,362,287	8,775,779
Capital leases	13,867,888	2,203,549
Compensated absences	3,473,663	2,913,852
Claims liability	33,790,053	32,895,320
Net OPEB liability	424,477,600	359,502,162
Aggregate net pension liability	489,521,762	468,127,821
Total	$ 1,427,129,549	$ 1,345,191,613

The District's S&P bond rating as of the most recent bond issuance was "AA". In addition, the District's certificates of participation S&P rating at the time of their last issuance was "AA".

At year-end, the District has a net pension liability of $489.5 million versus $468.1 million last year, an increase of $21.4 million, or 4.5 percent. The District also reported Deferred Outflows (asset) from pension activities of $133.9 million, and Deferred Inflows (liability) from pension activities of $27.6 million. The net impact on the Districts net position of these pension related items is $(383.2) million.

The District also has recognized a deferred outflow of resources (asset) of $67.0 million related to it's other postemployment benefits which helps to offset the obligations impact on the total net position of the District.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that could significantly affect its financial health in the future:

- The COVID-19 pandemic has posed economic challenges as it relates to school funding. The path to full recovery remains unknown. The District will continue to monitor and utilize the resources available to ensure financial solvency. Clovis Unified remains prepared to continue to provide high quality service to our students. The District closed the year with a 20.21 percent General Reserve.
- The State's Local Control Funding Formula (LCFF) accounts for 78 percent of the District's General Fund revenues.
- The LCFF attempts to fund students based on their needs related to household income, English language learner, homeless or foster youth. This portion of a district's student population is referred to as the unduplicated pupil percentage (UPP). Clovis Unified's UPP averages 42-45 percent, making the District eligible for the LCFF Base and Supplemental Grants only; the District is not eligible for the Concentration Grant. The District receives the least amount of funding per ADA in Fresno County due to its low UPP.
- Enrollment growth and student attendance is key to the District's financial projections. The District has consistently seen growth over the years and anticipates this trend to continue.
- The Clovis Unified population of students with disabilities has grown an average of 4.13 percent annually over the previous five years, compared to district-wide enrollment growth average of 1.14 percent.
- The state and federal government have never fully funded special education. The District is actively involved in public hearings recently conducted by the State, gathering feedback related to the insufficient funding provided by the State and Federal Governments.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Clovis Unified School District, 1450 Herndon Avenue, Clovis, California 93611.

	Governmental Activities
Assets	
Deposits and investments	$ 306,799,400
Receivables	75,609,418
Prepaid items	261,924
Stores inventories	2,645,011
Capital assets not depreciated	151,026,515
Capital assets, net of accumulated depreciation	805,616,076
Total assets	1,341,958,344
Deferred Outflows of Resources	
Deferred charge on refunding	2,620,902
Deferred outflows of resources related to other postemployment benefits (OPEB) liability	66,972,451
Deferred outflows of resources related to pensions	133,855,503
Total deferred outflows of resources	203,448,856
Liabilities	
Accounts payable	58,824,809
Unearned revenue	1,031,718
Long-term liabilities	
Long-term liabilities other than OPEB and pensions due within one year	37,635,767
Long-term liabilities other than OPEB and pensions due in more than one year	475,494,420
Total other postemployment benefits liabilities	424,477,600
Aggregate net pension liabilities	489,521,762
Total liabilities	1,486,986,076
Deferred Inflows of Resources	
Deferred charge on refunding	228,881
Deferred inflows of resources related to pensions	27,557,263
Total deferred inflows of resources	27,786,144
Net Position	
Net investment in capital assets	603,399,570
Restricted for	
Debt service	47,606,041
Capital projects	53,817,220
Educational programs	6,765,071
Child nutrition	6,652,253
Unrestricted	(687,605,175)
Total net position	$ 30,634,980

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Governmental Activities					
Instruction	$ 351,414,326	$ 18,991	$ 57,565,210	$ 41,479,499	$ (252,350,626)
Instruction-related activities					
Supervision of instruction	24,437,388	5,027	8,861,255	-	(15,571,106)
Instructional library, media, and technology	7,738,460	-	89,651	-	(7,648,809)
School site administration	36,772,675	-	1,346,545	-	(35,426,130)
Pupil services					
Home-to-school transportation	12,135,894	-	-	-	(12,135,894)
Food services	15,601,377	2,839,077	11,438,415	-	(1,323,885)
All other pupil services	51,209,953	42,563	7,314,082	-	(43,853,308)
Administration					
Data processing	5,454,595	-	13,915	-	(5,440,680)
All other administration	20,971,520	132,117	1,824,429	-	(19,014,974)
Plant services	59,284,257	1,504,740	888,950	-	(56,890,567)
Ancillary services	11,386,019	-	49,613	-	(11,336,406)
Community services	744,804	-	-	-	(744,804)
Enterprise services	31,761	-	-	-	(31,761)
Interest on long-term liabilities	19,551,263	-	-	-	(19,551,263)
Other outgo	1,064,127	11,516,757	857,361	-	11,309,991
Total governmental activities	$ 617,798,419	$ 16,059,272	$ 90,249,426	$ 41,479,499	(470,010,222)

Functions/Programs	Net (Expenses) Revenues and Changes in Net Position Governmental Activities
General Revenues and Subventions	
Property taxes, levied for general purposes	$ 86,671,329
Property taxes, levied for debt service	46,501,364
Taxes levied for other specific purposes	544,803
Federal and State aid not restricted to specific purposes	324,525,549
Interest and investment earnings	10,278,768
Interagency revenues	1,375,465
Special and extraordinary	252,000
Mitigation and developer fees	17,722,931
Miscellaneous	10,061,854
Subtotal, general revenues	497,934,063
Change in Net Position	27,923,841
Net Position - Beginning	2,711,139
Net Position - Ending	$ 30,634,980

Clovis Unified School District
Balance Sheet – Governmental Funds
June 30, 2020

	General Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets					
Deposits and investments	$ 114,049,598	$ 35,826,576	$ 47,524,715	$ 55,011,798	$ 252,412,687
Receivables	70,411,692	157,723	-	3,538,707	74,108,122
Due from other funds	13,670	1,617,904	-	1,665,909	3,297,483
Prepaid expenditures	261,924	-	-	-	261,924
Stores inventories	1,939,527	-	-	705,484	2,645,011
Total assets	$ 186,676,411	$ 37,602,203	$ 47,524,715	$ 60,921,898	$ 332,725,227
Liabilities and Fund Balances					
Liabilities					
Accounts payable	$ 51,330,040	$ 1,473,035	$ -	$ 2,860,321	$ 55,663,396
Due to other funds	3,232,774	370,552	-	2,164,731	5,768,057
Unearned revenue	1,031,718	-	-	-	1,031,718
Total liabilities	55,594,532	1,843,587	-	5,025,052	62,463,171
Fund Balances					
Nonspendable	2,345,451	-	-	708,983	3,054,434
Restricted	6,625,290	35,758,616	47,524,715	41,809,128	131,717,749
Committed	-	-	-	3,917,184	3,917,184
Assigned	22,487,747	-	-	9,461,551	31,949,298
Unassigned	99,623,391	-	-	-	99,623,391
Total fund balances	131,081,879	35,758,616	47,524,715	55,896,846	270,262,056
Total liabilities and fund balances	$ 186,676,411	$ 37,602,203	$ 47,524,715	$ 60,921,898	$ 332,725,227

See Notes to Financial Statements

Total Fund Balance - Governmental Funds		$ 270,262,056
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 1,378,927,607	
Accumulated depreciation is	(422,285,016)	
Net capital assets		956,642,591
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the governmental funds. Deferred outflows of resources amounted to and related to		
Debt refundings	2,620,902	
Other postemployment benefits	66,972,451	
Net pension obligation	133,855,503	
Total deferred outflows of resources		203,448,856
Deferred inflows of resources represent an acquisition of net position that applies to a future period and is not reported in the governmental funds. Deferred inflows of resources amount to and related to		
Debt refundings	(228,881)	
Net pension obligation	(27,557,263)	
Total deferred inflows of resources		(27,786,144)
Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		(489,521,762)
The District's OPEB liability is not due and payable in the current period, and only $21,407,117 is recognized as a liability in the Self Insurnce Fund of the District. This is the amount not recognized in the funds.		(403,070,483)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
Long-term liabilities at year-end consist of		
General obligation bonds	(348,744,026)	
Certificates of participation	(1,538,005)	
Capital leases payable	(13,867,888)	
Compensated absences (vacations)	(3,473,663)	
Unamortized premiums and discounts, net	(8,362,287)	
In addition, capital appreciation general obligation bonds were issued. The accretion of interest to date on the general obligation bonds is	(103,354,265)	
Total long-term liabilities		(479,340,134)
Total net position - governmental activities		$ 30,634,980

Clovis Unified School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2020

	General Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Local Control Funding Formula	$ 392,892,145	$ -	$ -	$ 4,685,649	$ 397,577,794
Federal sources	18,521,320	-	-	12,098,454	30,619,774
Other State sources	71,922,755	41,479,499	329,226	8,738,852	122,470,332
Other local sources	22,678,169	1,533,568	47,602,929	30,948,932	102,763,598
Total revenues	506,014,389	43,013,067	47,932,155	56,471,887	653,431,498
Expenditures					
Current					
Instruction	286,342,871	-	-	16,500,846	302,843,717
Instruction-related activities					
Supervision of instruction	21,370,447	-	-	2,179,228	23,549,675
Instructional library, media, and technology	6,618,519	-	-	274,176	6,892,695
School site administration	28,708,421	-	-	2,487,097	31,195,518
Pupil services					
Home-to-school transportation	12,944,418	-	-	-	12,944,418
Food services	67,609	-	-	14,951,525	15,019,134
All other pupil services	41,299,290	-	-	1,104,623	42,403,913
Administration					
Data processing	5,138,136	-	-	-	5,138,136
All other administration	17,405,931	-	-	1,582,777	18,988,708
Plant services	51,397,514	-	-	5,037,459	56,434,973
Ancillary services	8,218,894	-	-	-	8,218,894
Other outgo	1,064,127	-	-	-	1,064,127
Facility acquisition and construction	939,301	29,579,730	-	10,295,604	40,814,635
Debt service					
Principal	1,479,661	-	49,880,000	1,598,000	52,957,661
Interest and other	43,727	-	13,076,951	191,538	13,312,216
Total expenditures	483,038,866	29,579,730	62,956,951	56,202,873	631,778,420
Excess (Deficiency) of Revenues Over Expenditures	22,975,523	13,433,337	(15,024,796)	269,014	21,653,078
Other Financing Sources (Uses)					
Transfers in	1,384,851	13,243,807	-	12,157,267	26,785,925
Proceeds from capital lease	1,200,000	-	-	315,000	1,515,000
Proceeds from general obligation refunding bonds	-	-	23,543,750	-	23,543,750
Transfers out	(9,903,108)	-	(9,540)	(16,873,277)	(26,785,925)
Net Financing Sources (Uses)	(7,318,257)	13,243,807	23,534,210	8,127,801	37,587,561
Net Change in Fund Balances	15,657,266	26,677,144	8,509,414	8,396,815	59,240,639
Fund Balance - Beginning	115,424,613	9,081,472	39,015,301	47,500,031	211,021,417
Fund Balance - Ending	$ 131,081,879	$ 35,758,616	$ 47,524,715	$ 55,896,846	$ 270,262,056

Total Net Change in Fund Balances - Governmental Funds		$ 59,240,639
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.		
This is the amount by which capital outlays exceed depreciation in the period.		
Depreciation expense	$ (29,556,233)	
Capital outlays	43,763,868	
Net expense adjustment		14,207,635
The District issued capital appreciation general obligations bonds. The accretion of interest on the general obligation bonds during the current fiscal year was		(10,648,166)
Some of the capital assets acquired this year were financed with capital leases. The amount financed by the leases is reported in the governmental funds as a source of financing. On the other hand, the capital leases are not revenues in the Statement of Activities, but rather constitute long-term liabilities in the Statement of Net Position.		(13,270,000)
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the difference between vacation earned and used.		(559,811)
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.		(31,210,570)
In the governmental funds, OPEB costs are based on employer contributions made to OPEB plans during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows, and net OPEB liability during the year.		(22,885,105)

Proceeds received from Certificates of Participation or Sale of Bonds is a revenue in the governmental funds, but it increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	(23,630,000)
Governmental funds report the effect of premiums, discounts, and the deferred amount on a refunding when the debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.	
Discount on issuance recognized	86,250
Deferred amount on refunding recognized	3,245,066
Premium amortization	1,130,385
Discount amortization	(29,332)
Payment of principal on long-term liabilities is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	
General obligation bonds	49,880,000
Certificates of participation	1,535,000
Capital leases	1,605,661
Change in net position of governmental activities	$ 27,923,841

	Internal Service Self Insurance Fund
Assets	
Current assets	
Deposits and investments	$ 54,386,713
Receivables	1,501,296
Due from other funds	2,470,574
Total assets	58,358,583
Liabilities	
Current liabilities	
Accounts payable	3,161,413
Noncurrent liabilities	
Claims liabilities	33,790,053
OPEB liability, partial obligation	21,407,117
Total noncurrent liabilities	55,197,170
Total liabilities	58,358,583
Total net position	$ -

	Internal Service Self Insurance Fund
Operating Revenues	
Charges for services	$ 77,665,548
Operating Expenses	
Payroll costs	346,511
Supplies and materials	500,834
Claim payments and adjustments	77,773,951
Total operating expenses	78,621,296
Operating Loss	(955,748)
Nonoperating Revenues	
Fair market value adjustments	955,748
Change in Net Position	-
Total Net Position - Beginning	-
Total Net Position - Ending	$ -

	Internal Service Self Insurance Fund
Operating Activities	
Cash receipts from interfund services provided	$ 80,420,086
Cash payments to other suppliers of goods or services	(500,834)
Cash payments to employees for services	(346,623)
Cash payments claims and adjustments	(74,637,447)
Net Cash From Operating Activities	4,935,182
Noncapital Financing Activities	
Fair market value adjustments	955,748
Net Change in Cash and Cash Equivalents	5,890,930
Cash and Cash Equivalents, Beginning	48,495,783
Cash and Cash Equivalents, Ending	$ 54,386,713
Reconciliation of Operating Loss to Net Cash From Operating Activities	
Operating loss	$ (955,748)
Changes in assets and liabilities	
Receivables	(175,976)
Due from other fund	2,930,514
Accounts payable	(364,486)
Other postemployment benefits liabilities	2,606,145
Incurred but not reported claims	894,733
Net Cash From Operating Activities	$ 4,935,182

	Agency Funds
Assets	
Deposits and investments	$ 2,565,580
Receivables	3,307
Total assets	$ 2,568,887
Liabilities	
Accounts payable	$ 118,380
Due to student groups	2,294,123
Due to other agencies - Warrant/Pass-Through Fund	156,384
Total liabilities	$ 2,568,887

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The Clovis Unified School District (the District) was established in 1960 under the laws of the State of California. The District operates under a locally elected seven-member Board form of government and provides educational services to grades K - 12 as mandated by the State and/or Federal agencies. The District operates thirty-three elementary schools, five intermediate schools, five high schools, three alternative education schools, one adult school, the Clovis Online Charter School, and the Center for Advanced Research and Technology as a joint high school with Fresno Unified School District.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Clovis Unified School District, this includes general operations, food service, and student related activities of the District.

Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. For financial reporting purposes, the component unit described below has a financial and operational relationship which meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB Statement No. 80, Blending Requirements For Certain Component Units and thus is included in the financial statements of the District. The component unit, although a legally separate entity, is reported in the financial statements using the blended presentation method as if it were part of the District's operations because the governing board of the component unit is essentially the same as the governing board of the District and because its purpose is to finance the construction of facilities to be used for the direct benefit of the District.

The District has approved a charter for Clovis Online Charter School pursuant to *Education Code* Section 47605. The Clovis Online Charter School is operated by the District, and its financial activities are presented in the Charter School Fund.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District's funds are grouped into three broad fund categories: governmental, proprietary, and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major and non-major governmental funds:

Major Governmental Funds

General Fund The General Fund is the chief operating fund for all districts. It is used to account for the ordinary operations of the District. All transactions except those accounted for in another fund are accounted for in this fund.

County School Facilities Fund The County School Facilities Fund is established pursuant to *Education Code* Section 17070.43 to receive apportionments from the 1998 State School Facilities Fund (Proposition lA), the 2002 State School Facilities Fund (Proposition 47), the 2004 State School Facilities Fund (Proposition 55), the 2006 State School Facilities Fund (Proposition 1D), or the 2016 State School Facilities Fund (Proposition 51), authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code* Section 17070 et seq.).

Bond Interest and Redemption Fund The Bond Interest and Redemption Fund is used for the repayment of bonds issued for a district (*Education Code* Sections 15125-15262).

Non-Major Governmental Funds

Special Revenue Funds The Special Revenue funds are used to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities, that compose a substantial portion of the inflows of the fund, and that are reasonably expected to continue. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

- **Charter School Fund** The Charter School Fund may be used by authorizing districts to account separately for the operating activities of district-operated charter schools that would otherwise be reported in the authorizing District's General Fund.

- **Adult Education Fund** The Adult Education Fund is used to account separately for Federal, State, and local revenues that are restricted or committed for adult education programs and is to be expended for adult education purposes only.

- **Child Development Fund** The Child Development Fund is used to account separately for Federal, State, and local revenues to operate child development programs and is to be used only for expenditures for the operation of child development programs.

- **Cafeteria Fund** The Cafeteria Fund is used to account separately for Federal, State, and local resources to operate the food service program (*Education Code* Sections 38090-38093) and is used only for those expenditures authorized by the governing board as necessary for the operation of the District's food service program (*Education Code* Sections 38091 and 38100).

- **Deferred Maintenance Fund** The Deferred Maintenance Fund is used to account separately for revenues that are restricted or committed for deferred maintenance purposes (*Education Code* Section 17582).

Capital Project Funds The Capital Project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds).

- **Building Fund** The Building Fund exists primarily to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued.

- **Capital Facilities Fund** The Capital Facilities Fund is used primarily to account separately for monies received from fees levied on developers or other agencies as a condition of approval (*Education Code* Sections 17620-17626 and *Government Code* Section 65995 et seq.). Expenditures are restricted to the purposes specified in *Government Code* Sections 65970-65981 or to the items specified in agreements with the developer (*Government Code* Section 66006).

- **Special Reserve Fund for Capital Outlay Projects** The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund monies for capital outlay purposes (*Education Code* Section 42840).

Debt Service Funds The Debt Service funds are used to account for the accumulation of resources for, and the payment of, principal and interest on general long-term obligations.

- **Other Debt Service Fund** The Other Debt Service Fund is used to account for the accumulation of resources for the payment of principal and interest on certificates of participation or capital lease obligations of the District.

Proprietary Funds Proprietary funds are used to account for activities that are more business-like than government-like in nature. Business-type activities include those for which a fee is charged to external users or to other organizational units of the local education agency, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting and are classified as enterprise or internal service. The District has the following proprietary fund:

- **Internal Service Fund** Internal Service funds may be used to account for goods or services provided to other funds of the District on a cost-reimbursement basis. The District operates a Self Insurance Fund that is accounted for in an internal service fund that accounts for the costs associated with the District's self-insurance programs and its retiree benefits.

Fiduciary Funds Fiduciary funds are used to account for assets held in trustee or agent capacity for others that cannot be used to support the District's own programs.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. The District's agency fund accounts for student body activities (ASB) and the Warrant/Pass-Through Fund which is used to account for payroll transactions.

Basis of Accounting - Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and for each governmental function, and exclude fiduciary activity. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the Statement of Activities, except for depreciation. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District. Eliminations have been made to minimize the double counting of internal activities.

Net position should be reported as restricted when constraints placed on net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their use.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

- **Governmental Funds** All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

- **Proprietary Funds** Proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of this fund are included in the statement of net position. The statement of changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary fund.

- **Fiduciary Funds** Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the District.

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes, which are considered available if collected within 60 days. The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose restrictions. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. Principal and interest on long-term liabilities, which has not matured, are recognized when paid in the governmental funds as expenditures. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds but are recognized in the entity-wide statements.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the statement of cash flows.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Prepaid Expenditures (Expenses)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Stores Inventories

Inventories consist of expendable food and supplies held for consumption. Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental funds and expenses in the proprietary fund when consumed rather than when purchased.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets of the District. The District maintains a capitalization threshold of $25,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized, but are expensed as incurred.

When purchased, such assets are recorded as expenditures in the governmental funds and capitalized in the government-wide statement of net position. The valuation basis for capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements/infrastructure, 5 to 50 years; equipment, 5 to 15 years.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net position, except for the net residual amounts due between governmental and business-type activities which are presented as internal balances.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position as long-term obligations.

Sick leave is accumulated without limit for each employee at the rate of one day for each month worked. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is applicable to all certificated employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full-time.

Accounts Payable and Long-Term Liabilities

Accounts payable and long-term liabilities are reported in the government-wide and proprietary fund financial statements. In general, governmental fund accounts payable that are paid in a timely manner and in full from current financial resources are reported as liabilities of the funds.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for deferred charges on refunding of debt, for pension related items, and for OPEB related items. The deferred charge on refunding resulted from the difference between the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB relate to differences between expected and actual experience, changes of assumptions, and other pension and OPEB related changes.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for deferred charges on refunding of debt and pension related items.

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the CalSTRS Medicare Premium Payment (MPP) Program and additions to/deductions from the MPP's fiduciary net position have been determined on the same basis as they are reported by the MPP. For this purpose, the MPP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The total OPEB liability attributable to the governmental activities will be paid primarily by the fund in which the employee worked.

Fund Balances - Governmental Funds

As of June 30, 2020, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District's adopted policy, the assistant superintendent of business services or the associate superintendent of administrative services may assign amounts for specific purposes.

Unassigned - all other spendable amounts.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Minimum Fund Balance Policy

The governing board adopted a minimum fund balance policy for the General Fund in order to protect the district against revenue shortfalls or unpredicted on-time expenditures. The policy requires a Reserve for Economic Uncertainties consisting of unassigned amounts equal to no less than ten percent of General Fund expenditures and other financing uses.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position net of investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report $114,840,585 of restricted net position.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are premiums charged to the operating funds to support the health and welfare and workers' compensation coverage. Operating expenses are necessary costs incurred to provide the services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities column of the Statement of Activities.

Estimates

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

Property Tax

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

Change in Accounting Principles

In May 2020, the GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, Certain Asset Retirement Obligations
- Statement No. 84, Fiduciary Activities
- Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements
- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement No. 90, Majority Equity Interests
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)
- Implementation Guide No. 2018-1, Implementation Guidance Update—2018
- Implementation Guide No. 2019-1, Implementation Guidance Update—2019

- Implementation Guide No. 2019-2, Fiduciary Activities.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, Leases
- Implementation Guide No. 2019-3, Leases.

The provisions of this Statement have been implemented as of June 30, 2020.

New Accounting Pronouncements

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.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

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.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for the reporting periods beginning after June 15, 2021. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The effects of this change on the District's financial statements have not yet been determined.

In August 2018, the GASB issued Statement 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 60. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The effects of this change on the District's financial statements have not yet been determined.

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective for the reporting periods beginning after December 15, 2021. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In January 2020, the GASB issued Statement No. 92, Omnibus 2020. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reporting
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition

- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

As a result of the implementation of GASB Statement No. 95, the requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In March 2020, the GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR (Interbank Offered Rate). This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

As a result of the implementation of GASB Statement No. 95, the removal of LIBOR as an appropriate benchmark interest rate (paragraph 11b) is effective for reporting periods ending after December 31, 2021. Paragraph 13 and 14 related to lease modifications is effective for reporting periods beginning after June 15, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In March 2020, the GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In May 2020, the GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In June 2020, the GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement.

The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The effects of this change on the District's financial statements have not yet been determined.

Note 2 - Deposits and Investments

Summary of Deposits and Investments

Deposits and investments as of June 30, 2020, are classified in the accompanying financial statements as follows:

Governmental funds	$ 252,412,687
Proprietary funds	54,386,713
Fiduciary funds	2,565,580
Total deposits and investments	$ 309,364,980

Deposits and investments as of June 30, 2020, consist of the following:

Cash awaiting deposit	$ 3,161,558
Cash on hand and in banks	11,038,961
Cash with fiscal agent	13,449,453
Cash in revolving	147,500
Investments	281,567,508
Total deposits and investments	$ 309,364,980

Policies and Practices

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

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

General Authorizations

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

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County Pool which purchases a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Segmented Time Distribution

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following schedule that shows the distribution of the District's investments by maturity:

Investment Type	Reported Amount	12 Months or Less	13 - 24 Months	25 - 60 Months	More Than 60 Months
County Pool	$ 281,567,508	$ -	$ 281,567,508	$ -	$ -

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California *Government Code* requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2020, $21,880,769 of the District's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

Note 3 - Receivables

Receivables at June 30, 2020, consisted of intergovernmental grants, entitlements, interest and other local sources. All receivables are considered collectible in full.

	General Fund	County School Facilities Fund	Non-Major Governmental Funds	Total Governmental Funds	Internal Service Fund	Total Governmental Activities	Warrant/ Pass-Through Fund
Federal Government							
Categorical aid	$ 9,273,164	$ -	$ 1,857,387	$ 11,130,551	$ -	$ 11,130,551	$ -
State Government							
LCFF apportionment	52,250,603	-	865,057	53,115,660	-	53,115,660	-
State Grants and Entitlements	5,600,859	-	406,606	6,007,465	-	6,007,465	-
Local sources	3,287,066	157,723	409,657	3,854,446	1,501,296	5,355,742	3,307
Total	$70,411,692	$ 157,723	$ 3,538,707	$ 74,108,122	$ 1,501,296	$ 75,609,418	$ 3,307

Note 4 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Governmental Activities				
Capital assets not being depreciated				
Land	$ 101,238,179	$ 1,253,614	$ -	$ 102,491,793
Construction in progress	21,482,783	40,473,662	(13,421,723)	48,534,722
Total capital assets not being depreciated	122,720,962	41,727,276	(13,421,723)	151,026,515
Capital assets being depreciated				
Land improvements	127,693,626	278,437	-	127,972,063
Buildings and improvements	1,007,377,738	11,977,470	-	1,019,355,208
Furniture and equipment	77,879,853	3,202,408	(508,440)	80,573,821
Total capital assets being depreciated	1,212,951,217	15,458,315	(508,440)	1,227,901,092
Total capital assets	1,335,672,179	57,185,591	(13,930,163)	1,378,927,607
Accumulated depreciation				
Land improvements	(83,572,263)	(4,083,592)	-	(87,655,855)
Buildings and improvements	(269,600,573)	(21,551,274)	-	(291,151,847)
Furniture and equipment	(40,064,387)	(3,921,367)	508,440	(43,477,314)
Total accumulated depreciation	(393,237,223)	(29,556,233)	508,440	(422,285,016)
Governmental activities capital assets, net	$ 942,434,956	$ 27,629,358	$ (13,421,723)	$ 956,642,591

Depreciation expense was charged as a direct expense to governmental functions as follows:

Governmental Activities	
Instruction	$ 17,699,363
School site administration	1,812,873
All other pupil services	4,012,611
Ancillary services	2,822,622
Community services	744,804
All other administration	1,219,215
Plant services	1,244,745
Total depreciation expenses governmental activities	$ 29,556,233

Note 5 - Interfund Transactions

Interfund Receivables/Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivable and payable balances at June 30, 2020, between major and non-major governmental funds, and internal service funds are as follows:

Funds	Due from Other Funds	Due to Other Funds
Major Governmental Funds		
General	$ 13,670	$ 3,232,774
County School Facilities	1,617,904	370,552
Non-Major Governmental Funds		
Charter Schools	657,721	22,769
Adult Education	76,478	-
Child Development	-	453,750
Cafeteria	22,769	141,106
Deferred Maintenance	56,450	-
Building	370,552	1,547,106
Capital Facilities	230,090	-
Special Reserve Fund for Capital Outlay Projects	251,849	-
Proprietary Funds		
Internal Service-Self Insurance	2,470,574	-
Total	$ 5,768,057	$ 5,768,057

All balances resulted from the time lag between that date (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Operating Transfers

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2020, consisted of the following:

The General Fund transferred to the Deferred Maintenance Non-Major Governmental Fund for future repairs and maintenance projects.	$ 2,900,000
The General Fund transferred to the Building Non-Major Governmental Fund for the COPs debt service payment.	1,726,100
The General Fund transferred to the Building Non-Major Governmental Fund for Prop 51 holding.	1,455,128
The General Fund transferred to the Special Reserve Capital Outlay Non-Major Governmental Fund for districtwide furniture refresh.	500,000
The General Fund transferred to the Adult Education Non-Major Governmental Fund for the District's Adult Education contribution.	846,880
The General Fund transferred to the County School Facilities Non-Major Governmental Fund for a LCAP transfer to cover Pinedale construction costs.	500,000
The General Fund transferred to the Special Reserve Capital Outlay Non-Major Governmental Fund for the annual RCA transfer.	275,000
The General Fund transferred to the Special Reserve Capital Outlay Non-Major Governmental Fund for mandated safety standards costs.	1,700,000
The Capital Facilities Non-Major Governmental Fund transferred to the General Fund for the three percent administrative fee.	336,000
The Capital Facilities Non-Major Governmental Fund transferred to the County School Facilities Non-Major Governmental Fund for developer fees for the Shields and Locan site funding.	11,500,000
The County School Facilities Non-Major Governmental Fund transferred to the Building Non-Major Governmental Fund to cover capital project costs.	
The Child Development Non-Major Governmental Fund transferred to the Special Reserve Capital Outlay Non-Major Governmental Fund for portables at various sites.	614,848
The Special Reserve Capital Outlay Non-Major Governmental Fund transferred to the Deferred Maintenance Non-Major Governmental Fund for maintenance projects.	1,100,000
The Building Non-Major Governmental Fund transferred to the General Fund to cover Certificate of Participation project costs.	1,039,311
The Building Non-Major Governmental Fund transferred to the County School Facilities Fund for the Districts portion of the CTE project.	1,243,807
The Bond Interest and Redemption Fund transferred to the General Fund due to the closing of fully matured bond issuance.	9,540
The Debt Service Non-Major Governmental Fund transferred to the Building Non-Major Governmental Fund for the COPs debt service payment.	1,039,311
Total	$ 26,785,925

Note 6 - Prepaid Expenditures (Expenses)

Prepaid expenditures (expenses) at June 30, 2020, consist of the following:

	General Fund
Electronic student curriculum database subscription	$ 261,924

Note 7 - Accounts Payable

Accounts payable at June 30, 2020, consisted of the following:

	General Fund	County School Facilities Fund	Non-Major Governmental Funds	Total Governmental Funds	Internal Service Fund	Total Governmental Activities	Fiduciary Funds
Vendor payables	$ 3,936,095	$ 1,473,035	$ 2,671,694	$ 8,080,824	$ 3,161,413	$ 11,242,237	$ 118,380
State LCFF apportionment	18,005,717	-	188,627	18,194,344	-	18,194,344	-
Salaries and benefits	273,873	-	-	273,873	-	273,873	-
Deferred payroll	29,114,355	-	-	29,114,355	-	29,114,355	-
Total	$ 51,330,040	$ 1,473,035	$ 2,860,321	$ 55,663,396	$ 3,161,413	$ 58,824,809	$ 118,380

Note 8 - Unearned Revenue

Unearned revenue at June 30, 2020, consists of the following:

	General Fund
Federal financial assistance	$ 93,523
State categorical aid	932,715
Other local	5,480
Total	$ 1,031,718

Note 9 - Long-Term Liabilities Other than OPEB and Pensions

Summary

The changes in the District's long-term liabilities other than OPEB and pensions during the year consisted of the following:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020	Due in One Year
Long-Term Liabilities					
General obligation bonds	$ 467,700,125	$ 34,278,166	$ (49,880,000)	$ 452,098,291	$ 36,095,000
Certificates of participation	3,073,005	-	(1,535,000)	1,538,005	585,058
Unamortized debt premiums	9,242,048	773,811	(1,130,385)	8,885,474	-
Unamortized debt discounts	(466,269)	(86,250)	29,332	(523,187)	-
Capital leases	2,203,549	13,270,000	(1,605,661)	13,867,888	955,709
Compensated absences	2,913,852	559,811	-	3,473,663	-
Claims liability	32,895,320	76,499,042	(75,604,309)	33,790,053	-
Total	$ 517,561,630	$ 125,294,580	$ (129,726,023)	$ 513,130,187	$ 37,635,767

The General Obligation Bonds are paid by the Bond Interest and Redemption Fund with local tax revenue. The Certificates of Participation are paid by the Building Fund and Other Debt Service Fund. Payments on the capital leases and child development portables are made from General Fund, Building Fund and Child Development Fund. Payments on compensated absences are made from the fund which the related employee worked.

Bonded Debt

The outstanding general obligation bonded debt is as follows:

Fiscal Year Issued	Series	Fiscal Year of Final Maturity	Interest Rate	Original Issue	Bonds Outstanding July 1, 2019	Issued	Interest Accreted	Redeemed	Bonds Outstanding June 30, 2020	Due in One Year
2003	01B	2028	3.6-5.23%	$ 29,000,256	$ 13,121,982	$ -	$ -	$ (1,360,615)	$ 11,761,367	$ 1,306,620
Accreted interest on bonds					17,476,876	-	1,437,940	(1,664,385)	17,250,431	1,793,380
2005	04A	2030	3.8-6.15%	119,998,286	48,945,837	-	-	-	48,945,837	5,744,897
Accreted interest on bonds					57,187,494	-	5,773,405	-	62,960,899	6,685,103
2006	04B	2031	4.0-5.0%	48,001,060	13,847,060	-	-	-	13,847,060	-
Accreted interest on bonds					12,289,880	-	1,264,411	-	13,554,291	-
2012	12R	2022	2.0-5.0%	17,935,000	8,675,000	-	-	(4,120,000)	4,555,000	-
2013	12A	2038	1.0-5.5%	79,996,801	36,400,000	-	-	(6,155,000)	30,245,000	-
2014	12B	2039	2.0-6.12%	49,996,579	13,060,547	-	-	(9,830,000)	3,230,547	1,242,015
Accreted interest on bonds					1,324,933	-	269,457	-	1,594,390	612,985
2015	12C	2040	3.19-4.52%	64,995,505	56,285,504	-	-	(1,115,000)	55,170,504	-
Accreted interest on bonds					2,465,749	-	563,511	-	3,029,260	-
2016	12D	2041	3.37-5.0%	103,007,034	94,917,034	-	-	(8,095,000)	86,822,034	1,575,000
Accreted interest on bonds					2,604,299	-	737,232	-	3,341,531	-
2017	16R	2022	2.0-5.0%	30,510,000	27,110,000	-	-	(14,505,000)	12,605,000	10,055,000
2017	17R	2036	3.18-5.0%	43,121,677	40,256,677	-	-	(545,000)	39,711,677	640,000
Accreted interest on bonds					1,021,253	-	602,210	-	1,623,463	-
2018	18R	2039	2.694-4.357%	20,710,000	20,710,000	-	-	(2,490,000)	18,220,000	1,170,000
2020	19R	2038	1.786-3.257%	23,630,000	-	23,630,000	-	-	23,630,000	5,270,000
Total					$ 467,700,125	$ 23,630,000	$ 10,648,166	$ (49,880,000)	$ 452,098,291	$ 36,095,000

Debt Service Requirements to Maturity

The capital appreciation bonds mature as follows:

Bonds Maturing Fiscal Year	Initial Bond Value	Accreted Interest	Accreted Obligation	Unaccreted Interest	Maturity Value
2021	$ 8,293,532	$ 9,091,468	$ 17,385,000	$ -	$ 17,385,000
2022	1,863,928	2,069,190	3,933,118	206,882	4,140,000
2023	7,581,016	8,981,025	16,562,041	1,782,959	18,345,000
2024	8,699,258	9,299,912	17,999,170	2,925,830	20,925,000
2025	8,052,673	9,030,483	17,083,156	3,796,844	20,880,000
2026-2030	44,698,749	52,573,994	97,272,743	43,477,257	140,750,000
2031-2035	32,075,206	11,029,532	43,104,738	27,365,262	70,470,000
2036-2037	7,189,664	1,278,661	8,468,325	7,496,675	15,965,000
Total	$ 118,454,026	$ 103,354,265	$ 221,808,291	$ 87,051,709	$ 308,860,000

The current interest bonds mature as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2021	$ 18,710,000	$ 8,936,991	$ 27,646,991
2022	13,845,000	8,309,023	22,154,023
2023	6,310,000	7,879,645	14,189,645
2024	1,760,000	7,636,906	9,396,906
2025	1,450,000	7,528,962	8,978,962
2026-2030	14,225,000	36,309,393	50,534,393
2031-2035	31,840,000	30,800,469	62,640,469
2036-2040	109,005,000	20,510,102	129,515,102
2041	33,145,000	1,325,800	34,470,800
Total	$ 230,290,000	$ 129,237,291	$ 359,527,291

Certificates of Participation

2010 Certificates of Participation

In June 2010, the Central Valley Support Services JPA issued 2010 Certificates of Participation and entered into a lease agreement to fund the debt with the District in the amount of $9,365,000 with interest rates ranging from 2.00 to 4.00 percent. As of June 30, 2020, the principal balance outstanding was $290,058.

2011 Certificates of Participation

In January 2011, the Central Valley Support Services JPA issued 2011 Certificates of Participation and entered into a lease agreement to fund the debt with the District in the amount of $4,450,000 with interest rates ranging from 2.00 to 4.50 percent. As of June 30, 2020, the principal balance outstanding was $1,247,947.

Debt Service Requirements to Maturity

Year Ending June 30,	Principal	Interest	Total
2021	$ 585,058	$ 144,013	$ 729,071
2022	310,000	103,188	413,188
2023	330,000	86,775	416,775
2024	312,947	69,056	382,003
Total	$ 1,538,005	$ 403,032	$ 1,941,037

Compensated Absences

Compensated absences (unpaid employee vacation) for the District at June 30, 2020, amounted to $3,473,663.

Capital Leases

The District has entered into agreements to lease various facilities and equipment. Such agreements are, in substance, purchases (capital leases) and are reported as capital lease obligations. During the current fiscal year, the District entered into computer refresh leases as well as a lease-back agreement with the Central Valley Support Services JPA. The lease agreement was entered into with the JPA to provide funds for construction and modernization projects within the District and to provide the JPA with the source of funds to make the required debt service payments on the JPA's $11,755,000 2020 Certificates of Participation issuance.

The District's liability on lease agreements with options to purchase is summarized below:

Balance, July 1, 2019	$ 2,203,549
Additions	13,270,000
Payments	(1,605,661)
Balance, July 1, 2020	$ 13,867,888

The capital leases have minimum lease payments as follows:

Year Ending June 30,	Lease Payment
2021	$ 1,423,328
2022	986,770
2023	575,200
2024	2,065,200
2025	2,060,600
2026-2030	10,129,800
Total	17,240,898
Less amount representing interest	(3,373,010)
Present value of minimum lease payments	$ 13,867,888

Child Development Portables

The District financed the purchase of Child Development Portables through the California Department of Education's (CDE) Child Care Facilities Revolving Fund. The agreement with the CDE includes a zero percent interest rate for the portable classrooms. During the term of the repayment, the title to the facilities shall be in the name of the State of California. Title shall pass to the District after repayment of all funds. The District bears all responsibility of maintaining the facilities and keeping the facilities free and clear of any levies, liens and encumbrances.

The loans mature in 2027 and the payments are as follows:

Year Ending June 30,	Lease Payment
2021	$ 126,000
2022	63,000
2023	63,000
2024	63,000
2025	63,000
2026-2027	126,000
Total	$ 504,000

Note 10 - Net Other Postemployment Benefit (OPEB) Liability

For the fiscal year ended June 30, 2020, the District reported net OPEB liability, deferred outflows of resources, and OPEB expense for the following plans:

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	OPEB Expense
Retiree Health Plan	$ 422,133,490	$ 66,972,451	$ 32,636,367
Medicare Premium Payment (MPP) Program	2,344,110	-	(37,077)
Total	$ 424,477,600	$ 66,972,451	$ 32,599,290

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Plan Membership

At July 1, 2018, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	1,136
Active employees	3,545
Total	4,681

Benefits Provided

Benefits provided. The Plan provides lifetime postemployment benefits to eligible certificated and classified retirees and their spouses. To qualify, employees hired prior to August 31, 2007, must have 15 benefited service years with the District and attained the age of 55. Employees hired after September 1, 2007, must have 30 benefited service years with the District and attained the age of 55. Dental and vision benefits are provided for five years, but not beyond age 65. The District's governing board has the authority to establish and amend the benefits terms as contained within the negotiated labor agreements.

Contributions

The benefit payment requirements of the Plan members and the District are established and may be amended by the District. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District. For measurement period of June 30, 2020, the District paid $8,063,788 in benefits.

Total OPEB Liability of the District

The District's total OPEB liability of $422,133,490 was measured as of June 30, 2020, and was determined by applying updated procedures to the financial reporting actuarial valuation as of July 1, 2019, and rolling forward the total OPEB liability to June 30, 2020.

Actuarial Assumptions

The following assumptions were applied to all periods included in the measurement as of June 30, 2020, unless otherwise specified:

Actuarial cost method	Entry age, level percent of pay
Salary increases	3.00 percent
Inflation rate	3.00 percent
Healthcare cost trend rate	5.40 percent for 2020; 5.10 percent for 2021; 4.90 percent for 2002 and later

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Discount rate. GASB 75 requires a discount rate that reflects the following:
a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

Actuarial assumptions used in the July 1, 2018 valuation were based on a review of plan experience during the period July 1, 2016 to June 30, 2018.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance, June 30, 2019	$ 357,120,975
Service cost	12,130,038
Interest	11,432,331
Changes of assumptions or other inputs	49,513,934
Benefit payments	(8,063,788)
Net change in total OPEB liability	65,012,515
Balance, June 30, 2020	$ 422,133,490

Changes in Benefit Terms - There were no changes in the benefit terms since the previous valuation.

Changes of Assumptions - The discount rate was changed from 3.13 percent to 3.00 percent since last study and the beginning health care cost trend rate changed from 5.70 percent to 5.40 percent.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Total OPEB Liability
1% decrease (2.00%)	$ 512,175,793
Current discount rate (3.00%)	422,133,490
1% increase (4.00%)	352,026,765

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or higher than the current healthcare costs trend rates:

Healthcare Cost Trend Rates	Total OPEB Liability
1% decrease (4.40%)	$ 339,084,739
Current healthcare cost trend rate (5.40%)	422,133,490
1% increase (6.40%)	533,413,382

OPEB Expense and Deferred Outflows of Resources related to OPEB

At June 30,2020, the District reported deferred outflows of resources totaling $66,972,451 for changes in assumptions and other inputs. The deferred outflows of resources related to changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources
2021	$ 9,073,998
2022	9,073,998
2023	9,073,998
2024	9,073,998
2025	9,073,998
Thereafter	21,602,461
Total	$ 66,972,451

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2018 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB)Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California *Education Code* Section 25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2020, the District reported a liability of $2,344,110 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2019 and June 30, 2018, respectively, was 0.6295 percent and 0.6221 percent, resulting in a net increase in the proportionate share of 0.0074 percent.

For the year ended June 30, 2020, the District recognized OPEB expense of $(37,077).

Actuarial Methods and Assumptions

The June 30, 2019 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total OPEB liability to June 30, 2019, using the assumptions listed in the following table:

Measurement Date	June 30, 2019	June 30, 2018
Valuation Date	June 30, 2018	June 30, 2017
Experience Study	July 1, 2010 through June 30, 2015	July 1, 2010 through June 30, 2015
Actuarial Cost Method	Entry age normal	Entry age normal
Investment Rate of Return	3.50%	3.87%
Medicare Part A Premium Cost Trend Rate	3.70%	3.70%
Medicare Part B Premium Cost Trend Rate	4.10%	4.10%

For the valuation as of June 30, 2018, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP 2016) table, issued by the Society of Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 380 or an average of 0.23 percent of the potentially eligible population (165,422).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2019, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2019, is 3.50 percent. As the MPP Program is funded on a pay-as-you-go basis as previously noted, the OPEB Plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 3.50 percent, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2019, was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate decreased 0.37 percent from 3.87 percent as of June 30, 2018.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Net OPEB Liability
1% decrease (2.50%)	$ 2,557,961
Current discount rate (3.50%)	2,344,110
1% increase (4.50%)	2,147,486

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates

The following presents the District's proportionate share of the net OPEB liability calculated using the current Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rate	Net OPEB Liability
1% decrease (2.7% Part A and 3.1% Part B)	$ 2,197,132
Current Medicare costs trend rate (3.7% Part A and 4.1% Part B)	2,344,110
1% increase (4.7% Part A and 5.1% Part B)	2,637,695

Note 11 - Fund Balances

Fund balances are composed of the following elements:

	General Fund	County School Facilities Fund	Bond Interest and Redemption Fund	Non-Major Governmental Funds	Total
Nonspendable					
Revolving cash	$ 144,000	$ -	$ -	$ 3,500	$ 147,500
Stores inventories	1,939,527	-	-	705,483	2,645,010
Prepaid expenditures	261,924	-	-	-	261,924
Total nonspendable	2,345,451	-	-	708,983	3,054,434
Restricted					
Legally restricted programs	6,625,290	-	-	4,399	6,629,689
Food service	-	-	-	6,652,253	6,652,253
Childcare programs	-	-	-	135,382	135,382
Capital projects	-	35,758,616	-	34,935,768	70,694,384
Debt services	-	-	47,524,715	81,326	47,606,041
Total restricted	6,625,290	35,758,616	47,524,715	41,809,128	131,717,749
Committed					
Adult education program	-	-	-	3,848,221	3,848,221
Deferred maintenance program	-	-	-	68,963	68,963
Total committed	-	-	-	3,917,184	3,917,184
Assigned					
Textbook reserve	5,756,916	-	-	-	5,756,916
Site/department carryovers	3,690,158	-	-	-	3,690,158
Grants	607,617	-	-	-	607,617
Student computer refresh	4,195,227	-	-	-	4,195,227
Fair market value adjustment	3,373,928	-	-	-	3,373,928
SPED Citi-Kids	1,401,197	-	-	-	1,401,197
LCAP carryover	3,462,704	-	-	-	3,462,704
Childcare programs future growth	-	-	-	648,923	648,923
Charter school future program growth	-	-	-	211,284	211,284
Capital projects/maintenance	-	-	-	8,601,344	8,601,344
Total assigned	22,487,747	-	-	9,461,551	31,949,298
Unassigned					
Reserve for economic uncertainties	99,623,391	-	-	-	99,623,391
Total	$ 131,081,879	$ 35,758,616	$ 47,524,715	$ 55,896,846	$ 270,262,056

Note 12 - Risk Management

Workers' Compensation, Short-Term Disability, and Employee Medical Benefits

The District is self-insured for workers' compensation, short-term disability, health, vision and dental programs. The District accounts for and finances its uninsured risks of loss in the Self Insurance Fund. The District provides coverage for up to a maximum of $350,000 for each workers' compensation claim and up to $700,000 for each health insurance claim. The District purchases commercial insurance for claims in excess of coverage provided by the General Fund and Self Insurance Fund and for all other risks of loss.

All funds of the District, which reflect salary costs, participate in the program and make payments to the Self Insurance Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of $12,169,328 reported in the Self Insurance Fund at June 30, 2020, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount also consists of a reserved for health and welfare claims based on an actuary study of estimated losses.

Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending June 30, 2020, the District contracted with the Schools Excess Liability Fund (SELF) and the Alliance of Schools for Cooperative Insurance Programs (ASCIP) for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Claims Liabilities

The District records an estimated liability for indemnity torts and other claims against the District. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred, but not reported based on historical experience.

Unpaid Claims Liabilities

The District establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represent the changes in approximate aggregate liabilities for the District from July 1, 2018 to June 30, 2020:

	Health Care	Workers' Compensation	Stop-Loss, Disability and Property	Total
Liability Balance, July 1, 2018	$ 10,786,563	$ 13,568,913	$ 5,042,063	$ 29,397,539
Claims and changes in estimates	72,810,830	4,450,551	725,162	77,986,543
Claims payments	(72,021,062)	(2,042,977)	(424,723)	(74,488,762)
Liability Balance, June 30, 2019	11,576,331	15,976,487	5,342,502	32,895,320
Claims and changes in estimates	73,980,064	1,788,387	730,591	76,499,042
Claims payments	(73,387,067)	(1,788,387)	(428,855)	(75,604,309)
Liability Balance, June 30, 2020	$ 12,169,328	$ 15,976,487	$ 5,644,238	$ 33,790,053

Note 13 - Employee Retirement Systems

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

For the fiscal year ended June 30, 2020, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 321,370,136	$ 92,713,492	$ 25,997,625	$ 41,486,107
CalPERS	168,151,626	41,142,011	1,559,638	30,376,110
Total	$ 489,521,762	$ 133,855,503	$ 27,557,263	$ 71,862,217

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

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

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, 2018, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

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

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

The STRP provisions and benefits in effect at June 30, 2020, are summarized as follows:

	STRP Defined Benefit Program	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	17.10%	17.10%
Required state contribution rate	10.328%	10.328%

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, 2020, are presented above and the District's total contributions were $33,819,487.

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

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share	
Proportionate share of net pension liability	$ 321,370,136
State's proportionate share of the net pension liability	175,328,864
Total	$ 496,699,000

The net pension liability was measured as of June 30, 2019. 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, 2019 and June 30, 2018, respectively, was 0.3558 percent and 0.3466 percent, resulting in a net increase in the proportionate share of 0.0092 percent.

For the year ended June 30, 2020, the District recognized pension expense of $41,486,107. In addition, the District recognized pension expense and revenue of $26,110,249 for support provided by the State. At June 30, 2020, 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
Pension contributions subsequent to measurement date	$ 33,819,487	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	17,436,418	4,562,512
Differences between projected and actual earnings on pension plan investments	-	12,379,276
Differences between expected and actual experience in the measurement of the total pension liability	811,289	9,055,837
Changes of assumptions	40,646,298	-
Total	$ 92,713,492	$ 25,997,625

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

Year Ended June 30,	Deferred Inflows of Resources
2021	$ (1,248,662)
2022	(9,827,688)
2023	(2,040,380)
2024	737,454
Total	$ (12,379,276)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2021	$ 11,376,774
2022	11,376,775
2023	9,520,778
2024	11,654,824
2025	1,168,789
Thereafter	177,716
Total	$ 45,275,656

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 2010 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance-PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in February 2017 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2019, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	4.8%
Fixed income	12%	1.3%
Real estate	13%	3.6%
Private equity	13%	6.3%
Risk mitigating strategies	9%	1.8%
Inflation sensitive	4%	-3.3%
Cash/liquidity	2%	-0.4%

Discount Rate

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

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

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 478,546,734
Current discount rate (7.10%)	321,370,136
1% increase (8.10%)	191,040,803

California Public Employees Retirement System (CalPERS)

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, 2018, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

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

The CalPERS provisions and benefits in effect at June 30, 2020, are summarized as follows:

	School Employer Pool (CalPERS)	
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	19.721%	19.721%

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, 2020, are presented above and the total District contributions were $16,573,262.

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

As of June 30, 2020, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $168,151,626. The net pension liability was measured as of June 30, 2019. 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, 2019 and June 30, 2018, respectively, was 0.5770 percent and 0.5610 percent, resulting in a net increase in the proportionate share of 0.0160 percent.

For the year ended June 30, 2020, the District recognized pension expense of $30,376,110. At June 30, 2020, 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
Pension contributions subsequent to measurement date	$ 16,573,262	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	4,349,652	-
Differences between projected and actual earnings on pension plan investments	-	1,559,638
Differences between expected and actual experience in the measurement of the total pension liability	12,214,558	-
Changes of assumptions	8,004,539	-
Total	$ 41,142,011	$ 1,559,638

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

Year Ended June 30,	Deferred Inflows of Resources
2021	$ 1,539,534
2022	(3,075,173)
2023	(466,004)
2024	442,005
Total	$ (1,559,638)

The deferred outflows of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 4.1 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources
2021	$ 14,708,102
2022	6,740,900
2023	2,836,135
2024	283,612
Total	$ 24,568,749

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries 90 percent of scale MP-2016.

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+ 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 rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	50%	5.98%
Fixed income	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.23%
Real assets	13%	4.93%
Liquidity	1%	-0.92%

Discount Rate

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

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

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 242,379,514
Current discount rate (7.15%)	168,151,626
1% increase (8.15%)	106,574,468

Accumulation Program for Part-Time and Limited-Service Employees Plan (APPLE)

Plan Description

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use the Accumulation Program for Part-time and Limited-service Employees (APPLE) Plan as its alternative plan.

The APPLE program applies to all part-time employees working less than 20 hours per week and are not eligible for CalPERS or CalSTRS retirement programs. This includes all part-time classified and certificated employees working less than 20 hours, as well as substitute employees.

Employees are eligible for plan benefits upon termination with the District and have the option of rolling over their benefit into an individual retirement account or receiving a direct payment. Those with account balances of less than $3,500 and who do not indicate which alternative they choose will receive a direct distribution from the plan.

Funding Policy

Participants in APPLE are required to contribute 3.75 percent of gross salary to APPLE. The District is required to contribute 3.75 percent of gross salary expenditures to APPLE. The District's contributions to APPLE for the fiscal year ending June 30, 2020, 2019, 2018 were $701,197, $749,547, and $758,111, respectively.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $18,313,664 (10.328 percent of annual payroll). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Senate Bill 90 (Chapter 33, Statutes of 2019), which was signed by the Governor on June 27, 2019, appropriated an additional 2019–2020 contribution on-behalf of school employers of $1.1 billion for CalSTRS. A proportionate share of these contributions totaling $6,143,020 have been recorded in these financial statements.

The total on behalf contributions have been included in the budgeted and actual amounts on the Budgetary Comparison Schedule - General Fund and have also been included in the calculation of the Districts available reserves.

Note 14 - Commitments and Contingencies

Grants

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2020.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2020.

Operating Leases

The District has entered into various operating leases for equipment and facilities use with lease terms in excess of one year. All of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date.

During the current fiscal year the District entered into a rental agreement with the Central Valley Support Services JPA to fund the JPA's repayment of their Certificates of Participation issuance. The funded project was for the District's Campus Catering facility. The required rental payments are as follows:

Year Ending June 30,	Lease Payment
2021	$ 393,600
2022	395,600
2023	397,200
2024	393,400
2025	399,400
2026-2030	2,078,800
2031-2035	2,183,200
2036	457,600
Total	6,698,800
Less amount representing interest	(1,858,800)
Present value of minimum lease payments	$ 4,840,000

Construction Commitments

As of June 30, 2020, the District had the following commitments with respect to the unfinished capital projects:

Location	Description	Remaining Construction Commitment	Expected Date of Completion
Clovis High School	CTE construction	$ 612,521	September 2020
Clovis North High School	CTE construction	589,728	September 2020
Clovis West High School	CTE construction	1,669,151	September 2020
Young Elementary School	New School	1,298,220	August 2020
Clovis High School	Pool deck rehab	545,000	September 2020
Clovis High School	Gas line repair	222,901	August 2020
Dry Creek Elementary	Roof repair	287,634	August 2020
Clovis High School and Fancher Creek Elementary	Roof repair	374,925	September 2020
Total		$ 5,600,080	

Note 15 - Participation in Joint Powers Authorities

The District is a member of the Schools Excess Liability Fund (SELF), Alliance of Schools for Cooperative Insurance Programs (ASCIP), Central Valley Support Services (CVSS), Education Technology, and the Center for Advanced Research & Technology (CART) joint powers authorities (JPAs). The District pays an annual premium to ASCIP for its property liability coverage. Payments for services received from JPAs are paid to CVSS and CART. The relationships between the District and the JPAs are such that they are not component units of the District for financial reporting purposes.

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

One designee for each district votes for a 16 member Board of Directors for SELF.

During the year ended June 30, 2020, the District made a payment of $723,416 to SELF for liability insurance coverage.

Eleven voting members of the ASCIP Executive Committee appointed by the member districts.

During the year ended June 30, 2020, the District made payments of $2,905,042 to ASCIP for property and liability insurance coverage and $1,788,387 for workers' compensation insurance coverage.

One designee and one alternate from each founding member district votes for a five member Board of Directors for the Education Technology JPA.

During the year ended June 30, 2020, the District made no payments to the Education Technology JPA.

The Governing Board of CVSS shall consist of a District representative appointed by the Superintendent and a member of the operations staff of each educational agency holding membership in CVSS selected by that agency, and the Treasurer of CVSS.

The Governing Board of CART is comprised of representatives from the member public educational agencies and related associations.

During the year ended June 30, 2020, the District made payments of $1,002,155 to CART for the financing and operation of a joint technical center for high school age students.

Note 16 - Subsequent Event

World-Wide Coronavirus Pandemic

Subsequent to year-end, the District has been negatively impacted by the effects of the world-wide coronavirus pandemic. The District is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the issuance date of these financial statements, the full impact to the District's financial position is not known beyond increased cash flow monitoring due to state apportionment deferrals.

Required Supplementary Information
June 30, 2020

Clovis Unified School District

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual	Final to Actual
Revenues				
Local Control Funding Formula	$392,329,252	$392,892,145	$392,892,145	$ -
Federal sources	16,813,782	18,521,320	18,521,320	-
Other State sources	57,094,914	71,922,755	71,922,755	-
Other local sources	14,377,799	22,678,169	22,678,169	-
Total revenues	480,615,747	506,014,389	506,014,389	-
Expenditures				
Current				
Certificated salaries	196,798,382	198,196,674	198,196,674	-
Classified salaries	81,392,199	82,898,581	82,898,581	-
Employee benefits	134,123,597	143,434,190	143,434,190	-
Books and supplies	32,377,780	20,701,465	20,701,465	-
Services and operating expenditures	32,443,966	33,066,373	33,066,373	-
Other outgo	(455,726)	(518,650)	(518,650)	-
Capital outlay	371,668	3,736,845	3,736,845	-
Debt service				
Debt service - principal	1,471,890	1,479,661	1,479,661	-
Debt service - interest and other	51,498	43,727	43,727	-
Total expenditures	478,575,254	483,038,866	483,038,866	-
Excess (Deficiency) of Revenues Over Expenditures	2,040,493	22,975,523	22,975,523	-
Other Financing Sources (Uses)				
Transfers in	531,000	1,384,851	1,384,851	-
Proceeds from capital lease	1,200,000	1,200,000	1,200,000	-
Transfers out	(7,847,980)	(9,903,108)	(9,903,108)	-
Net financing sources (uses)	(6,116,980)	(7,318,257)	(7,318,257)	-
Net Change in Fund Balances	(4,076,487)	15,657,266	15,657,266	-
Fund Balance - Beginning	115,424,613	115,424,613	115,424,613	-
Fund Balance - Ending	$111,348,126	$131,081,879	$131,081,879	$ -

Clovis Unified School District

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Year Ended June 30, 2020

	2020	2019	2018
Total OPEB Liability			
Service cost	$ 12,130,038	$ 10,492,371	$ 10,186,768
Interest	11,432,331	11,229,316	10,741,686
Changes of assumptions	49,513,934	29,849,079	-
Benefit payments	(8,063,788)	(9,221,780)	(5,725,349)
Net change in total OPEB liability	65,012,515	42,348,986	15,203,105
Total OPEB Liability - Beginning	357,120,975	314,771,989	299,568,884
Total OPEB Liability - Ending	$ 422,133,490	$ 357,120,975	$ 314,771,989
Covered Payroll	N/A[1]	N/A[1]	N/A[1]
Total OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]	N/A[1]
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018

[1] The OPEB Plan is not administered through a trust and contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

Note: In the future, as data becomes available, ten years of information will be presented.

Clovis Unified School District

Schedule of the District's Proportionate Share of the Net OPEB Liability – MPP Program

Year Ended June 30, 2020

Year ended June 30,	2020	2019	2018
Proportion of the net OPEB liability	0.6295%	0.6221%	0.6108%
Proportionate share of the net OPEB liability	$ 2,344,110	$2,381,187	$2,569,769
Covered payroll	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	-0.81%	-0.40%	0.01%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017

[1] As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

Note : In the future, as data becomes available, ten years of information will be presented.

Clovis Unified School District

Schedule of the District's Proportionate Share of the Net Pension Liability

Year Ended June 30, 2020

	2020	2019	2018	2017	2016	2015
CalSTRS						
Proportion of the net pension liability	0.3558%	0.3466%	0.3374%	0.3363%	0.3507%	0.3264%
Proportionate share of the net pension liability	$ 321,370,136	318,541,616	312,018,523	271,983,817	236,088,495	190,731,688
State's proportionate share of the net pension liability	175,328,864	182,379,973	184,587,522	154,835,535	124,864,788	115,172,028
Total	$ 496,699,000	$ 500,921,589	$ 496,606,045	$ 426,819,352	$ 360,953,283	$ 305,903,716
Covered payroll	$ 192,616,677	$ 188,468,233	$ 182,374,682	$ 171,698,993	$ 163,040,732	$ 150,043,685
Proportionate share of the net pension liability as a percentage of its covered payroll	166.84%	169.02%	171.09%	158.41%	144.80%	127.12%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%	77%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS						
Proportion of the net pension liability	0.5770%	0.5610%	0.5487%	0.5366%	0.5465%	0.5259%
Proportionate share of the net pension liability	$ 168,151,626	$ 149,586,205	$ 130,998,817	$ 105,981,422	$ 80,561,650	$ 59,703,034
Covered payroll	$ 80,165,104	$ 74,208,963	$ 70,034,469	$ 64,365,730	$ 60,511,656	$ 55,215,032
Proportionate share of the net pension liability as a percentage of its covered payroll	209.76%	201.57%	187.05%	164.66%	133.13%	108.13%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%	83%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note : In the future, as data becomes available, ten years of information will be presented.

	2020	2019	2018	2017	2016	2015
CalSTRS						
Contractually required contribution	$ 33,819,487	$ 31,357,995	$ 27,195,966	$ 22,942,735	$ 18,423,302	$ 14,478,017
Less contributions in relation to the contractually required contribution	33,819,487	31,357,995	27,195,966	22,942,735	18,423,302	14,478,017
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 197,774,778	$ 192,616,677	$ 188,468,233	$ 182,374,682	$ 171,698,993	$ 163,040,732
Contributions as a percentage of covered payroll	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS						
Contractually required contribution	$ 16,573,262	$ 14,479,421	$ 11,525,394	$ 9,726,387	$ 7,625,408	$ 7,122,827
Less contributions in relation to the contractually required contribution	16,573,262	14,479,421	11,525,394	9,726,387	7,625,408	7,122,827
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 84,038,649	$ 80,165,104	$ 74,208,963	$ 70,034,469	$ 64,365,730	$ 60,511,656
Contributions as a percentage of covered payroll	19.721%	18.0620%	15.5310%	13.8880%	11.8470%	11.7710%

Note : In the future, as data becomes available, ten years of information will be presented.

Note 1 - Purpose of Schedules

Budgetary Comparison Schedule

The District employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America as prescribed by the Governmental Accounting Standards Board and provisions of the California *Education Code*. The governing board is required to hold a public hearing and adopt an operating budget no later than July 1 of each year. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

This schedule presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

Schedule of Changes in the District's OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the OPEB liability, including beginning and ending balances, and the OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The discount rate was changed from 3.13 percent to 3.00 percent since last study and the beginning health care cost trend rate changed from 5.70 percent to 5.40 percent.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB Liability - MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The plan rate of investment return assumption was changed from 3.87 percent to 3.50 percent since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.
- *Changes of Assumptions* – There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

Schedule of District Contributions

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

Supplementary Information
June 30, 2020

Clovis Unified School District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Indian Education - Grants to Loacal Educational Agencies	84.060	NA	$ 131,581
Federal Pell Grant Program	84.063	NA	400,526
School Climate Tranformation	84.184G	NA	562,406
Passed Through California Department of Education (CDE)			
Special Education Cluster			
Special Education Grants to States - Basic Local Assistance	84.027	13379	7,003,544
Special Education Grants to States - Mental Health	84.027	14468	484,526
Special Education Grants to States - Private School ISP	84.027	10115	5,332
Special Education Preschool Grants	84.173	13430	116,404
Special Education Preschool Grants - Alternate Dispute Resolution	84.173	13007	14,601
Special Education Preschool Grants - Preschool Staff Development	84.173	13431	2,029
Total Special Education Cluster			7,626,436
Adult Education - Basic Grants to States	84.002	14508	141,335
Adult Education - Basic Grants to States	84.002	13978	384,450
Adult Education - Basic Grants to States	84.002	14109	27,600
Subtotal			553,385
Migrant Education State Grant Program	84.011	14326	88,136

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Title I Grants to Local Educational Agencies	84.010	14329	7,187,913
ESEA: ESSA School Impovement (CSI) Funding for LEAs	84.010	15438	196,836
Supporting Effective Instruction State Grants - Teacher Quality	84.367	14341	933,591
English Language Acquisition State Grants - IEP	84.365	15146	77,928
English Language Acquisition State Grants - LEP	84.365	14346	252,491
Student Support and Academic Enrichment Program	84.424	15396	798,335
Twenty-First Century Community Learning Centers	84.287	14349	43,990
Career and Technical Education - Basic Grants to States, Secondary	84.048	14894	229,837
Career and Technical Education - Basic Grants to States, Rural Community Equipment	84.048	15295	139,899
Special Education-Grants for Infants and Families	84.181	23761	81,623
Temporary Emergency Impact Aid for Displaced Students	84.938	15432	7,969
Rehabilitation Services Vocational Rehabilitation Grants to States - Workability II	84.126	10006	156,608
Total U.S. Department of Education			19,469,490
U.S. Department of Health and Human Services Human Services			
Passed Through California Department of Education (CDE)			
Disaster Grants - Public Assistance	93.778	10013	76,613
U.S. Department of Defense			
ROTC Language and Culture Training Grants	12.357	NA	69,026

See Note to Supplementary Information

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed Through California Department of Education			
Child Nutrition Cluster			
National School Lunch Program	10.555	13391	4,911,608
School Breakfast Program - National School Breakfast	10.553	13525	34,982
National School Lunch Program - Meal Supplements	10.555	13396	117,908
School Breakfast Program - Especially Needy Breakfast	10.553	13526	2,409,902
National School Lunch Program - Summer Food Program	10.559	13004	2,434,758
National School Lunch Program - Commodity Supplemental Food	10.555	13391	1,095,487
Total Child Nutrition Cluster			11,004,645
Total U.S. Department of Agriculture			11,004,645
Total Expenditures of Federal Awards			$ 30,619,774

See Note to Supplementary Information

Organization

The Clovis Unified School District was established in 1960 and consists of an area comprising approximately 198 square miles. The District operates thirty-three elementary schools, five intermediate schools, five high schools, three alternative education schools, one adult school, the Clovis Online Charter School, and the Center for Advanced Research and Technology as a joint high school with Fresno Unified School District. There were no boundary changes during the year.

Governing Board

Member	Office	Term Expires
Christopher Casado	President	2020
Tiffany Stoker Madsen	Vice-President	2022
Susan K. Hatmaker	Clerk	2022
Steven G. Fogg	Member	2020
Ginny L. Hovsepian	Member	2020
Elizabeth Sandoval	Member	2022
Hugh Awtrey	Member	2020

Administration

Eimear O'Farrell, Ed.D.	Superintendent
Don Ulrich, Ed. D.	Deputy Superintendent
Michael Johnston	Associate Superintendent, Administrative Services
Barry Jager	Associate Superintendent, Human Resources and Employee Relations
Norm Anderson	Associate Superintendent, School Leadership
Susan Rutledge	Assistant Superintendent, Business Services
Denise Cariaga	Director of Budget & Finance

	Second Period Report	Annual Report
Clovis Unified School District		
Regular ADA		
Transitional kindergarten through third	12,756.83	12,756.83
Fourth through sixth	9,450.57	9,450.57
Seventh and eighth	6,707.59	6,707.59
Ninth through twelfth	12,527.05	12,527.05
Total regular ADA	41,442.04	41,442.04
Extended Year Special Education		
Transitional kindergarten through third	15.28	15.28
Fourth through sixth	7.89	7.89
Seventh and eighth	4.63	4.63
Ninth through twelfth	12.11	12.11
Total extended year special education	39.91	39.91
Special Education, Nonpublic, Nonsectarian Schools		
Transitional kindergarten through third	2.40	2.40
Fourth through sixth	3.85	3.85
Seventh and eighth	5.48	5.48
Ninth through twelfth	7.96	7.96
Total special education, nonpublic, nonsectarian schools	19.69	19.69
Extended Year Special Education, Nonpublic, Nonsectarian Schools		
Fourth through sixth	0.37	0.37
Seventh and eighth	0.73	0.73
Ninth through twelfth	0.34	0.34
Total extended year special education, nonpublic, nonsectarian schools	1.44	1.44
Community Day School		
Fourth through sixth	2.82	2.77
Seventh and eighth	13.74	12.85
Ninth through twelfth	40.19	37.48
Total community day school	56.75	53.10
Total ADA	41,558.39	41,554.74

See Note to Supplementary Information

	Second Period Report	Annual Report
Clovis Online Charter School		
Regular ADA, Non-Classroom Based		
Seventh and eighth	75.73	75.73
Ninth through twelfth	392.30	392.30
Total regular ADA	468.03	468.03

Clovis Unified School District
Schedule of Instructional Time
Year Ended June 30, 2020

Grade Level	1986-1987 Minutes Requirement	2019-2020 Actual Minutes	Number of Days		Status
			Traditional Calendar	Multitrack Calendar	
Kindergarten	36,000	36,045	180	N/A	Complied
Grades 1 - 3	50,400				
Grade 1		56,475	180	N/A	Complied
Grade 2		56,475	180	N/A	Complied
Grade 3		56,475	180	N/A	Complied
Grades 4 - 8	54,000				
Grade 4		56,475	180	N/A	Complied
Grade 5		56,475	180	N/A	Complied
Grade 6		56,475	180	N/A	Complied
Grade 7		62,769	180	N/A	Complied
Grade 8		62,749	180	N/A	Complied
Grades 9 - 12	64,800				
Grade 9		65,218	180	N/A	Complied
Grade 10		65,242	180	N/A	Complied
Grade 11		65,242	180	N/A	Complied
Grade 12		65,242	180	N/A	Complied

The following adjustment was made to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2020.

	Special Reserve Fund for Capital Outlay Projects
Fund Balance	
Balance, June 30, 2020, Unaudited Actuals	$ 2,939,151
Increase in	
Deposits and investments	12,528,811
Balance, June 30, 2020, Audited Financial Statements	$ 15,467,962

	(Budget) 2021 [1]	2020	2019	2018
General Fund				
Revenues	$ 468,478,047	$ 506,014,389	$ 502,764,929	$ 446,961,685
Other sources	531,000	2,584,851	3,729,339	2,875,483
Total Revenues and Other Sources	469,009,047	508,599,240	506,494,268	449,837,168
Expenditures	479,399,936	483,038,866	477,580,830	438,461,876
Other uses and transfers out	4,078,012	9,903,108	7,854,336	8,737,534
Total Expenditures and Other Uses	483,477,948	492,941,974	485,435,166	447,199,410
Increase/(Decrease) in Fund Balance	(14,468,901)	15,657,266	21,059,102	2,637,758
Ending Fund Balance	$ 116,612,978	$ 131,081,879	$ 115,424,613	$ 94,365,511
Available Reserves [2]	$ 86,410,507	$ 99,623,391	$92,721,804	$ 86,425,899
Available Reserves as a Percentage of Total Outgo	17.87%	20.21%	19.10%	19.30%
Long-Term Liabilities	Not Available	$ 1,427,129,549	$ 1,312,296,293	$ 1,261,608,097
K-12 Average Daily Attendance at P-2	41,754	41,558	41,166	41,005

The General Fund balance has increased by $36,716,368 over the past two years. The fiscal year 2020-2021 budget projects a decrease of $14,468,901 (11.0 percent). For a district this size, the State recommends available reserves of at least 3.0 percent of total General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in each of the past three years but anticipates incurring an operating deficit during the 2020-2021 fiscal year. Total long-term obligations have increased by $152,992,641 over the past two years due to the issuance of bonds for facilities additions and improvements, and increases in the District's net pension liability and other postemployment benefits obligations.

Average daily attendance has increased by 553 over the past two years. Additional growth of 196 ADA is anticipated during fiscal year 2020-2021.

[1] Budget 2020 is included for analytical purposes only and has not been subjected to audit.
[2] Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained within the General Fund.

Name of Charter School and Charter Number	Included in Audit Report
Clovis Online School (Charter School Number 1006)	Yes

Clovis Unified School District
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Charter School Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Other Debt Service Fund	Total Non-Major Governmental Funds
Assets										
Deposits and investments	$ 4,491,208	$ 3,241,956	$ 1,284,765	$ 5,796,294	$ 576,843	$ 5,586,438	$17,853,179	$ 16,104,250	$ 76,865	$ 55,011,798
Receivables	942,953	764,267	44,393	1,620,975	5,604	16,545	129,848	9,661	4,461	3,538,707
Due from other funds	657,721	76,478	-	22,769	56,450	370,552	230,090	251,849	-	1,665,909
Stores inventories	-	32,737	-	672,747	-	-	-	-	-	705,484
Total assets	$ 6,091,882	$ 4,115,438	$ 1,329,158	$ 8,112,785	$ 638,897	$ 5,973,535	$18,213,117	$ 16,365,760	$ 81,326	$ 60,921,898
Liabilities and Fund Balances										
Liabilities										
Accounts payable	$ 191,237	$ 230,980	$ 91,103	$ 646,680	$ 569,934	$ 78,076	$ 154,513	$ 897,798	$ -	$ 2,860,321
Due to other funds	22,769	-	453,750	141,106	-	1,547,106	-	-	-	2,164,731
Total liabilities	214,006	230,980	544,853	787,786	569,934	1,625,182	154,513	897,798	-	5,025,052
Fund Balances										
Nonspendable	-	36,237	-	672,746	-	-	-	-	-	708,983
Restricted	4,399	-	135,382	6,652,253	-	4,348,353	18,058,604	12,528,811	81,326	41,809,128
Committed	-	3,848,221	-	-	68,963	-	-	-	-	3,917,184
Assigned	5,873,477	-	648,923	-	-	-	-	2,939,151	-	9,461,551
Total fund balances	5,877,876	3,884,458	784,305	7,324,999	68,963	4,348,353	18,058,604	15,467,962	81,326	55,896,846
Total liabilities and fund balances	$ 6,091,882	$ 4,115,438	$ 1,329,158	$ 8,112,785	$ 638,897	$ 5,973,535	$18,213,117	$ 16,365,760	$ 81,326	$ 60,921,898

See Note to Supplementary Information

Clovis Unified School District

Combining Statement of Revenues, Expenditure, and Changes in Fund Balances – Non-Major Governmental Funds

Year Ended June 30, 2020

	Charter School Fund	Adult Education Fund	Child Development Fund	Cafeteria Fund	Deferred Maintenance Fund	Building Fund	Capital Facilities Fund	Special Reserve Fund for Capital Outlay Projects	Other Debt Service Fund	Total Non-Major Governmental Funds
Revenues										
Local Control Funding Formula	$ 4,685,649	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,685,649
Federal sources	-	1,093,809	-	11,004,645	-	-	-	-	-	12,098,454
Other State sources	151,495	2,609,999	5,210,519	766,839	-	-	-	-	-	8,738,852
Other local sources	112,663	1,500,003	6,738,760	3,038,797	24,975	509,222	18,722,696	279,446	22,370	30,948,932
Total revenues	4,949,807	5,203,811	11,949,279	14,810,281	24,975	509,222	18,722,696	279,446	22,370	56,471,887
Expenditures										
Current										
Instruction	2,790,583	2,831,485	10,878,778	-	-	-	-	-	-	16,500,846
Instruction-related activities										
Supervision of instruction	1,503	500,732	1,676,993	-	-	-	-	-	-	2,179,228
Instructional library, media, and technology	84,538	189,638	-	-	-	-	-	-	-	274,176
School site administration	538,599	1,948,498	-	-	-	-	-	-	-	2,487,097
Pupil services										
Food services	-	-	-	14,951,525	-	-	-	-	-	14,951,525
All other pupil services	613,709	331,442	159,472	-	-	-	-	-	-	1,104,623
Administration										
All other administration	151,820	109,009	635,024	686,924	-	-	-	-	-	1,582,777
Plant services	44,944	266,608	171,479	-	1,906,440	328,618	1,210,780	1,108,590	-	5,037,459
Facility acquisition and construction	-	580,521	99,865	-	2,129,435	3,515,072	2,617,133	1,353,578	-	10,295,604
Debt service										
Principal	-	-	63,000	-	-	1,535,000	-	-	-	1,598,000
Interest and other	-	-	-	-	-	191,538	-	-	-	191,538
Total expenditures	4,225,696	6,757,933	13,684,611	15,638,449	4,035,875	5,570,228	3,827,913	2,462,168	-	56,202,873
Excess (Deficiency) of Revenues Over Expenditures	724,111	(1,554,122)	(1,735,332)	(828,168)	(4,010,900)	(5,061,006)	14,894,783	(2,182,722)	22,370	269,014
Other Financing Sources (Uses)										
Transfers in	-	846,880	-	-	4,000,000	4,220,539	-	3,089,848	-	12,157,267
Other sources	-	-	315,000	-	-	-	-	12,528,811	-	12,843,811
Transfers out	-	-	(614,848)	-	-	(2,283,118)	(11,836,000)	(1,100,000)	(1,039,311)	(16,873,277)
Net Financing Sources (Uses)	-	846,880	(299,848)	-	4,000,000	1,937,421	(11,836,000)	14,518,659	(1,039,311)	8,127,801
Net Change in Fund Balances	724,111	(707,242)	(2,035,180)	(828,168)	(10,900)	(3,123,585)	3,058,783	12,335,937	(1,016,941)	8,396,815
Fund Balance - Beginning	5,153,765	4,591,700	2,819,485	8,153,167	79,863	7,471,938	14,999,821	3,132,025	1,098,267	47,500,031
Fund Balance - Ending	$ 5,877,876	$ 3,884,458	$ 784,305	$ 7,324,999	$ 68,963	$ 4,348,353	$ 18,058,604	$ 15,467,962	$ 81,326	$ 55,896,846

See Note to Supplementary Information

	Warrant/ Pass-Through Fund	Associated Student Body Funds	Total
Assets			
Cash on hand and in banks	$ 271,457	$ 2,294,123	$ 2,565,580
Accounts receivable	3,307	-	3,307
Total assets	$ 274,764	$ 2,294,123	$ 2,568,887
Liabilities			
Accounts payable	$ 118,380	$ -	$ 118,380
Due to student groups/other agencies	156,384	2,294,123	2,450,507
Total due to student groups	156,384	2,294,123	2,450,507
Total liabilities	$ 274,764	$ 2,294,123	$ 2,568,887

	High Schools	Intermediate Schools	Elementary Schools	Total
Assets				
Cash on hand and in banks	$ 1,230,390	$ 299,367	$ 764,366	$ 2,294,123
Total assets	$ 1,230,390	$ 299,367	$ 764,366	$ 2,294,123
Liabilities				
Due to student groups				
Club accounts	$ 503,649	$ 65,748	$ -	$ 569,397
General ASB accounts	726,741	233,619	764,366	1,724,726
Total due to student groups	1,230,390	299,367	764,366	2,294,123
Total liabilities	$ 1,230,390	$ 299,367	$ 764,366	$ 2,294,123

Clovis Unified School District

Combining Statement of Changes in Assets and Liabilities for High School and Intermediate School Student Body Funds – Agency Funds

Year Ended June 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
High Schools				
Assets				
Cash on hand and in banks	$ 1,307,522	$ 3,373,588	$ (3,450,720)	$ 1,230,390
Liabilities				
Due to student groups				
Club accounts	$ 626,103	$ 725,521	$ (847,975)	$ 503,649
General ASB accounts	681,419	2,648,067	(2,602,745)	726,741
Total due to student groups	$ 1,307,522	$ 3,373,588	$ (3,450,720)	$ 1,230,390
Intermediate Schools				
Assets				
Cash on hand and in banks	$ 308,276	$ 563,432	$ (572,341)	$ 299,367
Liabilities				
Due to student groups				
Club accounts	$ 84,443	$ 152,616	$ (171,311)	$ 65,748
General ASB accounts	223,833	410,816	(401,030)	233,619
Total due to student groups	$ 308,276	$ 563,432	$ (572,341)	$ 299,367
Totals				
Assets				
Cash on hand and in banks	$ 1,615,798	$ 3,937,020	$ (4,023,061)	$ 1,529,757
Liabilities				
Due to student groups				
Club accounts	$ 710,546	$ 878,137	$ (1,019,286)	$ 569,397
General ASB accounts	905,252	3,058,883	(3,003,775)	960,360
Total due to student groups	$ 1,615,798	$ 3,937,020	$ (4,023,061)	$ 1,529,757

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Buchanan High School				
Assets				
Cash on hand and in banks	$ 250,393	$ 631,366	$ (656,218)	$ 225,541
Liabilities				
Due to student groups				
Club accounts	$ 108,269	$ 63,876	$ (96,720)	$ 75,425
General ASB accounts	142,124	567,490	(559,498)	150,116
Total due to student groups	$ 250,393	$ 631,366	$ (656,218)	$ 225,541
Clovis High School				
Assets				
Cash on hand and in banks	$ 335,902	$ 728,945	$ (645,584)	$ 419,263
Liabilities				
Due to student groups				
Club accounts	$ 165,257	$ 137,748	$ (133,711)	$ 169,294
General ASB accounts	170,645	591,197	(511,873)	249,969
Total due to student groups	$ 335,902	$ 728,945	$ (645,584)	$ 419,263
Clovis East High School				
Assets				
Cash on hand and in banks	$ 205,473	$ 418,594	$ (414,026)	$ 210,041
Liabilities				
Due to student groups				
Club accounts	$ 95,290	$ 128,157	$ (120,031)	$ 103,416
General ASB accounts	110,183	290,437	(293,995)	106,625
Total due to student groups	$ 205,473	$ 418,594	$ (414,026)	$ 210,041

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Clovis North High School				
Assets				
Cash on hand and in banks	$ 395,807	$ 1,152,657	$ (1,248,798)	$ 299,666
Liabilities				
Due to student groups				
Club accounts	$ 130,019	$ 320,900	$ (373,290)	$ 77,629
General ASB accounts	265,788	831,757	(875,508)	222,037
Total due to student groups	$ 395,807	$ 1,152,657	$ (1,248,798)	$ 299,666
Clovis West High School				
Assets				
Cash on hand and in banks	$ 98,849	$ 438,977	$ (481,402)	$ 56,424
Liabilities				
Due to student groups				
Club accounts	$ 127,268	$ 74,840	$ (124,223)	$ 77,885
General ASB accounts	(28,419)	364,137	(357,179)	(21,461)
Total due to student groups	$ 98,849	$ 438,977	$ (481,402)	$ 56,424
Gateway Continuation School				
Assets				
Cash on hand and in banks	$ 21,098	$ 3,049	$ (4,692)	$ 19,455
Liabilities				
Due to student groups				
General ASB accounts	$ 21,098	$ 3,049	$ (4,692)	$ 19,455
Totals				
Assets				
Cash on hand and in banks	$ 1,307,522	$ 3,373,588	$ (3,450,720)	$ 1,230,390
Liabilities				
Due to student groups				
Club accounts	$ 626,103	$ 725,521	$ (847,975)	$ 503,649
General ASB accounts	681,419	2,648,067	(2,602,745)	726,741
Total due to student groups	$ 1,307,522	$ 3,373,588	$ (3,450,720)	$ 1,230,390

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Alta Sierra Intermediate School				
Assets				
Cash on hand and in banks	$ 94,972	$ 155,947	$ (139,748)	$ 111,171
Liabilities				
Due to student groups				
Club accounts	$ 19,560	$ 7,359	$ (7,271)	$ 19,648
General ASB accounts	75,412	148,588	(132,477)	91,523
Total due to student groups	$ 94,972	$ 155,947	$ (139,748)	$ 111,171
C. Todd Clark Intermediate School				
Assets				
Cash on hand and in banks	$ 39,382	$ 135,646	$ (154,761)	$ 20,267
Liabilities				
Due to student groups				
Club accounts	$ 3,649	$ 51,162	$ (59,405)	$ (4,594)
General ASB accounts	35,733	84,484	(95,356)	24,861
Total due to student groups	$ 39,382	$ 135,646	$ (154,761)	$ 20,267
Kastner Intermediate School				
Assets				
Cash on hand and in banks	$ 100,255	$ 153,869	$ (161,148)	$ 92,976
Liabilities				
Due to student groups				
Club accounts	$ 41,101	$ 89,600	$ (99,612)	$ 31,089
General ASB accounts	59,154	64,269	(61,536)	61,887
Total due to student groups	$ 100,255	$ 153,869	$ (161,148)	$ 92,976

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Reyburn Intermediate School				
Assets				
Cash on hand and in banks	$ 73,667	$ 117,970	$ (116,684)	$ 74,953
Liabilities				
Due to student groups				
Club accounts	$ 20,133	$ 4,495	$ (5,023)	$ 19,605
General ASB accounts	53,534	113,475	(111,661)	55,348
Total due to student groups	$ 73,667	$ 117,970	$ (116,684)	$ 74,953
Totals				
Assets				
Cash on hand and in banks	$ 308,276	$ 563,432	$ (572,341)	$ 299,367
Liabilities				
Due to student groups				
Club accounts	$ 84,443	$ 152,616	$ (171,311)	$ 65,748
General ASB accounts	223,833	410,816	(401,030)	233,619
Total due to student groups	$ 308,276	$ 563,432	$ (572,341)	$ 299,367

Elementary School	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Boris	$ 2,562	$ 55,796	$ (46,348)	$ 12,010
Bud Rank	6,297	106,055	(99,956)	12,396
Cedarwood	10,997	88,837	(74,407)	25,427
Century	14,973	80,706	(83,753)	11,926
Clovis Elementary	22,974	86,884	(88,890)	20,968
Cole	19,661	80,704	(73,123)	27,242
Copper Hills	12,009	96,562	(98,359)	10,212
Dry Creek	6,986	141,355	(110,446)	37,895
Fancher Creek	27,026	76,363	(76,606)	26,783
Fort Washington	8,331	59,578	(53,465)	14,444
Freedom	29,351	94,872	(98,309)	25,914
Fugman	77,706	123,059	(132,265)	68,500
Garfield	14,792	123,876	(114,879)	23,789
Gettysburg	35,096	91,334	(68,152)	58,278
Jefferson	16,447	64,026	(64,994)	15,479
Liberty	15,452	61,298	(58,573)	18,177
Lincoln	12,215	47,238	(55,746)	3,707
Maple Creek	17,385	55,494	(61,256)	11,623
Mickey Cox	16,788	82,483	(78,735)	20,536
Miramonte	14,672	64,205	(59,500)	19,377
Mountain View	29,079	80,658	(86,851)	22,886
Nelson	10,244	74,859	(73,667)	11,436
Oraze	50,032	65,311	(65,058)	50,285
Pinedale	3,944	30,015	(32,417)	1,542
Reagan	11,700	73,856	(53,249)	32,307
Red Bank	58,967	111,128	(103,947)	66,148
Riverview	45,339	77,500	(102,770)	20,069
Sierra Vista	5,488	32,245	(31,868)	5,865
Tarpey	9,360	64,338	(65,965)	7,733
Temperance-Kutner	30,733	50,280	(53,849)	27,164
Valley Oak	10,980	57,791	(48,049)	20,722
Weldon	11,543	90,571	(86,589)	15,525
Woods	21,332	103,761	(107,092)	18,001
Total	$ 680,461	$ 2,593,038	$ (2,509,133)	$ 764,366

Note 1 - Purpose of Schedules

Schedule of Expenditures of Federal Awards (SEFA)

Basis of Presentation
The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Clovis Unified School District (the District) under programs of the federal government for the year ended June 30, 2020. The information is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the Clovis Unified School District, it is not intended to and does not present the financial position or changes in net position or fund balances of the District.

Summary of Significant Accounting Policies
Expenditures reported in the schedule are reported on the *modified accrual* basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate
The District does not draw for indirect administrative expenses and has not elected to use the ten percent de minimus cost rate.

Food Donation
Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. For the fiscal year ended June 30, 2020, the District had used $1,095,487 in food commodities.

Local Education Agency Organization Structure

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

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of *Education Code* Sections 46200 through 46206.

Districts must maintain their instructional minutes at the 1986-1987 requirements as required by *Education Code* Section 46201.

Due to school closures caused by COVID-19, the District filed the COVID-19 School Closure Certification certifying that schools were closed for 53 days due to the pandemic. As a result, the District received credit for these 53 days in meeting the annual instructional days requirement. In addition, planned minutes covered by the COVID-19 School Certification were included in the Actual Minutes column but were not actually offered due to the COVID-19 school closure.

Reconciliation of Annual Financial and Budget Report With Audited Financial Statements

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

Schedule of Financial Trends and Analysis

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

Schedule of Charter Schools

This schedule lists all Charter Schools chartered by the District, and displays information for each Charter School on whether or not the Charter School is included in the District audit.

Non-Major Governmental Funds - Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

The Non-Major Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances is included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Agency Funds - Combining Balance Sheet and Statement of Changes in Assets and Liabilities

For each school site with an Associated Student Body (ASB), this schedule discloses the school site's individual ASB account balance. The total reported reconciles to the amount reported on the Fiduciary Funds - Statement of Net Position.

Independent Auditor's Reports
June 30, 2020

Clovis Unified School District

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Governing Board
Clovis Unified School District
Clovis, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clovis Unified School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Clovis Unified School District's basic financial statements and have issued our report thereon dated January 17, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clovis Unified School District's internal control over financial reporting (internal control) as a basis for designing 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 Clovis Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Clovis Unified School 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clovis Unified School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs .The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Fresno, California
January 17, 2021

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Governing Board
Clovis Unified School District
Clovis, California

Report on Compliance for Each Major Federal Program

We have audited Clovis Unified School 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 Clovis Unified School District's major federal programs for the year ended June 30, 2020. Clovis Unified School 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 Clovis Unified School 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 Clovis Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program
In our opinion, Clovis Unified School District's 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, 2020.

Report on Internal Control over Compliance
Management of Clovis Unified School 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 Clovis Unified School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Clovis Unified School 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 a 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Ede Sally LLP

Fresno, California
January 17, 2021

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on State Compliance

To the Governing Board
Clovis Unified School District
Clovis, California

Report on State Compliance
We have audited Clovis Unified School District's (the District) compliance with the types of compliance requirements described in the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting,* applicable to the state laws and regulations listed in the table below for the year ended June 30, 2020.

Management's Responsibility
Management is responsible for compliance with the state laws and regulations as identified in the table below.

Auditor's Responsibility
Our responsibility is to express an opinion on the District's compliance with state laws and regulations based on our audit of the types of compliance requirements referred to below. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements listed below has occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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Compliance Requirements Tested

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

	Procedures Performed
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	No (see below)
Continuation Education	Yes
Instructional Time	Yes
Instructional Materials	Yes
Ratios of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	No (see below)
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No (see below)
Middle or Early College High Schools	No (see below)
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	No (see below)
Comprehensive School Safety Plan	Yes
District of Choice	No (see below)
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program:	
General Requirements	Yes
After School	Yes
Before School	No (see below)
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control Accountability Plan	Yes
Independent Study - Course Based	No (see below)
CHARTER SCHOOLS	
Attendance	Yes
Mode of Instruction	No (see below)
Nonclassroom-Based Instruction/Independent Study for Charter Schools	Yes
Determination of Funding for Nonclassroom-Based Instruction	Yes
Annual Instruction Minutes Classroom-Based	No (see below)
Charter School Facility Grant Program	No (see below)

We did not perform procedures for Independent Study because the independent study ADA was under the level that requires testing.

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

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

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

We did not perform Apprenticeship: Related and Supplemental Instruction procedures because the program is not offered by the District.

We did not perform District of Choice procedures because the program is not offered by the District.

The District does not offer a Before School Education and Safety Program; therefore, we did not perform procedures related to the Before School Education and Safety Program.

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

We did not perform procedures for the Charter Schools Mode of Instruction nor Annual Instruction Minutes Classroom-Based because the District's charter school is entirely nonclassroom-based.

Additionally, we did not perform procedures for the Charter School Facility Grant Program because the District did not receive funding for this program.

Unmodified Opinion
In our opinion, Clovis Unified School District complied with the laws and regulations of the state programs referred to above for the year ended June 30, 2020.

The purpose of this report on state compliance is solely to describe the results of our testing based on the requirements of the *2019-2020 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Fresno, California
January 17, 2021

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

Name of Federal Program or Cluster	CFDA Number
Special Education Cluster	84.027, 84.173

Dollar threshold used to distinguish between type A and type B programs:	$ 918,593
Auditee qualified as low-risk auditee?	Yes

STATE COMPLIANCE

Type of auditor's report issued on compliance for programs:	Unmodified

The following finding represents a significant deficiency related to the financial statements that is required to be reported in accordance with Government Auditing Standards. The finding has been coded as follows:

Five Digit Code	AB 3627 Finding Type
30000	Internal Control

2020-001 30000

Internal Control Over Financial Reporting

Criteria

School districts are responsible for maintaining accurate financial statement information including properly recording and reporting all financial transactions and balances.

Condition

We discovered the balance of cash proceeds were not recorded within the District's general ledger and therefore, not uploaded into their final Unaudited Actuals reporting package as of June 30, 2020. The cash balance and related transaction for the proceeds from the lease agreement related to Certificates of Participation issued by the Central Valley Support Services JPA amounted to $12,528,811.

Effect

The amounts were material and an audit adjustment was necessary both at the fund reporting level as well as additional full accrual conversion entries for the entity wide financial statements.

Cause

These types of adjustments are extremely rare for the District. A few factors contributed to the oversight. The proceeds from this transaction were not expected to be deposited with the fiscal agent until July 2020, not June 30, 2020 at which date they posted to the accounts. Additionally, the COVID-19 pandemic had the business office almost entirely working in a completely or partially remote environment; that, coupled with additional responsibilities and issues requiring attention regarding COVID-19 grants and the distance learning coordination and planning we feel led to the oversight.

This finding is not a repeat of or related to a finding in the previous year.

Recommendation

The District should always validate, especially in late fiscal year transactions, the ending June 30, balance of all District related accounts especially those held by fiscal agents as those accounts are typically quite large and active.

Corrective Action Plan

The COVID-19 pandemic had the business office almost entirely working in a remote environment, coupled with additional responsibilities and issues requiring attention related to COVID-19 led to this oversight. The District will be more diligent in the future to ensure all debt is appropriately recorded to the general ledger.

None reported.

None reported.

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

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APPENDIX C

ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF CLOVIS AND FRESNO COUNTY

*The following information concerning the City of Clovis (the "**City**") and Fresno County (the "**County**") is included only for the purpose of supplying general information regarding the area of the District. The Certificates are not a debt of the City, the County, the State of California (the "**State**") or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.*

The historical data and results presented in the tables that follow may differ materially from future results as a result of economic or other factors. For more information on the impact of the COVID-19 pandemic, see "SECURITY FOR THE CERTIFICATES – Disclosure Relating to COVID-19" herein. See also references to COVID-19 in the section entitled "PROPERTY TAXATION", and in APPENDIX A under the heading "DISTRICT GENERAL INFORMATION" and "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS."

General

City of Clovis. The City encompasses 15.58 square miles located in the northeastern corner of the Fresno/Clovis metropolitan area, adjacent to the City of Fresno and approximately ten miles northeast of downtown Fresno. For many years Clovis was a suburban growth area for the City of Fresno, having very little in the way of any independent economic base. However, in recent years the pace of development in both retail sales and light manufacturing has proceeded proportionately faster than the City's already substantial residential development. Clovis is the most rapidly growing city in the County.

The County. The County is California's fifth largest county, covering approximately 6,000 square miles. It is located in the geographic center of the State and is the nation's leading crop-producing county.

Within the County, there are roughly four different agricultural areas. East and south of the City of Fresno, grapes and other fruit and nut crops are grown, harvested and processed for shipment; west of the City of Fresno is the largest melon-producing area, which lies within the Mendota Unified School District. Also to the west, large crops of cotton, alfalfa, barley, rice, wheat and vegetables are produced. In the southwest are oil wells, and extensive cattle and sheep ranches.

The County is the trade, financial and commercial center for many surrounding counties in Central California and is a hub of transportation facilities connecting Central California to all parts of the country. Two major north-south highways, State Highway 99 and Interstate Highway 5, pass through the County. State Highways 180 and 145 run east and west. Railroads, major airlines, bus lines and numerous trucking companies also serve the area.

Population

The most recent estimate of the County's population at January 1, 2021 was 1,026,681 persons according to the State Department of Finance. The City, with an estimated population of 121,834 persons at January 1, 2021, is the second largest city in the County. The table below shows population estimates for the cities in the County for the last five years, as of January 1.

FRESNO COUNTY
Population Estimates for Cities Within the County
Calendar Years 2017 through 2021
(As of January 1st)

	2017	2018	2019	2020	2021
Clovis	**110,144**	**113,300**	**116,291**	**118,741**	**121,834**
Coalinga	16,805	16,527	16,946	17,177	16,748
Firebaugh	7,866	7,947	8,025	8,035	8,126
Fowler	6,097	6,161	6,215	6,436	6,601
Fresno	530,523	535,313	540,180	543,451	546,770
Huron	7,262	7,286	7,302	7,297	7,404
Kerman	14,957	15,318	15,735	15,922	16,118
Kingsburg	12,187	12,400	12,545	12,879	13,084
Mendota	11,743	12,134	12,191	12,424	12,448
Orange Cove	9,486	9,555	9,575	9,562	9,581
Parlier	15,370	15,407	15,587	15,797	15,828
Reedley	25,579	25,887	25,950	25,974	26,087
Sanger	26,116	26,428	26,994	27,157	27,353
San Joaquin	4,097	4,122	4,139	4,137	4,145
Selma	24,302	24,337	24,394	24,405	24,487
Balance of County	170,417	170,890	170,938	170,898	170,067
Total	**992,951**	**1,003,012**	**1,013,007**	**1,020,292**	**1,026,681**

Source: State Department of Finance, Demographic Research.

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Employment and Industry

The District is included in the Fresno Metropolitan Statistical Area ("**MSA**"). The unemployment rate in the Fresno MSA was 9.3% in July 2021, down from a revised 9.5% in June 2021, and below the year-ago estimate of 13.0%. This compares with an unadjusted unemployment rate of 7.9% for California and 5.7% for the nation during the same period.

The table below provides information about employment by industry type for Fresno County for calendar years 2016 through 2020.

FRESNO COUNTY
Civilian Labor Force, Employment and Unemployment, Unemployment by Industry
(Annual Averages)

	2016	2017	2018	2019	2020
Civilian Labor Force [1]	444,700	444,800	446,300	450,500	445,500
Employment	402,400	406,500	412,300	417,300	395,300
Unemployment	42,400	38,200	33,900	33,200	50,300
Unemployment Rate	9.5%	8.6%	7.6%	7.4%	11.3%
Wage and Salary Employment: [2]					
Agriculture	46,900	46,100	44,200	44,100	41,100
Mining and Logging	300	300	300	300	300
Construction	16,000	17,400	18,700	19,000	18,600
Manufacturing	25,200	25,600	25,900	26,200	25,800
Wholesale Trade	14,000	14,100	14,400	14,700	14,500
Retail Trade	38,800	38,900	39,100	38,700	37,100
Trans., Warehousing, Utilities	13,200	14,100	15,400	16,600	18,400
Information	3,800	3,600	3,600	3,400	3,000
Financial and Insurance	8,700	9,000	9,200	9,300	8,800
Professional and Business Services	32,400	31,100	32,500	34,600	33,800
Educational and Health Services	63,900	67,200	69,300	72,500	72,000
Leisure and Hospitality	32,800	33,800	34,500	35,700	28,600
Other Services	11,700	11,800	11,900	12,100	11,000
Federal Government	9,800	9,800	10,000	10,100	10,800
State Government	12,100	12,400	12,600	12,800	12,500
Local Government	49,000	50,400	51,900	52,300	49,100
Total All Industries [3]	383,300	390,200	398,300	407,500	390,000

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Calculations may not foot due to rounding.
Source: State of California Employment Development Department.

Principal Employers

The following table shows the principal employers in the City as of June 30, 2020.

CITY OF CLOVIS
Principal Employers

Employer Name	Number of Employees
Clovis Unified School District	5,263
Clovis Community Hospital	1,994
Alorica	720
City of Clovis	671
Wal-Mart	620
Wawona Frozen Foods	540
Anlin Frozen Foods	400
Costco	354
Target	325
Savemart	234

Source: City of Clovis Comprehensive Annual Financial Report for fiscal year ended June 30, 2020.

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The following table shows the major employers in the County as of August 2021, in alphabetical order without regard to the number of employees.

FRESNO COUNTY
Major Employers
(Listed Alphabetically)

Employer Name	Location	Industry
Aetna	Fresno	Insurance
Air National Guard	Fresno	Veterans' & Military Organizations
California State Univ Fresno	Fresno	Schools-Universities & Colleges Academic
California Teaching Fellows	Fresno	Employment Service-Govt Co Fraternal
Cargill	Fresno	Meat Packers (mfrs)
Community Medical Ctr	Fresno	Hospitals
Community Regional Medical Ctr	Fresno	Hospitals
Foster Farms	Fresno	Poultry Farms
Fresno County Sheriff's Dept	Fresno	Police Departments
Fresno Police Dept	Fresno	Police Departments
Fresno VA Hospital Medical Ctr	Fresno	Government-Specialty Hosp Ex Psychiatric
Kaiser Permanente Fresno Med	Fresno	Hospitals
Lion Dehydrators	Selma	Dehydrating Service (mfrs)
Pelco Inc	Fresno	Security Control Equip & Systems-Mfrs
Phebe Conley Art Gallery	Fresno	Art Galleries & Dealers
Pitman Family Farms	Sanger	Farms
Pleasant Valley State Prison	Coalinga	Government Offices-State
St Agnes Medical Ctr	Fresno	Medical Centers
St Agnes Medical Ctr	Fresno	Hospitals
Stamoules Produce Co	Mendota	Fruits & Vegetables & Produce-Retail
State Center Community College	Fresno	Junior-Community College-Tech Institutes
Sun Maid Growers	Kingsburg	Maid & Butler Service
Table Mountain Casino	Friant	Casinos
Via West Insurance	Fresno	Insurance
Wawona Frozen Foods Inc	Clovis	Frozen Food Processors (mfrs)

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2021 1st Edition.

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Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the median household effective buying income for the City, the County, the State and the United States for the period 2017 through 2021.

FRESNO COUNTY
Median Household Effective Buying Income
2017 through 2021

	2017	2018	2019	2020	2021
City of Clovis	$55,465	$60,560	$63,931	$66,937	$66,067
County of Fresno	41,237	44,641	46,028	48,980	48,681
California	55,681	59,646	62,637	65,870	67,956
United States	48,043	50,735	52,841	55,303	56,790

Source: The Nielsen Company (US), Inc for years 2017 and 2018; Claritas, LLC for 2019 through 2021.

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Commercial Activity

Summaries of historic taxable sales within the City and the County during the past five years in which data are available are shown in the following tables.

Total taxable sales reported during the first quarter of calendar year 2021 in the City were $529,028,199, a 16.44% increase over the total taxable sales of $454,332,390 reported during the first quarter of calendar year 2020.

CITY OF CLOVIS
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2016	1,658	$1,555,633	2,485	$1,757,621
2017	1,657	1,608,230	2,513	1,815,989
2018	1,663	1,713,859	2,573	1,936,041
2019	1,700	1,764,679	2,665	2,005,233
2020	1,876	1,791,048	2,955	2,055,311

Source: State Department of Tax and Fee Administration.

Total taxable sales reported during the first quarter of calendar year 2021 in the County were $4,898,795,364, a 31.28% increase over the total taxable sales of $3,731,573,730 reported during the first quarter of calendar year 2020.

FRESNO COUNTY
Annual Taxable Transactions
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2016	13,128	$9,567,618	20,530	$10,073,246
2017	13,166	9,943,017	20,655	14,631,309
2018	13,041	10,566,360	21,036	15,386,256
2019	13,516	11,073,207	22,082	16,179,870
2020	14,811	11,557,538	24,307	16,930,267

Source: State Department of Tax and Fee Administration.

Construction Activity

Provided below are the building permits and valuations for the City and County for calendar years 2016 through 2020.

CITY OF CLOVIS
Total Building Permit Valuations
(Valuations in Thousands)
Calendar Years 2016 through 2020

	2016	2017	2018	2019	2020
Permit Valuation					
New Single-family	$294,670.8	$210,100.5	$255,316.8	$237,203.6	$338,489.4
New Multi-family	0.0	26,027.8	13,758.5	35,488.0	7,048.9
Res. Alterations/Additions	1,790.2	2,551.2	2,468.9	5,629.9	3,082.9
Total Residential	$296,461.0	$238,679.5	$271,544.2	$278,321.5	$348,621.2
New Commercial	$20,226.1	$25,789.9	$8,123.8	$120,489.4	$23,034.5
New Industrial	0.0	1,315.5	1,121.9	0.0	1,611.3
New Other	24,218.8	12,488.8	28,436.3	16,006.9	24,934.5
Com. Alterations/Additions	9,096.1	14,682.5	21,008.8	16,464.5	17,289.7
Total Nonresidential	$53,541.0	$54,276.7	$58,690.8	$152,960.8	$66,870.0
New Dwelling Units					
Single Family	1,086	768	896	821	1,087
Multiple Family	0	210	104	302	64
TOTAL	1,086	978	1,000	1,123	1,151

Source: Construction Industry Research Board, Building Permit Summary.

FRESNO COUNTY
Total Building Permit Valuations
(Valuations in Thousands)
Calendar Years 2016 through 2020

	2016	2017	2018	2019	2020
Permit Valuation					
New Single-family	$689,016.6	$512,951.0	$703,307.1	$770,423.8	$769,338.0
New Multi-family	52,363.2	131,175.3	67,589.9	87,818.1	183,382.3
Res. Alterations/Additions	30,648.8	29,478.7	47,115.5	41,033.6	30,839.5
Total Residential	$772,028.6	$673,605.0	$818,012.5	$899,275.5	$983,559.8
New Commercial	$184,408.2	$201,676.5	$139,662.0	$273,781.9	$256,617.3
New Industrial	14,895.8	14,087.9	37,564.8	7,105.1	9,965.7
New Other	147,642.2	68,383.0	90,451.9	54,746.2	100,674.4
Com. Alterations/Additions	80,745.4	69,202.2	229,373.0	163,703.6	210,055.6
Total Nonresidential	$427,691.6	$353,349.6	$497,051.7	$499,336.8	$577,313.0
New Dwelling Units					
Single Family	2,559	1,886	2,560	2,732	2,747
Multiple Family	339	1,135	290	689	653
TOTAL	2,898	3,021	2,850	3,421	3,400

Source: Construction Industry Research Board, Building Permit Summary.

Transportation

Two major railroads, a modern system of highways and a growing airport complex have contributed to the industrial, commercial and residential growth of the County. Burlington Northern Santa Fe and Union Pacific provide main line rail freight service to the area. Amtrak has passenger service daily. Fresno Yosemite International Airport in the City of Fresno provides regularly scheduled passenger and freight service to major metropolitan centers in the nation. Fresno-Chandler Executive Airport, also in the City of Fresno, can accommodate approximately 297 general aircraft with approximately 231 currently based at the facility.

State Highway 99 is a north-south artery that passes through the heart of the County and the San Joaquin Valley, connecting many of the Valley's major cities. Interstate Highway 5 runs in a north-south direction through the western part of the County and the San Joaquin Valley. Both State Highway 99 and Interstate Highway 5 are major north-south routes between Los Angeles, San Francisco and Sacramento. State Routes 41,168 and 180 serve the Fresno metropolitan area and connect it to the eastern and western parts of the County. The deepwater Port of Stockton is located 122 miles north of Fresno on Interstate Highway 5.

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APPENDIX D

FORM OF LEGAL OPINION

[Letterhead of Jones Hall, A Professional Law Corporation]

November 16, 2021

Board of Trustees
Clovis Unified School District
1450 Herndon Avenue
Clovis, California 93611

OPINION: $102,535,000 2021 Certificates of Participation (Federally Taxable) Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the Central Unified School District, California as the Rental for Certain Property Under a Lease Agreement with the Central Valley Support Services Joint Powers Agency

Members of the Board of Trustees:

We have acted as special counsel in connection with the delivery by the Clovis Unified School District (the "District") of a Lease Agreement dated as of November 1, 2021 (the "Lease Agreement"), between the Central Valley Support Services Joint Powers Agency, a joint powers agency organized and existing under the laws of the State of California (the "Agency") as lessor and the District as lessee. Under a Trust Agreement dated as of November 1, 2021 (the "Trust Agreement"), among the District, the Agency and U.S. Bank National Association, as trustee (the "Trustee"), the Trustee has executed and delivered 2021 Certificates of Participation (Federally Taxable) in the aggregate principal amount of $102,535,000 (the "Certificates") evidencing the direct, undivided fractional interests of the owners thereof in lease payments to be made by the District under the Lease Agreement (the "Lease Payments"), which have been assigned by the Agency to the Trustee under an Assignment Agreement dated as of November 1, 2021 (the "Assignment Agreement") between the Agency and the Trustee.

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the District contained in the Lease Agreement and the Trust Agreement, and in certified proceedings, opinions and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is a unified district duly organized and validly existing under the Constitution and laws of the State of California with the full power to enter into the Lease Agreement and the Trust Agreement and to perform the agreements on its part contained therein.

2. The Lease Agreement and the Trust Agreement have been duly approved by the District and constitute valid and binding obligations of the District enforceable against the District in accordance with their respective terms.

3. The Certificates have been validly executed and delivered by the Trustee under the Trust Agreement and, by virtue of the assignment made under the Assignment Agreement, the owners of the Certificates are entitled to the benefits of the Lease Agreement.

4. The portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest with respect to obligations such as the Certificates. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of delivery of the Lease Agreement.

5. The portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Lease Agreement or the Certificates.

The rights of the owners of the Certificates and the enforceability of the Lease Agreement and the Trust Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

Jones Hall,
A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$102,535,000
2021 CERTIFICATES OF PARTICIPATION
Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the
CLOVIS UNIFIED SCHOOL DISTRICT
to Central Valley Support Services Joint Powers Agency
(Federally Taxable)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "**Disclosure Certificate**") is dated November 16, 2021 and is executed and delivered by the Clovis Unified School District (the "**District**") in connection with the execution and delivery of the above-captioned captioned certificates of participation (the "**Certificates**"). The Certificates are being executed and delivered pursuant to a Trust Agreement, dated as of November 1, 2021 (the "**Trust Agreement**"), among the District, the Central Valley Support Services Joint Powers Agency and U.S. Bank National Association as trustee for the Certificates (the "**Trustee**").

The District hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Certificates and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

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

"*Annual Report*" means any Annual Report provided by the District under and as described in Sections 3 and 4.

"*Annual Report Date*" means the date not later than nine months after the end of each fiscal year of the District (currently ending June 30th), or March 31.

"*Dissemination Agent*" means Keygent LLC, any third-party dissemination appointed by the District, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"*Listed Events*" means any of the events listed in Section 5(a).

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"*Official Statement*" means the final official statement executed by the District in connection with the issuance of the Certificates.

"*Participating Underwriter*" means Stifel, Nicolaus & Company, Incorporated, the original underwriter of the Certificates required to comply with the Rule in connection with offering of the Certificates.

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

"*Trustee*" means U.S. Bank National Association, or any successor thereto.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing not later than March 31, 2022 with the report for the 2020-21 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) notice in a timely manner to the MSRB, in an electronic format as prescribed by the MSRB, with a copy to the Trustee and Participating Underwriter.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

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

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

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

(b) To the extent not contained in the audited financial statements filed on or before the Annual Report Date, the following information shall be included in the Annual Report:

(i) the District's most recently adopted budget, or interim report showing budgeted figures, which is available at the time of filing the Annual Report;

(ii) average daily attendance in the District on an aggregate basis for the most recently completed fiscal year;

(iii) pension plan contributions of the District for the most recently completed fiscal year;

(iv) a summary of the outstanding principal amounts of short-term borrowings, lease obligations and other long-term borrowings of the District for the most recently completed fiscal year;

(v) assessed valuation of taxable properties in the District for the then-current fiscal year;

(vi) assessed valuation of properties of the top twenty taxpayers in the District for the then-current fiscal year;

(vii) if the District is no longer a participant in the County of Fresno's Teeter Plan, property tax collection delinquencies for the District for the most recently available fiscal year,

(viii) such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the District shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and

Exchange Commission. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Certificates:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modifications to rights of security holders, if material.

(8) Certificate calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the District.

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

(14) Appointment of a successor or additional Trustee or the change of name of a Trustee, if material.

(15) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material.

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

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, the notice of Listed Event described in subsection (a)(8) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Certificates under the Indenture.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a certificate call), (a)(10), (a)(13), (a)(14) , and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Lease Payments relating to the Certificates. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If such termination occurs prior to the final maturity of the Certificates, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor

Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the District and the Trustee.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Certificates, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Certificates in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Certificates.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that

which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Certificates 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 Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Certificate holders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Certificates.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Date: November 16, 2021

CLOVIS UNIFIED SCHOOL DISTRICT

By: _____
Name: Susan Rutledge
Title: Assistant Superintendent, Business Services

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APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Certificates, payment of principal, interest and other payments on the Certificates to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Certificates and other related transactions between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Certificates, (b) Certificates representing ownership interest in or other confirmation or ownership interest in the Certificates, or (c) prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Certificates, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC") will act as securities depository for the securities (in this Appendix, the "Certificates"). The Certificates 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 Certificate will be issued for each maturity of each series of the Certificates, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding

company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates 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 Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Certificates, such as prepayments, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Prepayment notices will be sent to DTC. If less than all of the Certificates within an issue are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be prepaid.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Certificates unless authorized by a Direct Participant in accordance with DTC's

MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Prepayment proceeds, distributions, and interest payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of prepayment proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

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APPENDIX G

FRESNO COUNTY INVESTMENT POLICY AND INVESTMENT REPORT

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Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector

County of Fresno Treasury Investment Pool

INVESTMENT POLICY

Established: 1984

Current Revision: November 17, 2020

(559) 600-3496
Room 105
Hall of Records
2281 Tulare Street
Fresno, California 93721

COUNTY OF FRESNO
AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR
TREASURY INVESTMENT POOL

INVESTMENT POLICY

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COUNTY OF FRESNO
AUDITOR-CONTROLLER/TREASURER-TAX COLLECTOR
TREASURY INVESTMENT POOL

INVESTMENT POLICY

1.0 Purpose

The Auditor-Controller/Treasurer-Tax Collector's policy is to invest public funds in a manner that will provide a market average rate of return consistent with the objectives included in this Investment Policy while meeting the daily cash flow demands of the County Treasury, and conform to all applicable state laws governing the investment of public funds.

Investments differing from this policy shall be made only in circumstances where market timing or economic trends indicate such investments are beneficial. Such investments must comply with all applicable laws and may only be made with written approval by the Auditor-Controller/Treasurer-Tax Collector.

This Investment Policy is established under Government Code sections 27133 and 53646.

2.0 Scope

This Investment Policy applies to all financial assets deposited and retained in the County of Fresno Treasury Investment Pool.

3.0 Objective

The primary objectives, in priority order, of the County of Fresno's investment activities shall be the following:

3.1 Safety. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. Investments should be made in securities of high quality to avoid credit risk and loss of principal.

3.2 Liquidity. The investment portfolio should remain sufficiently liquid to enable the Treasury Investment Pool to meet all its operating requirements which might be reasonably anticipated.

3.3 Return on Investment. The investment portfolio shall be designed with the objective of attaining the highest interest revenue, taking into consideration the objectives of this Investment Policy and the cash flow characteristics of the portfolio.

3.4 Local Community Reinvestment. When it is in the best interest of the investment portfolio, and within the confines of other objectives enumerated in this Investment Policy, the Auditor-Controller/Treasurer-Tax Collector may give preference to local investment opportunities.

4.0 Delegation of Authority

The authority of the Board of Supervisors to delegate management responsibility for the County of Fresno Treasury Investment Pool is derived from GC 53607. Investment authority, in accordance with this provision, has been delegated to the Auditor-Controller/Treasurer-Tax Collector. The original delegation is in the Ordinance Code of the County of Fresno Section 2.20.080 and is subject to annual renewal by the Board of Supervisors. The Auditor-Controller/Treasurer-Tax Collector shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions (GC 53607).

No person may engage in an investment transaction for the Treasury Investment Pool except as provided under the terms of this policy and the procedures established by the Auditor-Controller/Treasurer-Tax Collector. The Auditor-Controller/Treasurer-Tax Collector shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate staff.

The County of Fresno Treasury Oversight Committee shall annually review and monitor the Investment Policy. The County of Fresno Treasury Oversight Committee shall also cause an annual audit to determine the Auditor-Controller/Treasurer-Tax Collector's compliance with this Investment Policy. The cost of the audit shall be considered an administrative cost of investing. Audit Reports are available to participants of the Treasury Investment Pool upon request (GC 27133, 27134 and 27135).

5.0 Ethics and Conflict of Interest

The Auditor-Controller/Treasurer-Tax Collector, the County of Fresno Treasury Oversight Committee and staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Receipt of honoraria, gifts and gratuities from advisors, brokers, dealers, bankers or other persons with whom the County Treasury conducts business by any member of the County of Fresno Treasury Oversight Committee shall require the completion of an annual Statement of Economic Interests by each member to be filed with the member's respective agency. This policy sets a $500 per current filing limit on the amount of honoraria, gifts and gratuities that a committee member may receive from a single source in a calendar year.

6.0 Prudence

Investments shall be made with judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, and not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

6.1 The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk of market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

7.0 Borrowing for Purposes of Making Investments

The Fresno County Auditor-Controller/Treasurer-Tax Collector is prohibited from the practice of borrowing for the sole purpose of making investments.

8.0 Authorized Investments and Limits

All investments shall be governed by the Government Code and comply with the specific limitations set forth within this Investment Policy. Securities shall be valued at amortized cost when determining their percentage to the money in the County of Fresno Treasury Investment Pool. Additions or deviations from this list must be expressly authorized by the Government Code and approved by the Auditor-Controller/Treasurer-Tax Collector. Investments not expressly authorized by law are prohibited.

The Auditor-Controller/Treasurer-Tax Collector interprets the authorized investment limits to be based upon the portfolio allocation at the time a security is purchased. The portfolio allocation may temporarily fall outside of these limits due to maturities and fluctuations in the size of the pool after the purchase of a security. Additionally, the applicable credit ratings are interpreted to be based upon the rating at the time the security is purchased.

8.1 United States Treasury Bills, Notes, Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

8.2 Obligations issued by Federal Farm Credit Banks, Federal Home Loan Banks, the Federal Home Loan Mortgage Company, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States Government-sponsored enterprise.

8.3 Bills of Exchange or Time Drafts drawn on and accepted by a commercial bank, otherwise known as Bankers Acceptances, both domestic and foreign, which are eligible for purchase by the Federal Reserve System. Any investment in Bankers Acceptances shall be restricted to the top 150 banks in the world as determined by their total assets and limited to those institutions in this group whose short term debt rating is of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by a nationally recognized statistical-rating service.

Purchases of Bankers Acceptances may not exceed 180 days maturity or 40 percent of the money in the Treasury Investment Pool.

8.4 Commercial Paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by a nationally recognized statistical rating organization, having a maximum maturity of 270 days or less. The entity that issues the commercial paper shall meet all of the following conditions of either (1) or (2): (1) The entity must be organized and operating within the United States as a general corporation; have total assets in excess of five hundred million dollars; and have a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization for its debt other than commercial paper, if any. (2) The entity must be organized within the United States as a special purpose corporation, trust, or limited liability company; have programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond; and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.

Additionally GC 53635 limits the assets held by the Treasury Investment Pool in any single issuer to 10 percent and the total Commercial Paper investments may not exceed 40 percent of the total assets in the Treasury Investment Pool.

8.5 Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, savings association, federal association, or state-licensed branch of a foreign bank. Any investment is to be restricted to the top 150 banks in the world as determined by their total assets and limited to those institutions in this group whose short term debt rating is of prime quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc. or Standard and Poor's (P-1; A-1). As an alternative to the credit guidelines above, banks, savings associations or federal associations having a four star rating or higher rating as provided for by Bauer Financial, Inc. or a comparable rating service, shall be considered eligible institutions for these investments.

Investments in Negotiable Certificates of Deposit (including those allowed under section 8.6.1) may not exceed 30 percent of the money in the Treasury Investment Pool. No more than 5 percent of the money shall be invested in any one institution.

8.6 Non-negotiable Time Certificates of Deposit issued by a nationally or state-chartered bank, savings association or federal association (GC 53601 (n)). Unless fully covered by FDIC insurance, including the interest earned, these investments require full collateralization with government securities totaling 110 percent or mortgages totaling 150 percent of the principal amount (GC 53652). Any investment is to be restricted to those institutions whose short term rating is of prime quality of the highest ranking as provided for by Moody's Investors Service, Inc. or Standard and Poor's (P-1; A-1). As an alternative to the credit guidelines above, banks, savings associations or federal associations having a four star rating or higher as provided for by Bauer Financial, Inc. or a comparable rating service, shall be considered eligible institutions for these investments. Any investment will require the approval and execution of a Contract for Deposit by the Auditor-Controller/Treasurer-Tax Collector, as authorized by GC 53682.

Investments in Non-negotiable Time Certificates of Deposit may not exceed 50 percent of the money in the Treasury Investment Pool. No more than 15 percent of the money shall be invested in any one institution.

8.6.1 Investments in certificates of deposit at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit. Investments will be made in compliance with GC 53635.8. Investments shall be initially placed with a nationally or state-chartered commercial bank, savings bank, savings

and loan association or a credit union in this state, which shall be known as the selected depository institution. Any investment will require the approval and execution of a Deposit Placement Agreement by the Auditor-Controller/Treasurer-Tax Collector. Investments in certificates of deposit under sections 8.5 and 8.6.1 may not exceed 30 percent of the money in the Treasury Investment Pool. Additionally, investments under 8.6.1 shall not exceed 15 percent of the money in the Treasury Investment Pool.

8.7 Investments in Repurchase Agreements representing United States Treasury Securities, United States Agency discount and coupon securities, domestic and foreign Banker's Acceptances, commercial paper, and domestic bank/savings associations or federal associations Negotiable Certificates of Deposit.

Investments shall be made only after the execution of a Repurchase and Custody Agreement (Tri-Party Agreement) between the County or the investment manager (if under contract), the dealer and the Custodian. Investments will consist of overnight Repurchase Agreements, which include weekend placements and maturities; however, securities with longer maturities may be used as collateral for these Agreements. (GC 53635.2)

Excluding circumstances of market-timing and known cash demands, investments in Repurchase Agreements shall be limited to not more than 15 percent of the money in the Treasury Investment Pool. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against these securities. Any exceptions to the maturity or investment amount provisions will require written approval by the Auditor-Controller/Treasurer-Tax Collector.

8.8 Medium-term Notes with a maximum remaining maturity of five years or less issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or higher, by Standard and Poor's Corporation, or its equivalent or better by a nationally recognized rating service

Investments in Medium-term Notes may not exceed 30 percent of the money in the Treasury Investment Pool.

8.9 Investment of funds in the Local Agency Investment Fund (LAIF) created by law, which the State Treasurer invests through the Pooled Money Investment Account. Money invested in LAIF is available for overnight liquidity; however, it is also subject to a limited number of transactions per month. Money shall be placed in LAIF as alternative liquid investments under the guidelines of this policy pertaining to yield. The County may invest up to the maximum amount permitted by LAIF, not to exceed 10 percent of the

portfolio. The Auditor-Controller/Treasurer-Tax Collector may invest any portion of debt proceeds in the LAIF.

8.10 Shares of beneficial interest issued by diversified management companies, otherwise known as Mutual Funds, investing in the securities and obligations as authorized by the GC 53601 et. seq.

To be eligible for investment, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by two of the largest nationally recognized rating services, or (2) have an investment adviser registered with the Securities and Exchange Commission with at least five years of experience investing in the securities authorized by the GC sections noted above and with assets under management in excess of $500,000,000.

Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations, or (2) retain an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of $500,000,000 (GC 53601).

Investment in Mutual Funds shall not include the payment of any commission that diversified management companies may charge and may not exceed 20 percent of the surplus funds in the Treasury Investment Pool. Only 10 percent of the surplus funds may be invested in any one mutual fund (GC 53601, 53635.2).

8.11 Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond of a maximum of five years maturity. Securities eligible for investment shall be rated "AA" or its equivalent or better by a nationally recognized rating service.

Investments in these securities may not exceed 10 percent of the funds in the Treasury Investment Pool.

8.12 Bond proceeds may be invested in accordance with the Government Code provisions, or they may be invested in alternative vehicles if authorized by bond documents (GC 53635.2 and California Debt and Investment Advisory Commission (CDIAC) Local Agency Investment Guidelines).

8.13 External Investment Managers. The Auditor-Controller/Treasurer-Tax Collector may contract with external investment managers to provide

investment management services. These managers may be hired to invest funds not needed for liquidity and to increase the rate of return of the pool by employing an active investment strategy. The external investment manager is allowed to make specific investment decisions within the framework of this investment policy.

External investment managers are required to provide timely transaction documentation and investment reports to ensure that the manager's actions comply with the requirements of the law and this investment policy. External investment managers shall remit, at least quarterly, the interest earnings to the Pool to allow these earnings to be apportioned to the pool participants.

Selection of External Investment Managers is subject to section 13.0 of this Investment Policy. Additionally, after selection, the manager's performance shall be reviewed against the agreed upon benchmark.

8.14 Registered state warrants or treasury notes or bonds of the State of California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

Investments in these securities may not exceed 10 percent of the surplus funds in the Treasury Investment Pool.

9.0 Selection of Investments

Investments, with the exception of California registered state warrants in section 8.14, above, shall only be made following a minimum of three competitive comparisons with offerings documented and retained for each type of investment.

10.0 Diversification

The Treasury Investment Pool shall be diversified by security type and institution.

11.0 Maximum Maturities

To the extent possible, investments shall be made to match anticipated cash requirements. Unless matched to a specific cash flow, normal investments will be in securities such that the average weighted maturity of the Treasury Investment Pool shall not exceed 3.5 years. Proceeds of sales or funds set aside for the repayment of any notes issued for temporary borrowing purposes shall not be invested for a term that exceeds the term of the notes.

12.0 Selling Securities Prior to Maturity

Securities purchased shall normally be held until maturity. Occasionally, opportunities will exist to sell securities prior to maturity and purchase other securities (swap/trade). Securities that are no longer in compliance with this Investment Policy may be sold prior to maturity. Securities may also be sold in order to maintain the liquidity of the Treasury Investment Pool.

13.0 Authorized Financial Dealers and Institutions

The Auditor-Controller/Treasurer-Tax Collector shall maintain a list of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness, who maintain an office in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15c3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following: audited financial statements, proof of Financial Industry Regulatory Authority membership, trading resolution, proof of state registration, completed broker-dealer questionnaire, certification of having read this Investment Policy, and if applicable, depository contracts. Broker-dealers are evaluated and selected based upon criteria that include: organization experience and credibility, individual broker-dealer qualifications, compliance, product inventory, and economic research.

An annual review of the financial conditions and registrations of selected brokers shall be conducted by the Auditor-Controller/Treasurer-Tax Collector. A current audited financial statement is required to be on file for each authorized financial institution and broker-dealer.

Investment managers are evaluated and selected based upon criteria that include: organization experience and credibility, staff experience, compliance, and performance.

The selection of any broker, brokerage firm, dealer or securities firm that has, within any consecutive 48 month period following January 1, 1996, made a political contribution in an amount exceeding the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board, to the Auditor-Controller/ Treasurer-Tax Collector or member of the Board of Supervisors or

any candidate for those offices is prohibited. The County will, to the best of its ability, monitor and comply with this requirement.

14.0 Confirmation

Receipts for confirmation of purchase of authorized securities should include the following information: trade date, par value, maturity, rate, price, yield, settlement date, description of securities purchased, agency's name, net amount due, and third party custodian information. Confirmation of all investment transactions should be received by the Auditor-Controller/Treasurer-Tax Collector within five business days of the transaction.

15.0 Safekeeping and Custody

Investments, excluding Non-negotiable Time Certificates of Deposit, Repurchase Agreements and investments that are under the management of contracted parties, shall be held in custody with the Service Bank or its correspondent or other institutions approved by the Auditor-Controller/ Treasurer-Tax Collector. Investments in Repurchase Agreements shall be held in custody by the Custodian to the Tri-Party Agreement.

16.0 Performance Standards

The investment portfolio shall be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account investment risk constraints and cash flow needs.

16.1 Market yield benchmark. The investment strategy is passive. Given this strategy, the basis used by the Auditor-Controller/Treasurer-Tax Collector to determine whether market yields are being achieved shall be the one-year U.S. Treasury note rate.

17.0 Administrative Cost of Investing

The Auditor-Controller/Treasurer-Tax Collector may deduct actual administrative costs associated with investing, depositing, banking, auditing, reporting, or otherwise handling or managing of funds. The administrative costs shall be segregated and deducted from the interest earnings of the Treasury Pool each quarter prior to the distribution of interest earnings.

18.0 Credit of Interest Earnings

Interest shall be credited based on the average daily cash balance of money on deposit in the County Treasury for the calendar quarter and shall be paid quarterly.

19.0 **Local Agency Deposit of Excess Funds**

The County Auditor-Controller/Treasurer-Tax Collector is authorized to accept deposits of excess funds from local agencies within Fresno County pursuant to Resolution 98-354 and in accordance with Government Code section 53684. Such deposits will be accepted, if at all, subject to the terms and conditions of a written agreement between the depositing agency and the Auditor-Controller/Treasurer-Tax Collector. In deciding whether to accept such deposits, the Auditor-Controller/ Treasurer-Tax Collector considers factors that may include, but are not limited to, the objectives of this policy, the potential effect of such deposits on the volatility of the investment portfolio, the human resources available to conduct investment activities, and the best interests of current depositors.

20.0 **Withdrawal of Funds from the Treasury Pool**

The withdrawal of funds by any depositor/participant in the County of Fresno Treasury Investment Pool shall not adversely affect the interests of the other depositors/participants in the County of Fresno Treasury Investment Pool. All withdrawals that are not considered as funds being utilized for operations shall be presented to the Auditor-Controller/Treasurer-Tax Collector for review and approval. The Auditor-Controller/Treasurer-Tax Collector shall perform an assessment of the effect of a proposed withdrawal on the stability and predictability of the investments in the Treasury Investment Pool as is required by GC 27136 and 27133. Prior to approving a withdrawal, the Auditor-Controller/Treasurer-Tax Collector shall find that the proposed withdrawal will not adversely affect the interests of the other depositors in the Treasury Investment Pool. All requests for withdrawals shall be considered in order of receipt and shall in no way affect the ability of the Auditor-Controller/ Treasurer-Tax Collector to meet the pool's expenditure requirements.

If the Auditor-Controller/Treasurer-Tax Collector's assessment of the effect of the proposed withdrawal does not negatively impact the stability and predictability of the investments and the interests of other depositors, the Auditor-Controller/Treasurer-Tax Collector may authorize a total or partial withdrawal of funds from the Treasury Pool. A total withdrawal of funds from the County of Fresno Treasury Investment Pool by a participant requires a 30-day written notice to the Auditor-Controller/Treasurer-Tax Collector. Withdrawals involving less than the participant's total funds (other than for operational needs) are subject to all of the following constraints:

- each withdrawal shall be limited to a maximum of $5,000,000

- no more than two withdrawals of a non-operational purpose are allowed per 30 day period
- at least ten days must lapse before the second withdrawal in any 30 day period will be considered by the Auditor-Controller/Treasurer-Tax Collector
- each withdrawal shall be submitted to the Auditor-Controller/ Treasurer-Tax Collector at least 2 business days prior to the date of withdrawal

The depositor/participant shall notify the Auditor-Controller/Treasurer-Tax Collector of normal operating expenditures or disbursements in excess of $1,000,000 as early as possible, preferably three business days in advance of disbursement, in order to adjust the cash position to meet disbursement requirements.

21.0 Reporting

The Auditor-Controller/Treasurer-Tax Collector shall provide the Board of Supervisors with a monthly inventory report and a monthly transaction report of the Treasury Investment Pool. The Auditor-Controller/Treasurer-Tax Collector shall provide a quarterly investment report to the Board of Supervisors, the County Administrative Officer and the County of Fresno Treasury Oversight Committee. The quarterly report shall be submitted within 30 days following the end of the quarter covered by the report. Monthly inventory reports and quarterly investment reports are available to participants of the pool upon request (GC 53646).

22.0 Internal Control

As part of the County of Fresno's annual independent audit, the investment program shall be reviewed for appropriate internal controls that provide assurance of compliance with policies and procedures.

23.0 Investment Policy Review

This Investment Policy shall be reviewed on an annual basis by the Auditor-Controller/Treasurer-Tax Collector and rendered annually to the Board of Supervisors and the County of Fresno Treasury Oversight Committee, which consists of the following members:

- The County Auditor-Controller/Treasurer-Tax Collector
- A representative appointed by the County Board of Supervisors
- The County Superintendent of Schools or the Superintendent's designee

- A representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college districts in the County
- A representative selected by a majority of the presiding officers of the legislative bodies of the special districts in the County that are required or authorized to deposit funds in the County Treasury

The Board of Supervisors shall accept and approve the investment policy and any changes thereto at a public meeting (GC 27133, 53646).

24.0 **Disaster/Business Continuity Plan**

The County of Fresno Treasurer's banking and investment functions are critical to the function of Treasury Investment Pool and therefore must have a continuity plan to guide operations in the event of a disaster or business interruption.

The objective of the Disaster/Business Continuity Plan is to protect and account for all funds on deposit with the county treasurer and to be able to continue banking and investment functions for all participants in the event of an occurrence; i.e., earthquake, fire, flood, or some other event, which disrupts normal operations. The Plan provides for the ability to perform banking and investment functions at an off-site location under less than optimal conditions.

Approved

Oscar J. Garcia

10-26-2020

Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector

Date

APPENDIX A

Permitted Investments/Deposits	Government Code Limits %	Investment Policy Limits %	Investment Policy Term Limit	Minimum Rating
Securities of the U.S. Government	No Limit	No Limit	5 years	N/A
Securities issued by United States Government Sponsored Enterprises	No Limit	No Limit	5 years	N/A
Bankers Acceptances (1)	40%	40%	180 days	N/A
Commercial Paper	40%	40%	270 days	P-1, A-1
Negotiable Certificates of Deposit (2)	30%	30%	13 months	P-1, or A-1 or 4 Star
Non-negotiable Certificates of Deposit (2)	No Limit	50%	13 months	P-1 or A-1 or 4 Star
Account Registry Service Deposits (2)	30%	15%	13 months	N/A
Repurchase Agreements	No Limit	15%	Overnight/Weekend	N/A
Medium Term Notes	30%	30%	5 years	A
LAIF (3)	No Limit	10%	5 years	N/A
Mutual Funds (4)	20%	20%	5 years	AAA, Aaa
Mortgage-Backed Securities	20%	10%	5 years	AA
State of California Debt	No Limit	10%	5 years	N/A

(1) Investment policy limits any investment in bankers acceptances to the top 150 banks in the world as determined by their total assets and limited to those institutions in this group whose short term debt is of prime quality and of the highest ranking as provided for by Moody's or Standard and Poor's (P-1, A-1).

(2) Banks, savings associations or federal associations having a "4 Star" or higher rating as provided by Bauer Financial, Inc. or a comparable rating service. For negotiable certificates of deposit, no more than 5 percent of the money shall be invested in any one institution. Negotiable certificates of deposit and account registry service deposits combined shall not exceed 30% of the portfolio. For non-negotiable certificates of deposit, no more than 15 percent of the money shall be invested in any one institution.

(3) LAIF Board of Directors currently limits the investment to $75,000,000, excluding bond and note proceeds. Government Code does not place a percentage limit on the amount of money that may be invested in LAIF.

(4) Diversified management companies investing in the securities and obligations as authorized by California Government Code, Sections 53601, et seq., shall either (1) attain the highest ranking or the highest letter and numerical rating provided by two of the largest nationally recognized rating services, or (2) have an investment adviser registered with the SEC with at least five years of experience investing in the securities authorized by code sections noted in the policy and with assets under management in excess of $500,000,000.

Diversified management companies issuing shares of beneficial interest that are money market funds registered with the Securities and Exchange Commission (SEC) under the Investment Act of 1940 shall either (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations, or (2) retain an investment adviser registered or exempt from registration with the SEC with not less than five years of experience managing money market mutual funds with assets under management in excess of $500,000,000. Only 10 percent of the money may be invested in any one mutual fund.

APPENDIX B

RATING SUMMARY

RATING SERVICE	RATING CATEGORY	RATING DEFINITION
Moody's	Aaa	Best Quality
	Aa	High Quality
	A	Upper-medium grade
	Baa	Medium grade obligations
	Ba	Judged to have speculative elements
	B	Lack characteristics of desirable investment
	Caa	Investment in poor standing
	Ca	Speculative in a high degree
	C	Poor prospect of attaining investment standing
Moody's Modifiers	1,2,and 3	Rankings within rating category
Moody's Commercial Paper	Prime-1	Superior ability for repayment
	Prime-2	Strong ability for repayment
	Prime-3	Acceptable ability for repayment
	Not Prime	Do not fall in top 3 rating categories
Standard & Poors	AAA	Highest Rating
	AA	Strong capacity for repayment
	A	Strong capacity for repayment but less than AA category
	BBB	Adequate capacity for repayment
	BB	Speculative
	B	Greater vulnerability to default than BB category
	CCC	Identifiable vulnerability to default
	CC	Subordinated debt of issues ranked in CCC category
	C	Subordinated debt of issues ranked in CCC category
	Cl	Income bonds where no interest is paid
	D	Default
Standard & Poors – Modifiers	(+) or (-)	Rankings within rating category
Standard & Poors – Commercial	A-1	Highest degree of safety
	A-2	Timely repayment characteristics is satisfactory
	A-3	Adequate capacity for repayment
	B	Speculative
	C	Doubtful repayment
	D	Default

APPENDIX B
(Continued)

RATING SUMMARY

RATING SERVICE		RATING CATEGORY	RATING DEFINITION
Fitch		AAA	Highest credit quality
		AA	Very high credit quality
		A	High credit quality
		BBB	Good credit quality
		BB	Speculative
		B	High speculative
		CCC, CC, C	High default risk
		DDD, DD, D	Default
Fitch	Modifiers	"+" or "-	Relative status within rating categories
Fitch	Commercial Paper	F1	Highest credit quality
		F2	Good credit quality
		F3	Fair credit quality
		B	Speculative
		C	High default risk
		D	Default
Bauer		5 Star	Superior
		4 Star	Excellent
		3 ½ Star	Good
		3 Star	Adequate
		2 Star	Problematic
		1 Star	Troubled
		Zero	Our lowest star rating

APPENDIX C

Glossary of Cash Management Terms

The following is a glossary of key investing terms, many of which appear in County of Fresno Treasury Investment Policy. This glossary has been adapted from the Government Finance Officers Association (GFOA) sample investment policy.

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life - The average length of time that an issue of serial bonds term bonds, or both, with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance - A draft or bill or exchange accepted by a bank or trust company. The accepting institution, as well as the issuer, guarantees payment of the bill.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., 1/4 of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit (CD) - A short-term, secured deposit in a financial institution that usually returns principal and interest to the lender at the end of the loan period.

Certificate of Deposit Account Registry System (CDARS) - A private CD placement service that allows local agencies to purchase more than $100,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than $100,000 each, so that FDIC coverage is maintained.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan security, or both.

Commercial Paper - An unsecured short-term promissory note issued, with maturities ranging from 1 to 270 days.

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating services.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest principal on a security, or both.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Financial Industry Regulatory Authority (FINRA) is the largest independent regulator for all securities firms in the United States.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate."

Interest Rate Risk - The risk associated with declines or rises in interest rates which cause in investment in a fixed-income security to increase or decrease in value.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940 - Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Liquidity - An asset that can be converted easily and quickly into cash without significant loss of value.

Local Agency Investment Fund - A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

APPENDIX C
(Continued)

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Medium-Term Note - Corporate or depository institution debt securities meeting certain minimum quality standards (as specified in California Government Code) with a remaining maturity of five years or less.

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mortgage Backed Securities - Mortgage-backed securities (MBS) are created when a purchaser of residential real estate mortgages creates a pool of mortgages and markets undivided interest or participations in the pool. MBS owners receive a prorate share of the interest and principal passed through from the pool of mortgages. Most MBS are issued guaranteed, or both, by federal agencies and instrumentalities.

Mortgage Pass-Through Obligations - Securities that are created when residential mortgages are pooled together and undivided interests or participations in the stream of revenues associated with the mortgages are sold.

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

APPENDIX C
(Continued)

Negotiable Certificates of Deposit - Short-term debt instrument that usually pays interest and is issued by a bank, savings or federal association, or state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.) [(Total assets) - (Liabilities)]/(Number of shares outstanding)

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Non-negotiable Certificates of Deposit - CDs that carry a penalty if redeemed prior to maturity. Non-negotiable CDs issued by banks and savings and loans are insured by the Federal Deposit Insurance Corporation up to $100,000, including principal and interest. Amounts deposited above this amount may be secured with other forms of collateral.

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically $1,000 per bond.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (Repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - The Securities and Exchange Commission regulates money market funds in the United States and this rule restricts quality, maturity and diversity of investments by money market funds in an attempt to provide a safe, liquid alternative to bank deposits, while providing a higher yield.

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Swap - Trading one asset for another.

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from $1,000 to $1 million or more.

Treasury Bonds - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of $1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule - SEC Rule 15c3-1 outlining capital requirements for broker-dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

Weighted Average Maturity (WAM) - The dollar-weighted average maturity of all the securities that comprise a portfolio.

When Issued (WI) - A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield Curve - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

Quarterly Investment Report

As of June 30, 2021

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Holdings Report	16
Quarterly Economic and Market Update	33

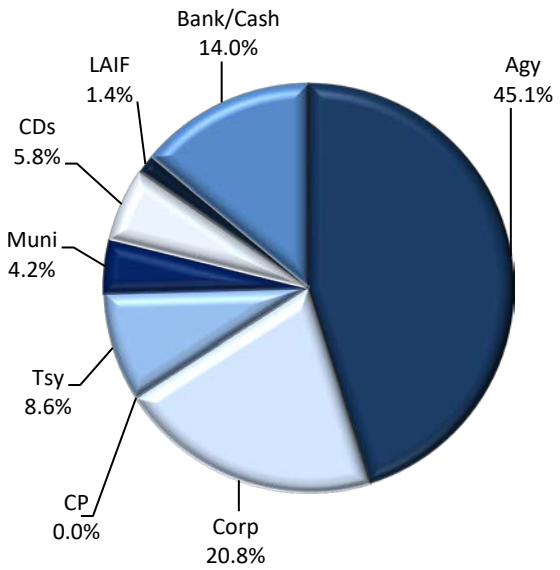
Board of Supervisors: Steve Brandau, Brian Pacheco, Nathan Magsig, Sal Quintero, Buddy Mendes

County Administrative Officer: Jean Rousseau

Portfolio Summary

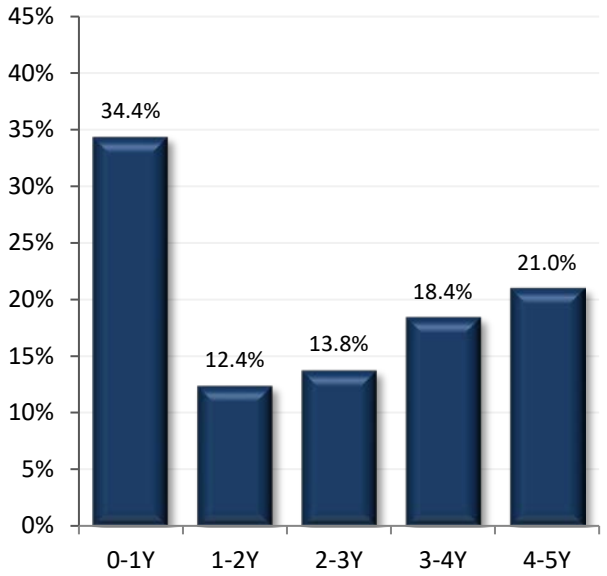
County of Fresno **6/30/2021**

SECTOR ALLOCATION



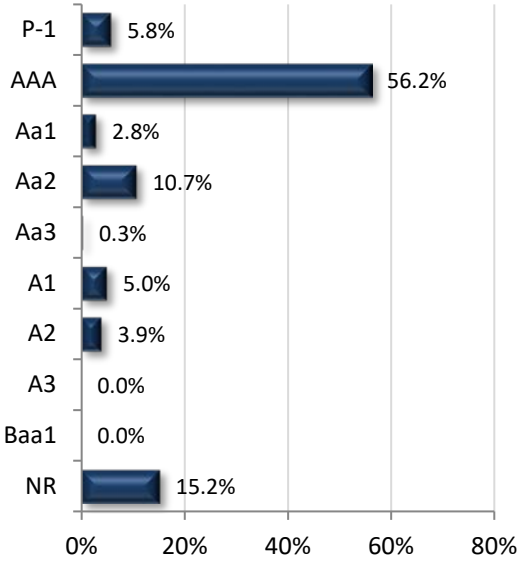
Per Book Value

MATURITY DISTRIBUTION



Per Book Value

CREDIT QUALITY (MOODY'S)



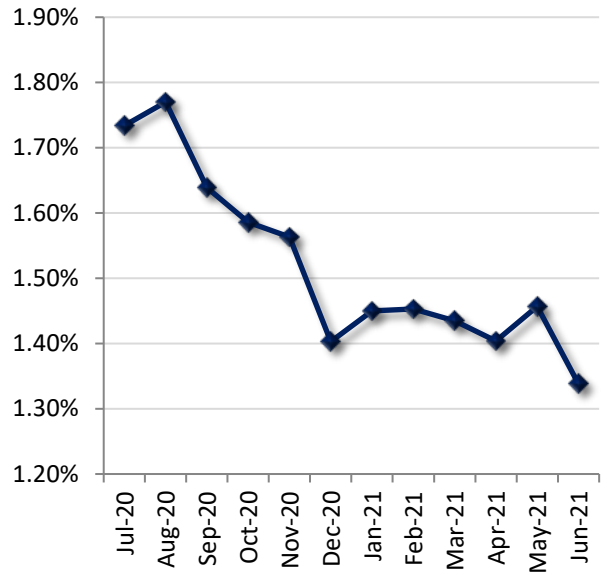
NR: Not Rated

ACCOUNT SUMMARY

	6/30/21	3/31/21
Market Value	$5,247,428,458	$4,947,261,124
Book Value*	$5,173,562,608	$4,867,570,899
Unrealized G/L	$73,865,851	$79,690,225
Par Value	$5,161,404,952	$4,856,250,243
Net Asset Value	$101.428	$101.637
Book Yield	1.34%	1.44%
Years to Maturity	2.17	2.21
Effective Duration	2.12	2.09

*Book Value is Amortized

PORTFOLIO BOOK YIELD HISTORY



TOP ISSUERS

Issuer	% Portfolio
FEDERAL NATIONAL MORTGAGE	16.8%
FEDERAL FARM CREDIT BANK	12.8%
FEDERAL HOME LOAN BANK	12.0%
BANK OF THE WEST MM	11.1%
US TREASURY NOTE	8.6%
STATE OF CALIFORNIA	4.2%
BNP PARIBAS NY BRANCH	3.9%
JP MORGAN	3.3%
FEDERAL HOME MORTGAGE CO	3.2%
TOYOTA MOTOR CREDIT	2.9%
JOHN DEERE	2.9%
APPLE INC	2.8%
MICROSOFT	2.1%
TORONTO DOMIN NY	1.9%
WELLS FARGO	1.7%

Per Book Value

Investment Policy Compliance

County of Fresno **6/30/2021**

Item / Sector	Parameters	In Compliance	
11.0 Weighted Average Maturity	Weighted Average Maturity (WAM) must be less than 3.5 years.	Yes	2.17 Yrs
8.1 U.S. Treasuries	No sector limit, no issuer limit, max maturity 5 years.	Yes	8.6%
8.2 U.S. Agencies	No sector limit, no issuer limit, max maturity 5 years.	Yes	45.1%
8.3 Banker Acceptances	40% limit, Issue is eligible for purchase by Federal Reserve. Issuer is among 150 largest banks based on total asset size; max maturity 180 days; rated A-1 or P-1.	Yes	0.0%
8.4 Commercial Paper	40% limit, corporation organized and operating in the US with total assets of $500mm. 10% in any one issuer; max maturity 270 days; minimum short-term rating of A-1 by S&P or P-1 by Moody's, minimum long-term rating of A by S&P or its equivalent or better ranking by a nationally recognized rating service.	Yes	0.0%
8.5 Negotiable CDs	30% limit (combined with 8.6.1), Issued by national or state chartered bank or savings assoc., or a state licensed branch of a foreign bank that is among 150 largest banks in total asset size; minimum short-term rating of P-1 or A-1 or issuer meets rating requirements; 5% in any one issuer, max maturity 13 months.	Yes	5.8%
8.6 Non-Negotiable CDs	50% limit, Issued by national or state chartered bank or savings association. FDIC insurance OR full collateralization of 110% government or 150% mortgages. Contract for Deposit in place. 15% in any one issuer; short-term rating is a minimum of A-1 by S&P or P-1 by Moody's, max maturity 13 months.	Yes	0.0%
8.6.1 Placement CDs	15% limit (30% combined with 8.5), Issued by national or state chartered bank or savings association or credit union that uses a placement entity. Deposit Placement Agreement in place.	Yes	0.0%
8.7 Repurchase Agreements	15% limit, Tri-party agreement in place. 102% collateralization of US treasuries or agencies, BAs, CP, Negotiable CD's; Overnight or weekend maturities.	Yes	0.0%
8.8 Medium-Term Notes	30% limit, organized and operating in the US or state licensed depository institution; max maturity 5 years; rated A or better by S&P, or its equivalent or better by a nationally recognized rating service.	Yes	20.8%
8.9 L.A.I.F	California State's deposit limit is $75 million; Current investment policy limit is not to exceed 10% of the portfolio.	Yes	$75 Mil

Item / Sector	Parameters	In Compliance	
8.10 Mutual Funds/ Money Markets Funds	20% limit, 10% per issuer; Registered with SEC, 5 years experience, $500mm AUM or rated by AAA-m, Aaa-mf, AAA-m by not less than two nationally recognized rating agencies.	Yes	0.2%
8.11 ABS and MBS	10% limit combined. Security must be AA rated by one rating agency, with an A or better rating for the underlying, max maturity 5 years.	Yes	0.0%
8.12 Money Held from Pledged Assets	Invest according to statutory provision or according to entity providing issuance.	Yes	0.0%
8.13 External Managers	Invest per policy.	Yes	0.0%
8.14 State of California Debt	10% limit, Registered State warrants or CA treasury notes, including revenue producing entities controlled or operated by the State or by a department, board, agency, or authority of the State; 5 years max maturity.	Yes	4.2%
Cash & Bank Account	NA	NA	13.8%

Compliance

The Treasury Investment Pool is in compliance with the County of Fresno Treasury Investment Pool Investment Policy.
The Treasury Investment Pool contains sufficient cash flow to meet the expected expenditures for the next six months.

Review and Monitoring

FHN 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.

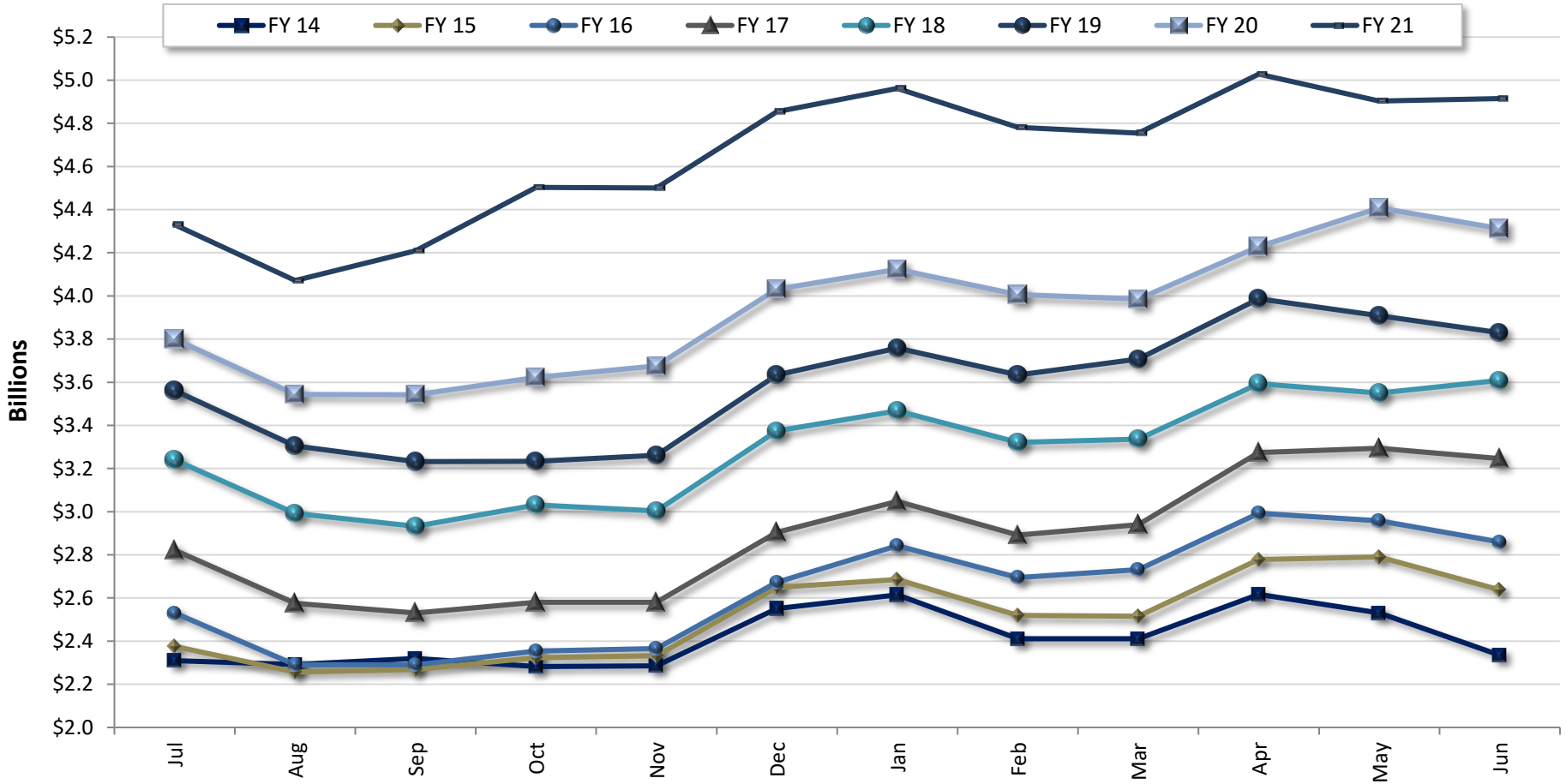
The market values of securities were taken from pricing services provided by Ice Data Services.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2014	$2.310	$2.291	$2.319	$2.282	$2.285	$2.551	$2.615	$2.411	$2.411	$2.617	$2.531	$2.335
Fiscal Year 2015	$2.375	$2.256	$2.269	$2.323	$2.333	$2.649	$2.685	$2.519	$2.515	$2.778	$2.790	$2.637
Fiscal Year 2016	$2.531	$2.291	$2.290	$2.354	$2.365	$2.673	$2.842	$2.695	$2.731	$2.993	$2.957	$2.860
Fiscal Year 2017	$2.822	$2.576	$2.530	$2.581	$2.580	$2.905	$3.048	$2.891	$2.940	$3.274	$3.294	$3.247
Fiscal Year 2018	$3.240	$2.992	$2.932	$3.032	$3.004	$3.374	$3.468	$3.321	$3.337	$3.593	$3.550	$3.609
Fiscal Year 2019	$3.562	$3.305	$3.232	$3.233	$3.262	$3.634	$3.759	$3.634	$3.707	$3.987	$3.909	$3.830
Fiscal Year 2020	$3.800	$3.544	$3.542	$3.622	$3.676	$4.031	$4.123	$4.006	$3.986	$4.229	$4.408	$4.312
Fiscal Year 2021	$4.331	$4.071	$4.210	$4.503	$4.501	$4.854	$4.962	$4.781	$4.755	$5.028	$4.903	$4.915

Figures in Billions, Average Daily Balance

Historical Book Values Per Fiscal Year

County of Fresno **6/30/2021**



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2014	$2.310	$2.291	$2.319	$2.282	$2.285	$2.551	$2.615	$2.411	$2.411	$2.617	$2.531	$2.335
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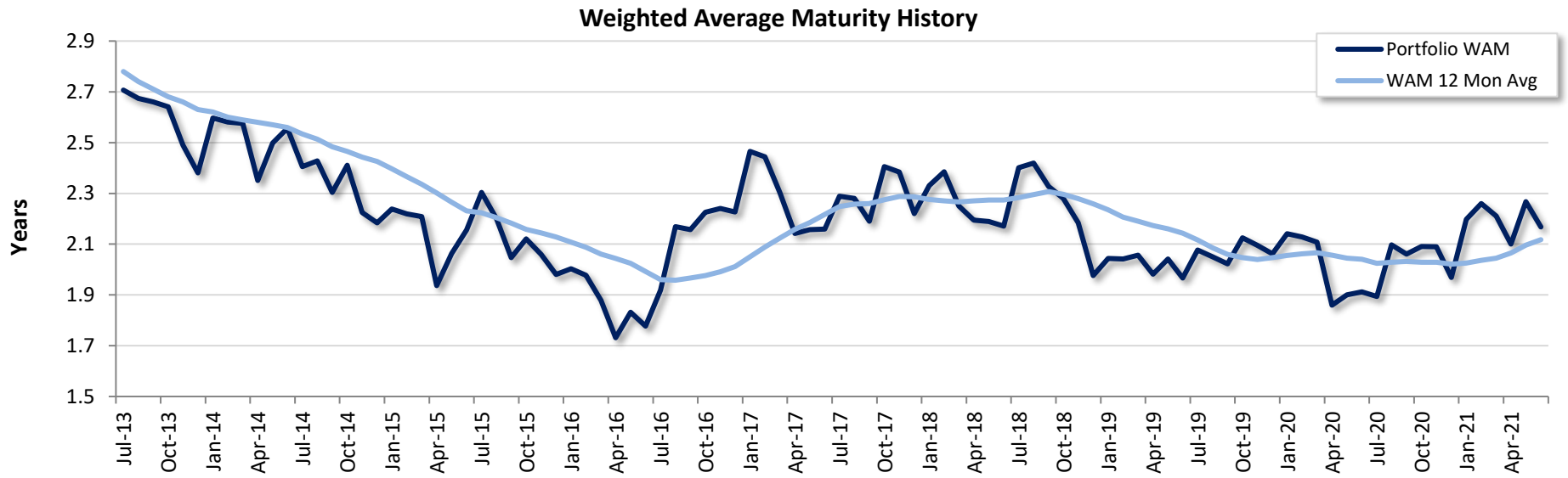
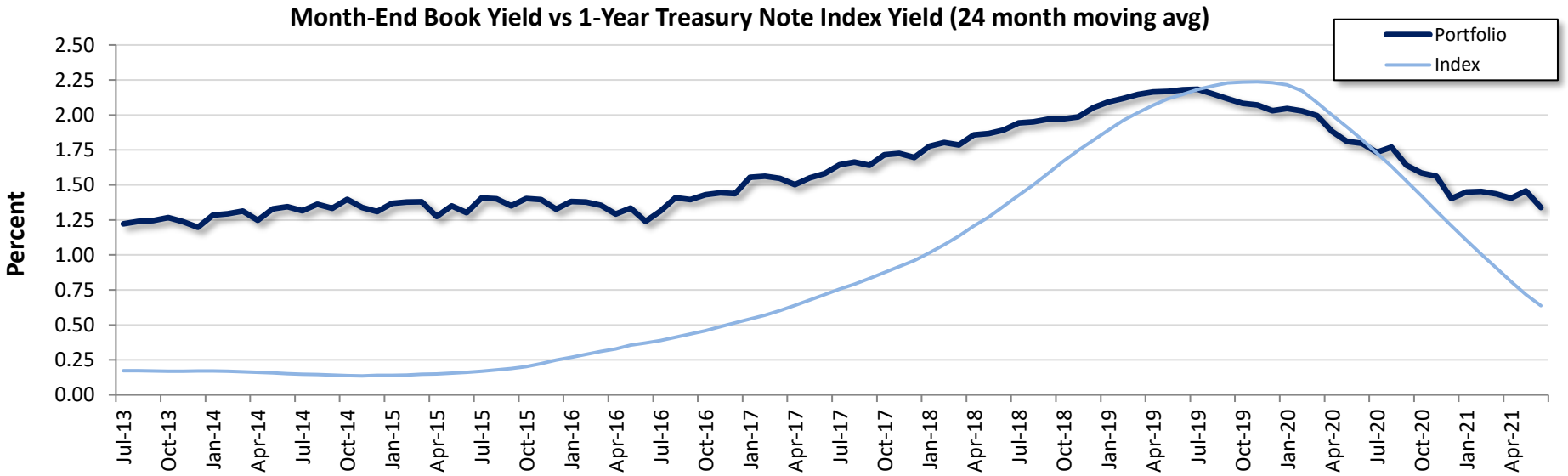
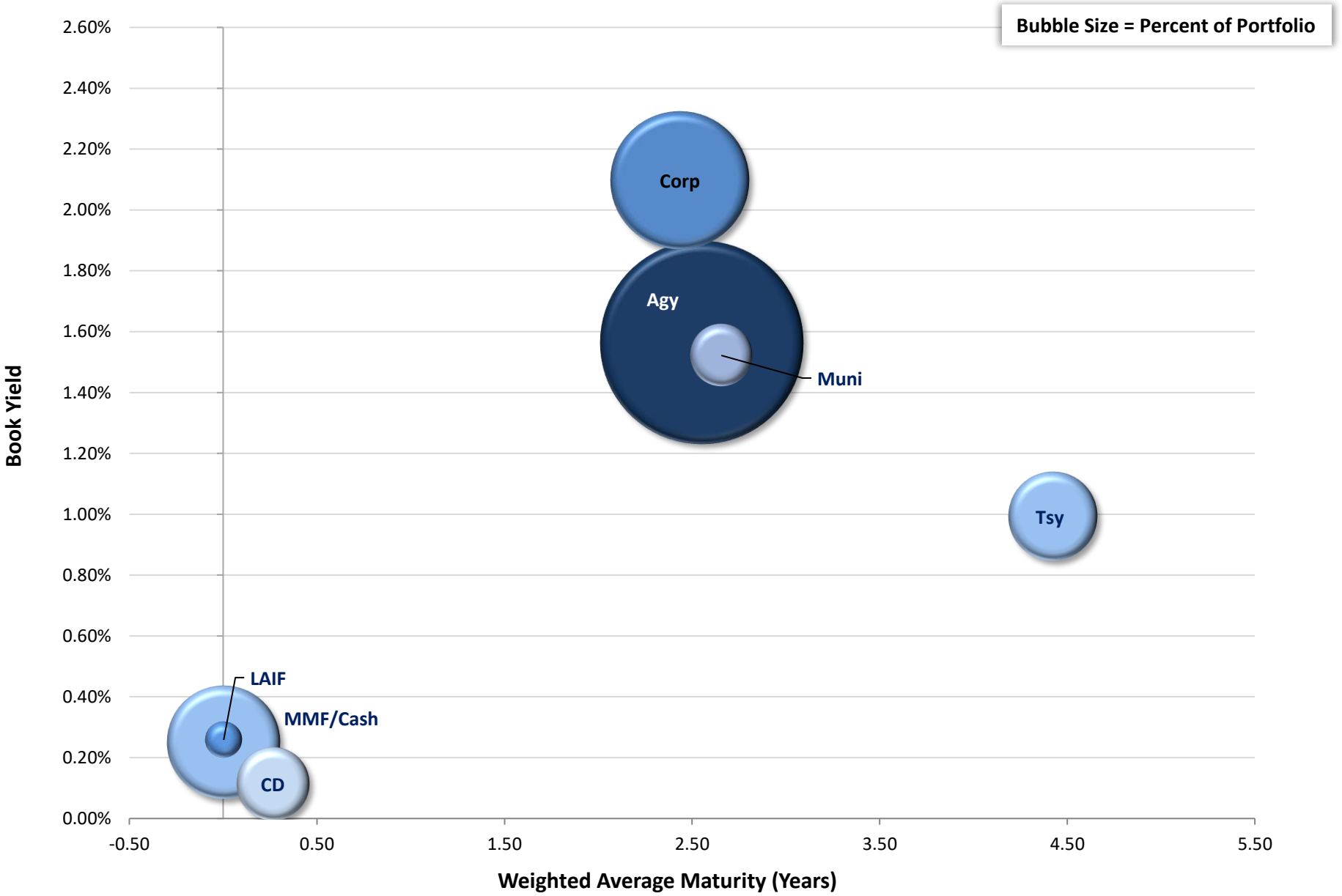
Figures in Billions, Average Daily Balance





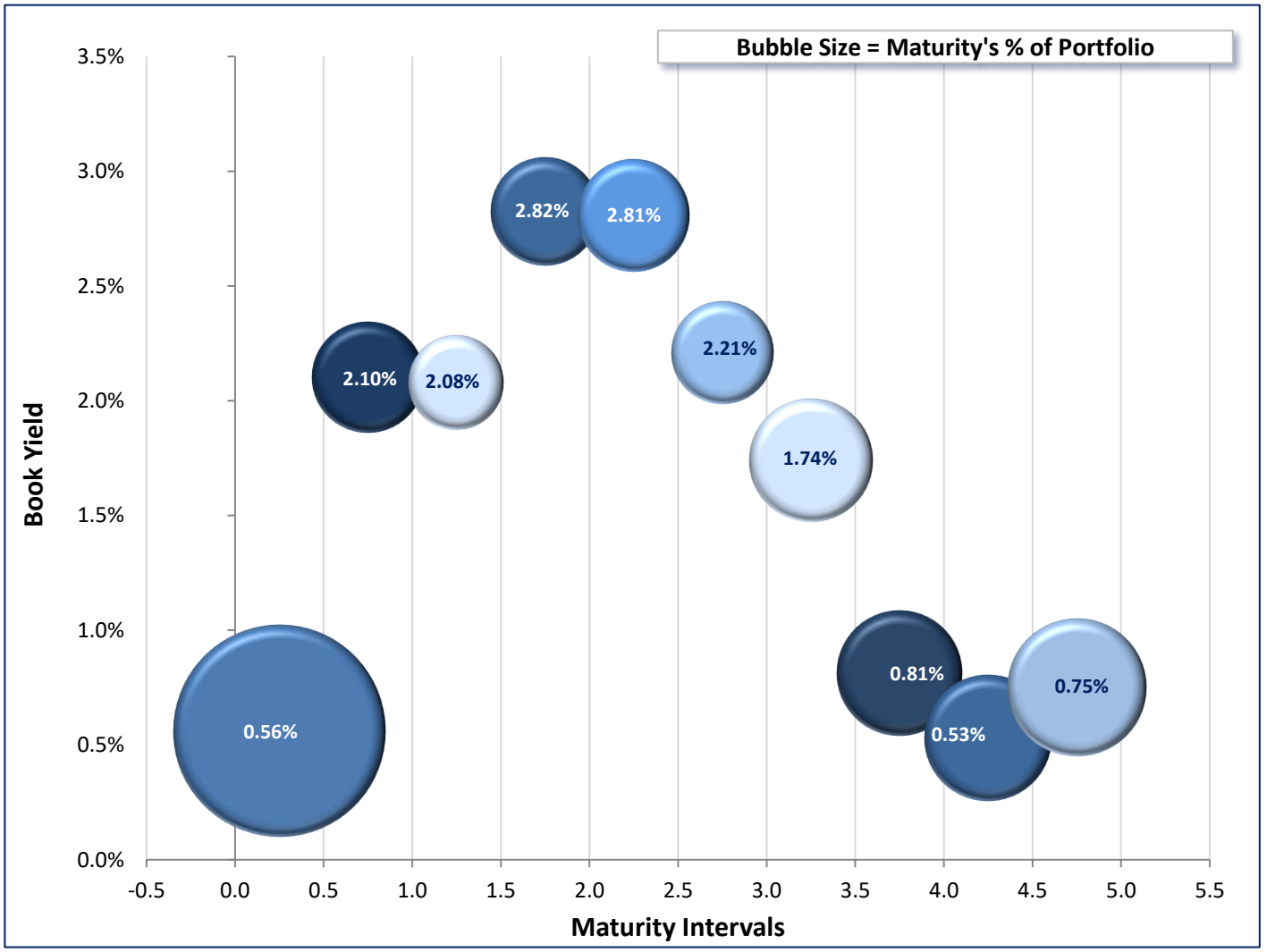
Index: 24 Month Moving Average of the ICE BofAML 1-Year US Treasury Note Index

Book Yield per WAM per Percent of Portfolio



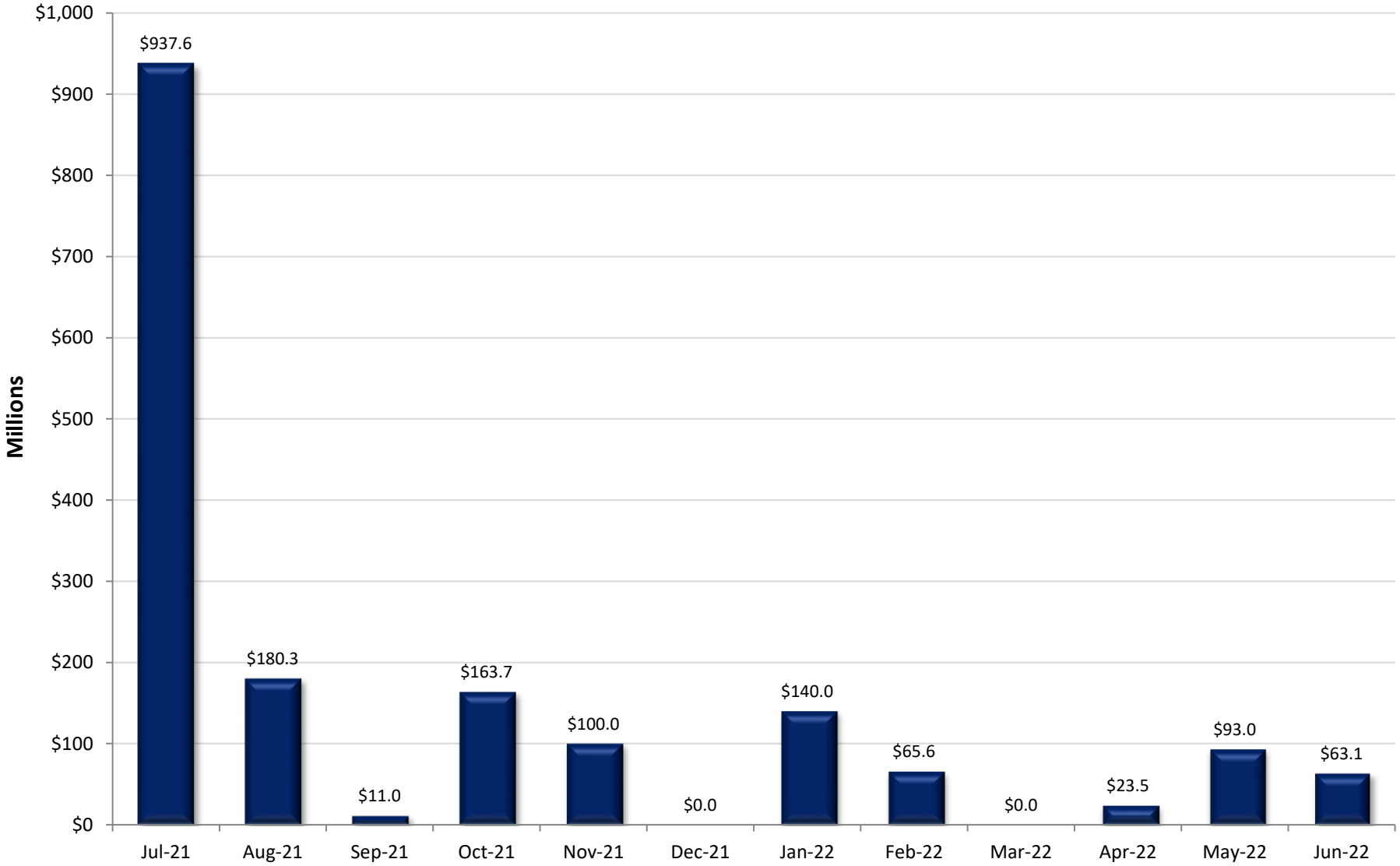
Years	Book Yield	% of Portfolio*
0 to .5	0.56%	26.92%
.5 to 1.0	2.10%	7.45%
1.0 to 1.5	2.08%	5.38%
1.5 to 2.0	2.82%	7.03%
2.0 to 2.5	2.81%	7.52%
2.5 to 3.0	2.21%	6.26%
3.0 to 3.5	1.74%	9.12%
3.5 to 4.0	0.81%	9.32%
4.0 to 4.5	0.53%	9.57%
4.5 to 5.0+	0.75%	11.44%
Total	**1.34%**	**100.0%**

*Based on Book Value



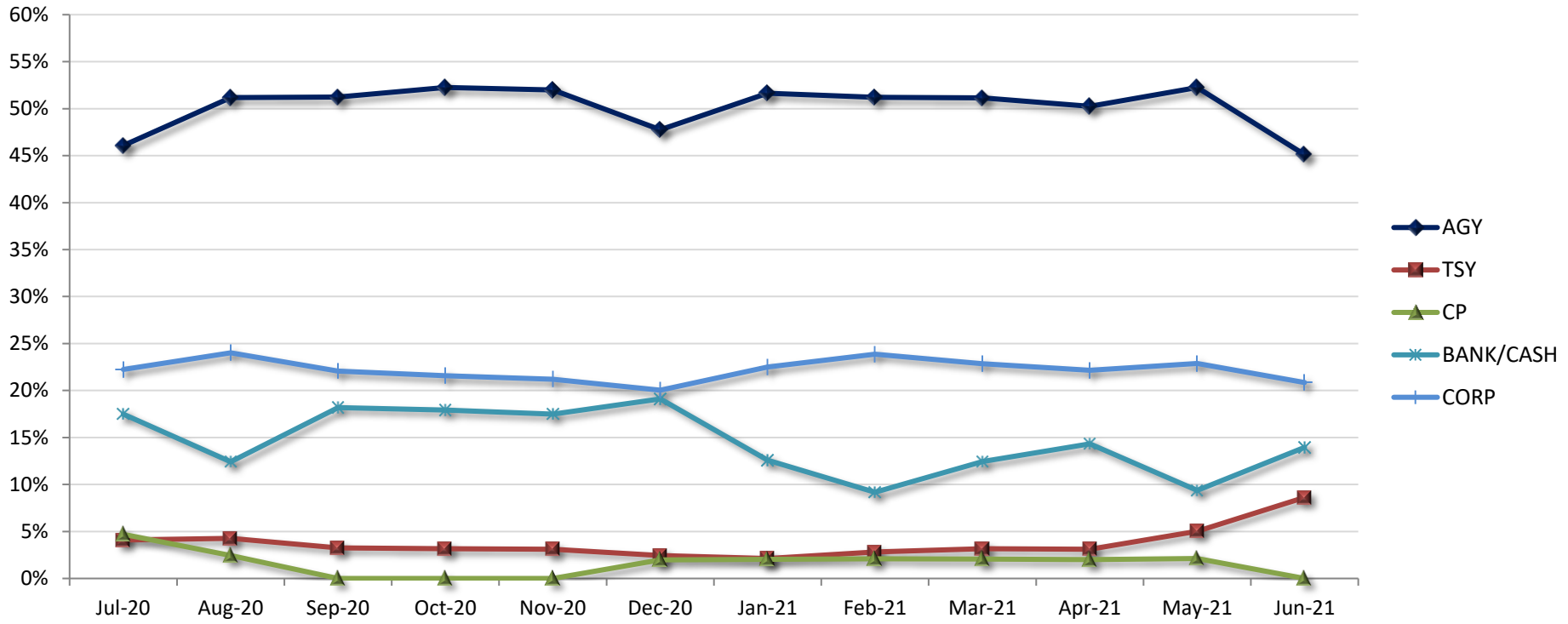
Next Twelve Months Maturities

County of Fresno **6/30/2021**

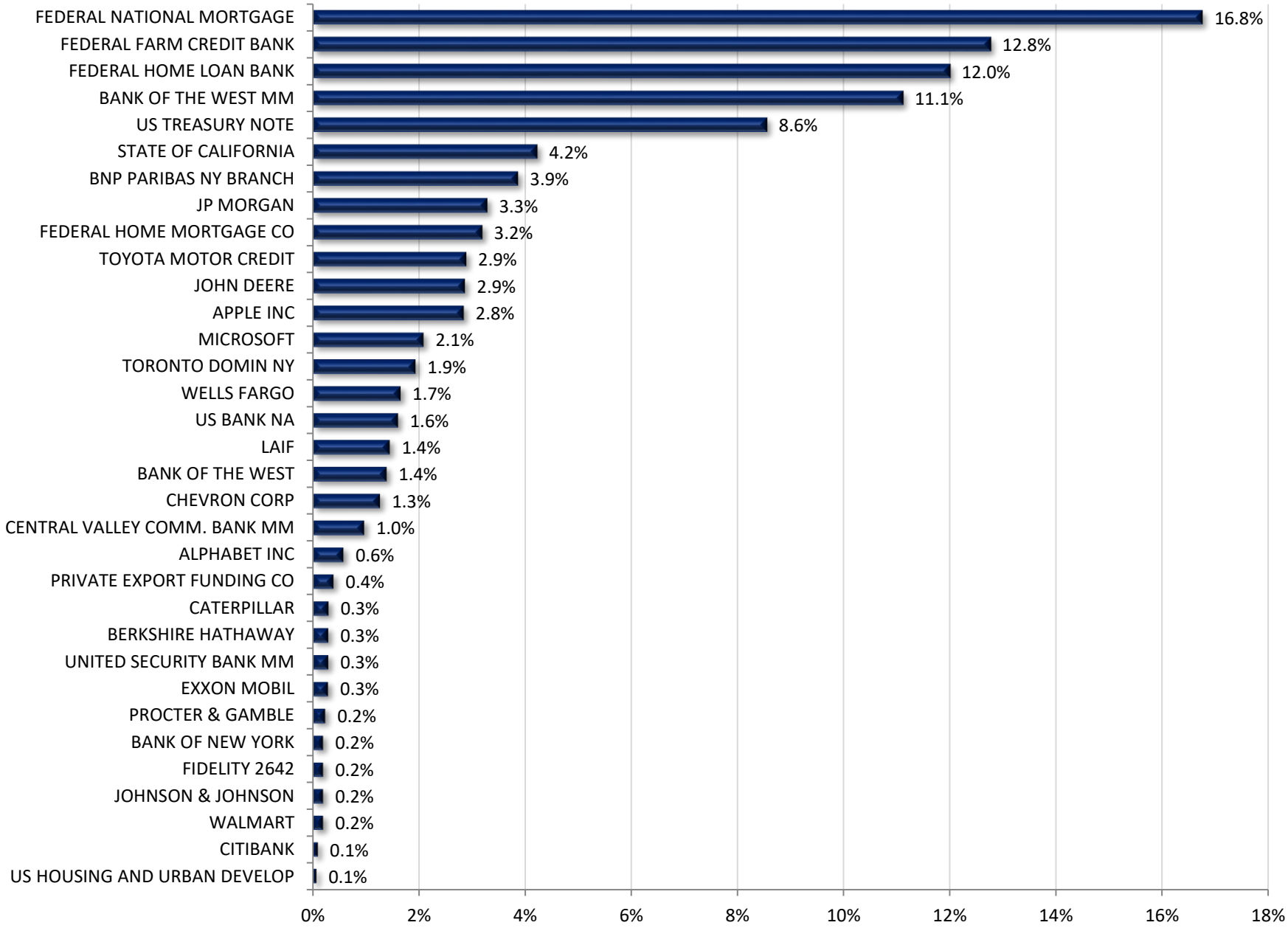


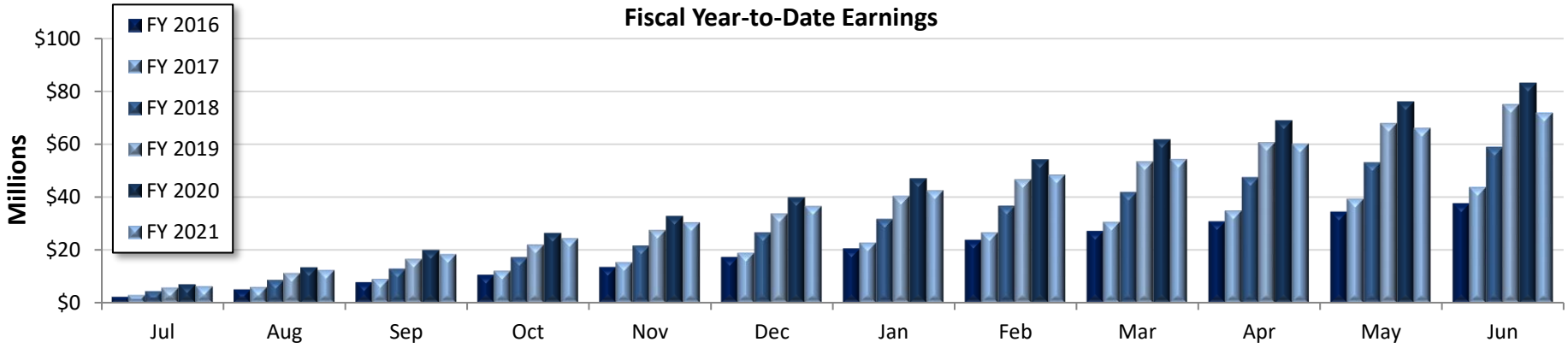
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Maturities	$937.6	$180.3	$11.0	$163.7	$100.0	$0.0	$140.0	$65.6	$0.0	$23.5	$93.0	$63.1

Par Value in Millions

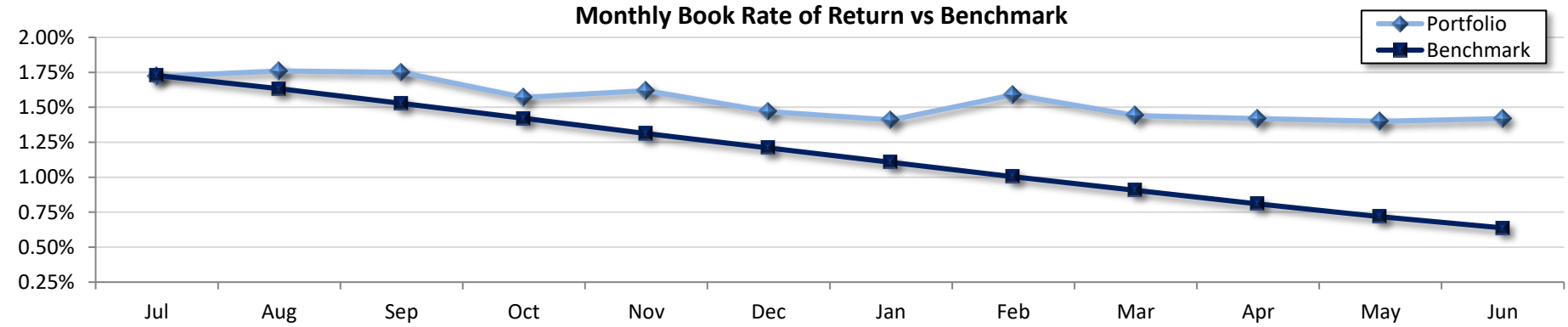


Sector	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Agency	46.1%	51.2%	51.2%	52.3%	52.0%	47.8%	51.6%	51.2%	51.2%	50.2%	52.2%	45.1%
Treasury	4.1%	4.3%	3.3%	3.2%	3.1%	2.5%	2.1%	2.8%	3.2%	3.1%	5.0%	8.6%
Commercial Paper	4.7%	2.5%	0.0%	0.0%	0.0%	2.0%	2.0%	2.1%	2.1%	2.0%	2.1%	0.0%
LAIF	1.8%	1.8%	1.7%	1.7%	1.6%	1.5%	1.5%	1.6%	1.5%	1.5%	1.6%	1.4%
Muni	3.7%	3.8%	3.5%	3.4%	4.6%	4.2%	4.5%	4.6%	4.5%	4.4%	4.6%	4.2%
Corporates	22.3%	24.0%	22.1%	21.6%	21.2%	20.0%	22.5%	23.9%	22.9%	22.2%	22.9%	20.8%
CDs	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.1%	4.6%	2.3%	2.2%	2.1%	5.8%
Bank/Cash	17.5%	12.4%	18.2%	17.9%	17.5%	19.1%	12.6%	9.2%	12.4%	14.3%	9.4%	14.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%


FEDERAL NATIONAL MORTGAGE 16.8%
FEDERAL FARM CREDIT BANK 12.8%
FEDERAL HOME LOAN BANK 12.0%
BANK OF THE WEST MM 11.1%
US TREASURY NOTE 8.6%
STATE OF CALIFORNIA 4.2%
BNP PARIBAS NY BRANCH 3.9%
JP MORGAN 3.3%
FEDERAL HOME MORTGAGE CO 3.2%
TOYOTA MOTOR CREDIT 2.9%
JOHN DEERE 2.9%
APPLE INC 2.8%
MICROSOFT 2.1%
TORONTO DOMIN NY 1.9%
WELLS FARGO 1.7%
US BANK NA 1.6%
LAIF 1.4%
BANK OF THE WEST 1.4%
CHEVRON CORP 1.3%
CENTRAL VALLEY COMM. BANK MM 1.0%
ALPHABET INC 0.6%
PRIVATE EXPORT FUNDING CO 0.4%
CATERPILLAR 0.3%
BERKSHIRE HATHAWAY 0.3%
UNITED SECURITY BANK MM 0.3%
EXXON MOBIL 0.3%
PROCTER & GAMBLE 0.2%
BANK OF NEW YORK 0.2%
FIDELITY 2642 0.2%
JOHNSON & JOHNSON 0.2%
WALMART 0.2%
CITIBANK 0.1%
US HOUSING AND URBAN DEVELOP 0.1%
0%
2%
4%
6%
8%
10%
12%
14%
16%
18%

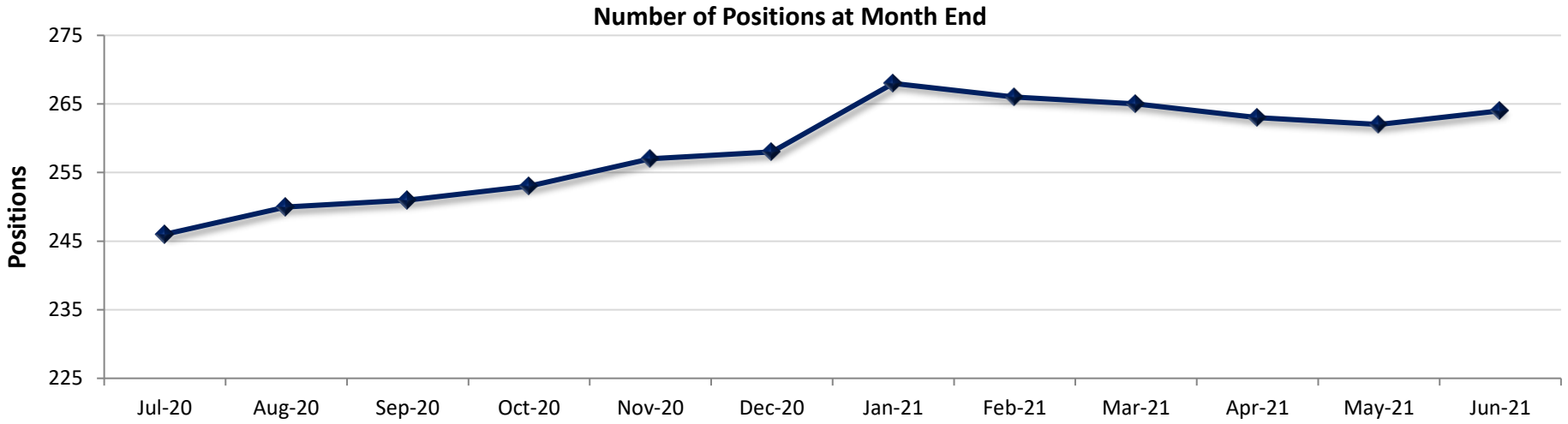


Fiscal YTD ($Mil)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2016	$2.3	$5.1	$7.8	$10.6	$13.4	$17.2	$20.5	$23.7	$26.9	$30.5	$34.2	$37.3
FY 2017	$3.0	$6.0	$9.0	$12.1	$15.3	$18.9	$22.7	$26.5	$30.5	$34.8	$39.2	$43.5
FY 2018	$4.5	$8.7	$12.9	$17.3	$21.6	$26.7	$31.7	$36.7	$41.9	$47.4	$53.0	$58.8
FY 2019	$5.8	$11.3	$16.7	$22.1	$27.5	$33.8	$40.4	$46.7	$53.5	$60.7	$68.0	$75.1
FY 2020	$7.1	$13.5	$20.0	$26.4	$32.9	$39.9	$47.1	$54.2	$61.8	$68.9	$76.1	$83.1
FY 2021	$6.3	$12.4	$18.5	$24.5	$30.5	$36.6	$42.5	$48.4	$54.2	$60.0	$65.9	$71.6

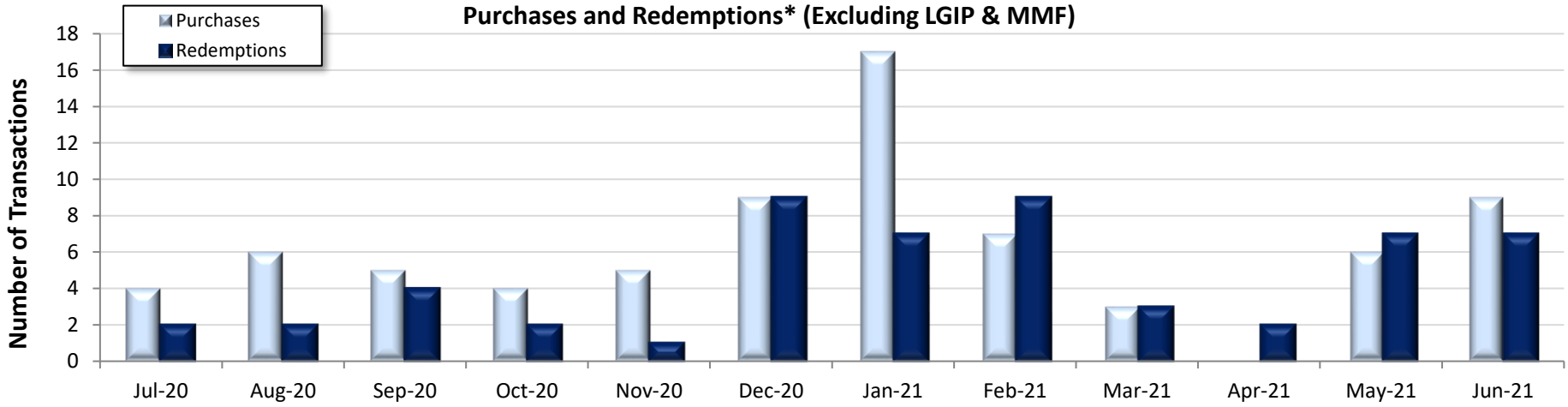


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Book Rate of Rtn	1.72%	1.76%	1.75%	1.57%	1.62%	1.47%	1.41%	1.59%	1.44%	1.42%	1.40%	1.42%
Benchmark*	1.73%	1.63%	1.53%	1.42%	1.31%	1.21%	1.11%	1.00%	0.91%	0.81%	0.72%	0.64%
Variance	-0.01%	0.13%	0.22%	0.15%	0.31%	0.26%	0.30%	0.59%	0.53%	0.61%	0.68%	0.78%

*Benchmark: ICE BofAML 1-Year US Treasury Note Index (24 Month Moving Average)



	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Positions	246	250	251	253	257	258	268	266	265	263	262	264



*Redemptions include maturities, calls, and sells

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Purchases	4	6	5	4	5	9	17	7	3	0	6	9
Redemptions	2	2	4	2	1	9	7	9	3	2	7	7
Total Transactions	6	8	9	6	6	18	24	16	6	2	13	16

Summary of Portfolio

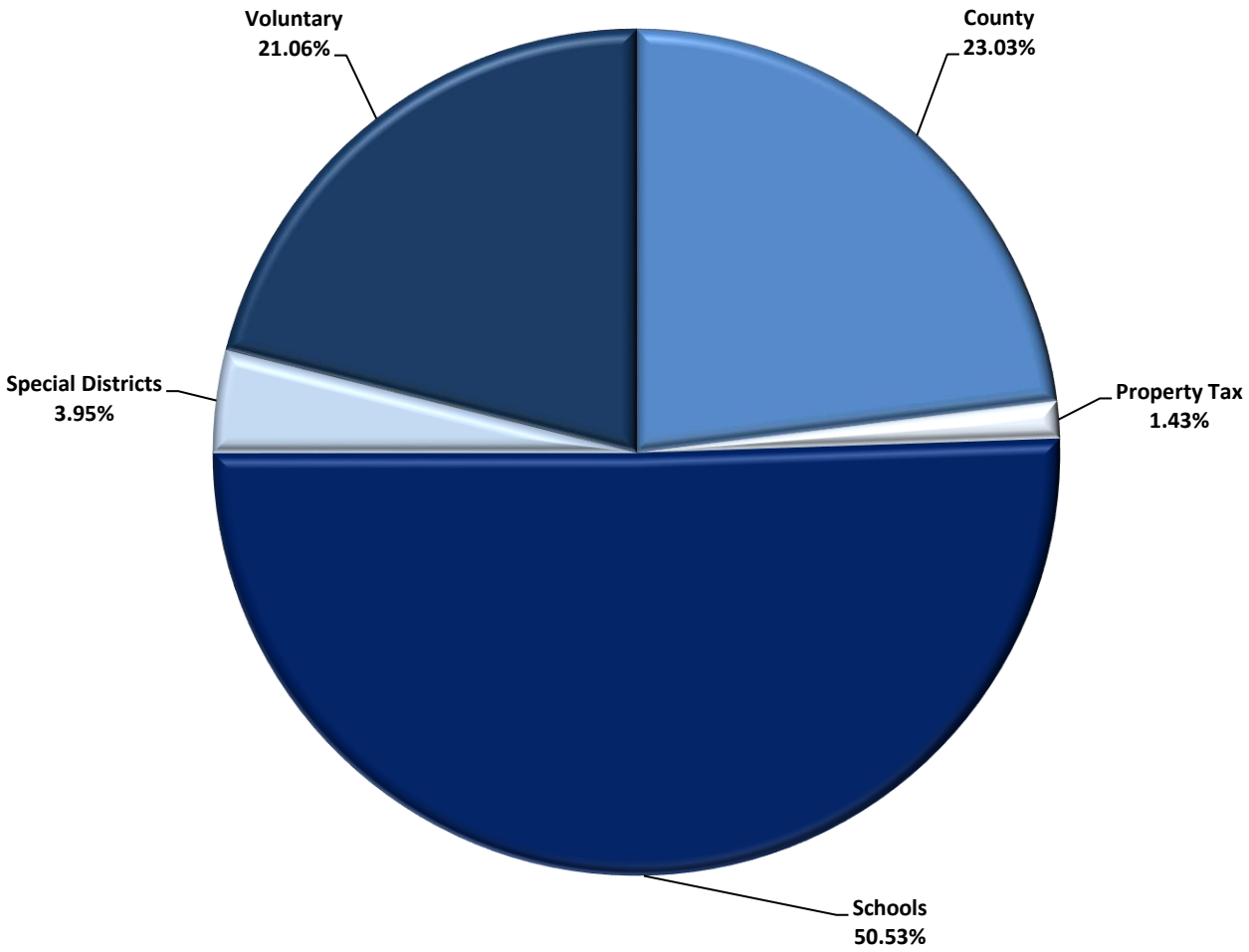
	June 2021	March 2021	December 2020	September 2020	June 2020
Market Value	$5,247,428,458	$4,947,261,124	$5,163,889,514	$4,528,816,859	$4,333,102,675
Amortize Cost Value	$5,173,562,608	$4,867,570,899	$5,043,553,364	$4,400,938,001	$4,198,795,259
Unrealized Gain/Loss % on cost	1.43%	1.64%	2.39%	2.91%	3.20%
Yield (weighted on cost value)	1.34%	1.44%	1.40%	1.64%	1.80%
Years to Maturity (weighted on cost value)	2.17	2.21	1.97	2.06	1.91
Avg Dollar-Weighted Quality Rating	AA+	AA+	AA+	AA+	AA+

Projection of Future Cash Flows (in millions)

Month	Monthly Receipts (a)	Monthly Disburs. (a)	Difference	Actual Inv. Maturities	Balance
Beginning Balance (b)					803.9
7/21	240.3	695.8	-455.5	56.8	405.2
8/21	505.9	498.3	7.6	155.2	568.0
9/21	625.5	475.8	149.7	11.0	728.7
10/21	561.5	545.7	15.8	163.7	908.2
11/21	590.7	476.2	114.5	100.0	1,122.7
12/21	843.0	600.8	242.2	0.0	1,364.9
Totals	**3,366.9**	**3,292.6**	**74.3**	**486.7**	

(a) Monthly Receipt and Monthly Disbursement amounts are estimates based upon historical cash flows and may change as actual cash flow information becomes available.

(b) Beg. Balance is taken from Bank Accounts, Mutual Funds, and LAIF.


Voluntary
21.06%
County
23.03%
Special Districts
3.95%
Property Tax
1.43%
Schools
50.53%

Fresno County
P.O. Box 1247
Fresno, CA 93715
(559)600-3496

County of Fresno
Portfolio Management
Portfolio Summary
June 30, 2021

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.
Bank Accounts	71,837,951.56	71,837,951.56	71,837,951.56	1.39	1	1	1.460
Federal Agency Coupons	2,331,768,000.00	2,378,205,262.56	2,333,599,648.28	45.11	1,751	931	1.565
Medium Term Notes	1,078,824,000.00	1,102,994,806.66	1,078,429,365.97	20.85	1,693	889	2.098
Treasury Notes	443,500,000.00	447,716,015.47	446,041,668.81	8.62	1,799	1,615	0.992
Mutual Funds	10,000,000.00	10,000,000.00	10,000,000.00	0.19	1	1	0.010
Local Agency Investment Funds	75,000,000.00	75,000,000.00	75,000,000.00	1.45	1	1	0.258
Bank Money Market Accounts	640,000,000.00	640,000,000.00	640,000,000.00	12.37	1	1	0.117
Negotiable CDs	300,000,000.00	300,000,000.00	300,000,000.00	5.80	121	97	0.113
Municipal Bonds	210,475,000.00	221,674,421.90	218,653,972.93	4.23	1,667	969	1.522
Investments	**5,161,404,951.56**	**5,247,428,458.15**	**5,173,562,607.55**	**100.00%**	**1,375**	**791**	**1.338**

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	5,742,174.02	71,603,091.24	71,603,091.24
Average Daily Balance	**4,915,169,621.63**	**4,649,904,299.73**	
Effective Rate of Return	**1.42%**	**1.54%**	

Oscar J. Garcia, CPA, Treasurer/ Tax Collector

County of Fresno
Portfolio Management
Portfolio Details - Investments
June 30, 2021

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Bank Accounts												
SYS03400A	03400A	BANK OF THE WEST		07/01/2020	71,837,951.56	71,837,951.56	71,837,951.56	1.480	1.480			
		Subtotal and Average	**12,501,520.37**		**71,837,951.56**	**71,837,951.56**	**71,837,951.56**		**1.480**			
Federal Agency Coupons												
3133EGYQ2	17410	FEDERAL FARM CREDIT BANK		10/27/2016	10,000,000.00	10,038,425.50	9,998,431.08	1.400	1.457	AA+	Aaa	10/14/2021
3133EGZJ7	17411	FEDERAL FARM CREDIT BANK		10/27/2016	10,000,000.00	10,039,616.80	9,997,503.79	1.375	1.457	AA+	Aaa	10/25/2021
3133EG5D3	17447	FEDERAL FARM CREDIT BANK		01/27/2017	50,000,000.00	50,562,248.00	50,000,000.00	2.030	2.030	AA+	Aaa	01/27/2022
3133EHJT1	17479	FEDERAL FARM CREDIT BANK		05/18/2017	5,000,000.00	5,083,410.65	4,998,996.17	2.000	2.024	AA+	Aaa	05/18/2022
3133EEY20	17495	FEDERAL FARM CREDIT BANK		09/21/2017	10,000,000.00	10,219,467.90	10,043,158.73	2.400	1.928	AA+	Aaa	06/17/2022
3133EHVS9	17499	FEDERAL FARM CREDIT BANK		09/28/2017	5,500,000.00	5,608,222.95	5,492,104.31	1.840	1.972	AA+	Aaa	08/23/2022
3133EJBP3	17536	FEDERAL FARM CREDIT BANK		02/28/2018	51,180,000.00	53,062,354.34	50,982,187.63	2.500	2.762	AA+	Aaa	02/02/2023
3133EH7F4	17557	FEDERAL FARM CREDIT BANK		04/19/2018	19,869,000.00	20,538,157.72	19,741,239.68	2.350	2.797	AA+	Aaa	01/17/2023
3133EJUS6	17584	FEDERAL FARM CREDIT BANK		07/17/2018	20,000,000.00	21,053,182.20	19,998,936.89	2.875	2.878	AA+	Aaa	07/17/2023
3133EJUS6	17589	FEDERAL FARM CREDIT BANK		07/25/2018	30,000,000.00	31,579,773.30	29,960,448.21	2.875	2.945	AA+	Aaa	07/17/2023
3133EJUS6	17593	FEDERAL FARM CREDIT BANK		09/19/2018	10,000,000.00	10,526,591.10	9,970,788.68	2.875	3.029	AA+	Aaa	07/17/2023
3133EJK57	17606	FEDERAL FARM CREDIT BANK		12/20/2018	17,000,000.00	17,974,101.36	17,099,818.50	3.080	2.775	AA+	Aaa	07/24/2023
3133EJUS6	17607	FEDERAL FARM CREDIT BANK		12/20/2018	2,910,000.00	3,063,238.01	2,915,612.53	2.875	2.774	AA+	Aaa	07/17/2023
3133EJ4G1	17610	FEDERAL FARM CREDIT BANK		12/28/2018	65,000,000.00	68,325,228.40	64,978,459.24	2.770	2.787	AA+	Aaa	07/28/2023
3133EJUS6	17615	FEDERAL FARM CREDIT BANK		01/18/2019	20,000,000.00	21,053,182.20	20,075,009.26	2.875	2.679	AA+	Aaa	07/17/2023
3133EJ5W5	17618	FEDERAL FARM CREDIT BANK		02/26/2019	2,945,000.00	3,101,613.98	2,949,286.82	2.650	2.583	AA+	Aaa	10/23/2023
3133EKBW5	17620	FEDERAL FARM CREDIT BANK		02/28/2019	20,000,000.00	21,167,815.60	20,009,799.13	2.610	2.590	AA+	Aaa	02/27/2024
3133EKBW5	17622	FEDERAL FARM CREDIT BANK		03/01/2019	20,000,000.00	21,167,815.60	19,991,483.30	2.610	2.627	AA+	Aaa	02/27/2024
3133EKWV4	17647	FEDERAL FARM CREDIT BANK		08/28/2019	4,950,000.00	5,155,932.57	5,007,769.59	1.850	1.455	AA+	Aaa	07/26/2024
3133EKWV4	17648	FEDERAL FARM CREDIT BANK		08/28/2019	15,000,000.00	15,624,038.10	15,170,728.12	1.850	1.464	AA+	Aaa	07/26/2024
3133EKWV4	17649	FEDERAL FARM CREDIT BANK		09/13/2019	17,941,000.00	18,687,391.17	18,017,132.68	1.850	1.705	AA+	Aaa	07/26/2024
3133EKHV1	17655	FEDERAL FARM CREDIT BANK		10/16/2019	2,292,000.00	2,428,875.19	2,345,969.79	2.450	1.646	AA+	Aaa	07/22/2024
3133ELCS1	17666	FEDERAL FARM CREDIT BANK		12/11/2019	20,000,000.00	20,613,163.00	19,961,200.00	1.550	1.625	AA+	Aaa	03/11/2024
3133ELCS1	17667	FEDERAL FARM CREDIT BANK		12/11/2019	25,000,000.00	25,766,453.75	24,949,281.05	1.550	1.628	AA+	Aaa	03/11/2024
3133ELEM2	17674	FEDERAL FARM CREDIT BANK		12/17/2019	25,000,000.00	25,897,521.75	25,000,000.00	1.700	1.700	AA+	Aaa	05/17/2024
3133ELZM9	17711	FEDERAL FARM CREDIT BANK		05/19/2020	45,559,000.00	45,296,834.38	45,421,925.51	0.500	0.579	AA+	Aaa	05/14/2025
3133ELJM7	17712	FEDERAL FARM CREDIT BANK		05/19/2020	10,000,000.00	10,373,562.20	10,382,392.28	1.650	0.561	AA+	Aaa	01/23/2025
3133EMPC0	17783	FEDERAL FARM CREDIT BANK		01/29/2021	125,000,000.00	123,107,457.50	124,977,454.44	0.460	0.464	AA+	Aaa	01/29/2026
3130A8QS5	17389	FEDERAL HOME LOAN BANK		08/08/2016	15,000,000.00	15,005,822.40	14,999,376.35	1.125	1.244	AA+	Aaa	07/14/2021
3130A8QS5	17399	FEDERAL HOME LOAN BANK		08/29/2016	3,955,000.00	3,956,535.17	3,954,732.82	1.125	1.319	AA+	Aaa	07/14/2021
3130A8QS5	17400	FEDERAL HOME LOAN BANK		09/13/2016	15,000,000.00	15,005,822.40	14,998,922.29	1.125	1.331	AA+	Aaa	07/14/2021
3130A8QS5	17403	FEDERAL HOME LOAN BANK		09/28/2016	10,000,000.00	10,003,881.60	9,999,597.72	1.125	1.240	AA+	Aaa	07/14/2021
3133752P1	17405	FEDERAL HOME LOAN BANK		10/05/2016	5,700,000.00	5,715,040.76	5,709,233.61	3.500	1.342	AA+	Aaa	07/29/2021
3130A8QS5	17408	FEDERAL HOME LOAN BANK		10/13/2016	10,000,000.00	10,003,881.60	9,998,971.93	1.125	1.420	AA+	Aaa	07/14/2021

County of Fresno
Portfolio Management
Portfolio Details - Investments
June 30, 2021

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Federal Agency Coupons												
3130A8QS5	17414	FEDERAL HOME LOAN BANK		11/14/2016	10,000,000.00	10,003,881.60	9,998,593.29	1.125	1.530	AA+	Aaa	07/14/2021
3130A8QS5	17464	FEDERAL HOME LOAN BANK		04/06/2017	20,000,000.00	20,007,763.20	19,995,279.19	1.125	1.807	AA+	Aaa	07/14/2021
313379Q69	17485	FEDERAL HOME LOAN BANK		06/28/2017	5,000,000.00	5,095,578.85	5,010,415.40	2.125	1.892	AA+	Aaa	06/10/2022
313379Q69	17486	FEDERAL HOME LOAN BANK		06/28/2017	5,000,000.00	5,095,578.85	5,010,424.92	2.125	1.892	AA+	Aaa	06/10/2022
313379Q69	17487	FEDERAL HOME LOAN BANK		06/28/2017	3,820,000.00	3,893,022.24	3,828,099.08	2.125	1.888	AA+	Aaa	06/10/2022
313379Q69	17488	FEDERAL HOME LOAN BANK		07/07/2017	13,470,000.00	13,727,489.42	13,484,654.49	2.125	2.003	AA+	Aaa	06/10/2022
3130AC5A8	17494	FEDERAL HOME LOAN BANK		09/19/2017	10,000,000.00	10,187,035.00	9,995,026.64	1.850	1.896	AA+	Aaa	08/15/2022
3130AC5A8	17496	FEDERAL HOME LOAN BANK		09/27/2017	9,280,000.00	9,453,568.48	9,272,484.70	1.850	1.926	AA+	Aaa	08/15/2022
313379Q69	17498	FEDERAL HOME LOAN BANK		09/27/2017	20,000,000.00	20,382,315.40	20,043,931.84	2.125	1.880	AA+	Aaa	06/10/2022
3130ACKC7	17500	FEDERAL HOME LOAN BANK		10/18/2017	50,000,000.00	50,929,415.00	50,000,000.00	1.950	1.950	AA+	Aaa	07/18/2022
3130ACM27	17502	FEDERAL HOME LOAN BANK		10/12/2017	15,000,000.00	15,274,101.90	14,996,687.54	1.950	1.973	AA+	Aaa	07/11/2022
3130ACM27	17509	FEDERAL HOME LOAN BANK		10/19/2017	4,455,000.00	4,536,408.26	4,452,627.23	1.950	2.005	AA+	Aaa	07/11/2022
3130ACUV4	17512	FEDERAL HOME LOAN BANK		11/30/2017	50,000,000.00	51,018,612.50	50,000,000.00	2.070	2.070	AA+	Aaa	07/29/2022
3130ACUZ5	17513	FEDERAL HOME LOAN BANK		11/24/2017	23,000,000.00	23,393,828.31	22,995,689.35	2.060	2.082	AA+	Aaa	05/24/2022
3130ACYP3	17515	FEDERAL HOME LOAN BANK		12/05/2017	20,000,000.00	20,411,949.80	19,995,807.56	2.100	2.121	AA+	Aaa	07/27/2022
313379Q69	17516	FEDERAL HOME LOAN BANK		12/01/2017	2,000,000.00	2,038,231.54	1,999,855.99	2.125	2.133	AA+	Aaa	06/10/2022
3130ACUV4	17517	FEDERAL HOME LOAN BANK		12/06/2017	8,890,000.00	9,071,109.30	8,881,447.83	2.070	2.165	AA+	Aaa	07/29/2022
313379Q69	17527	FEDERAL HOME LOAN BANK		12/20/2017	1,900,000.00	1,936,319.96	1,898,258.93	2.125	2.228	AA+	Aaa	06/10/2022
3130A5P45	17528	FEDERAL HOME LOAN BANK		12/20/2017	1,925,000.00	1,966,088.57	1,927,526.40	2.375	2.228	AA+	Aaa	06/10/2022
3130ACXH2	17567	FEDERAL HOME LOAN BANK		12/04/2017	25,000,000.00	25,420,299.25	24,983,091.06	2.020	2.099	AA+	Aaa	05/25/2022
3130AEEW6	17572	FEDERAL HOME LOAN BANK		06/07/2018	21,150,000.00	22,173,487.42	21,100,374.36	2.760	2.893	AA+	Aaa	05/30/2023
3130AEAP5	17576	FEDERAL HOME LOAN BANK		05/30/2018	50,000,000.00	52,529,340.50	49,990,258.31	2.875	2.886	AA+	Aaa	05/30/2023
3130AFBD8	17608	FEDERAL HOME LOAN BANK		12/20/2018	12,500,000.00	13,243,710.25	12,584,700.24	3.125	2.774	AA+	Aaa	07/25/2023
3130A0F70	17613	FEDERAL HOME LOAN BANK		01/18/2019	10,000,000.00	10,734,440.20	10,146,100.23	3.375	2.730	AA+	Aaa	12/08/2023
3130AFQL4	17614	FEDERAL HOME LOAN BANK		01/18/2019	10,000,000.00	10,548,777.60	9,987,340.85	2.640	2.699	AA+	Aaa	10/27/2023
3130AFQL4	17619	FEDERAL HOME LOAN BANK		02/26/2019	4,905,000.00	5,174,175.41	4,911,098.42	2.640	2.583	AA+	Aaa	10/27/2023
3130AFRW9	17621	FEDERAL HOME LOAN BANK		02/28/2019	20,000,000.00	21,052,135.80	20,051,042.19	2.700	2.574	AA+	Aaa	08/28/2023
3130AFRW9	17623	FEDERAL HOME LOAN BANK		03/01/2019	20,000,000.00	21,052,135.80	20,038,201.30	2.700	2.606	AA+	Aaa	08/28/2023
3130A0F70	17632	FEDERAL HOME LOAN BANK		04/04/2019	11,200,000.00	12,022,573.02	11,457,079.74	3.375	2.373	AA+	Aaa	12/08/2023
3130AGA88	17633	FEDERAL HOME LOAN BANK		04/05/2019	50,000,000.00	52,591,097.50	49,979,797.00	2.320	2.337	AA+	Aaa	01/29/2024
3133X8EW8	17651	FEDERAL HOME LOAN BANK		09/26/2019	3,760,000.00	4,327,012.40	4,178,083.01	5.375	1.653	AA+	Aaa	08/15/2024
3130A2UW4	17654	FEDERAL HOME LOAN BANK		10/15/2019	10,000,000.00	10,744,003.00	10,369,252.49	2.875	1.668	AA+	Aaa	09/13/2024
3130AGWK7	17658	FEDERAL HOME LOAN BANK		10/23/2019	10,000,000.00	10,318,159.70	9,951,431.78	1.500	1.662	AA+	Aaa	08/15/2024
3130AGWK7	17662	FEDERAL HOME LOAN BANK		11/05/2019	12,500,000.00	12,897,699.63	12,443,497.76	1.500	1.651	AA+	Aaa	08/15/2024
3130AGWK7	17676	FEDERAL HOME LOAN BANK		12/18/2019	10,000,000.00	10,318,159.70	9,930,964.82	1.500	1.731	AA+	Aaa	08/15/2024
3130A3GE8	17693	FEDERAL HOME LOAN BANK		02/05/2020	5,000,000.00	5,369,539.50	5,206,830.66	2.750	1.502	AA+	Aaa	12/13/2024
3137EAEC9	17393	FEDERAL HOME MORTGAGE CO		08/17/2016	10,000,000.00	10,012,127.40	9,997,830.08	1.125	1.322	AA+	Aaa	08/12/2021
3134G9M79	17463	FEDERAL HOME MORTGAGE CO		04/06/2017	4,410,000.00	4,415,480.40	4,409,978.76	1.875	1.882	AA+	Aaa	07/26/2021

County of Fresno
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Federal Agency Coupons												
3134G9N86	17476	FEDERAL HOME MORTGAGE CO		05/11/2017	6,170,000.00	6,177,974.17	6,169,894.18	1.875	1.900	AA+	Aaa	07/27/2021
3137EAEU9	17724	FEDERAL HOME MORTGAGE CO		07/23/2020	65,000,000.00	64,109,555.25	64,737,151.28	0.375	0.476	AA+	Aaa	07/21/2025
3137EAEU9	17731	FEDERAL HOME MORTGAGE CO		09/10/2020	30,000,000.00	29,589,025.50	29,933,962.31	0.375	0.430	AA+	Aaa	07/21/2025
3137EAEX3	17741	FEDERAL HOME MORTGAGE CO		10/08/2020	50,000,000.00	49,237,177.50	49,774,641.68	0.375	0.483	AA+	Aaa	09/23/2025
3135G0N82	17396	FEDERAL NATIONAL MORTGAGE		08/29/2016	10,000,000.00	10,014,896.90	9,999,462.30	1.250	1.294	AA+	Aaa	08/17/2021
3135G0N82	17397	FEDERAL NATIONAL MORTGAGE		08/29/2016	10,000,000.00	10,014,896.90	9,998,922.04	1.250	1.337	AA+	Aaa	08/17/2021
3135G0N82	17398	FEDERAL NATIONAL MORTGAGE		08/29/2016	10,000,000.00	10,014,896.90	9,998,672.48	1.250	1.358	AA+	Aaa	08/17/2021
3135G0Q89	17407	FEDERAL NATIONAL MORTGAGE		10/13/2016	10,000,000.00	10,034,864.20	9,996,842.81	1.375	1.498	AA+	Aaa	10/07/2021
3135G0Q89	17409	FEDERAL NATIONAL MORTGAGE		10/27/2016	5,000,000.00	5,017,432.10	4,999,013.03	1.375	1.452	AA+	Aaa	10/07/2021
3135G0S38	17440	FEDERAL NATIONAL MORTGAGE		01/09/2017	20,000,000.00	20,196,051.60	19,995,359.02	2.000	2.048	AA+	Aaa	01/05/2022
3135G0S38	17441	FEDERAL NATIONAL MORTGAGE		01/09/2017	10,000,000.00	10,098,025.80	9,997,583.62	2.000	2.050	AA+	Aaa	01/05/2022
3135G0S38	17459	FEDERAL NATIONAL MORTGAGE		03/28/2017	10,000,000.00	10,098,025.80	10,000,718.00	2.000	1.985	AA+	Aaa	01/05/2022
3136G2CS4	17461	FEDERAL NATIONAL MORTGAGE		03/28/2017	5,000,000.00	5,054,830.95	5,000,400.76	2.000	1.985	AA+	Aaa	01/27/2022
3135G0S38	17480	FEDERAL NATIONAL MORTGAGE		06/02/2017	5,000,000.00	5,049,012.90	5,004,096.15	2.000	1.832	AA+	Aaa	01/05/2022
3135G0S38	17481	FEDERAL NATIONAL MORTGAGE		06/12/2017	5,000,000.00	5,049,012.90	5,004,073.56	2.000	1.833	AA+	Aaa	01/05/2022
3135G0T78	17501	FEDERAL NATIONAL MORTGAGE		10/10/2017	20,000,000.00	20,458,946.40	19,994,476.12	2.000	2.023	AA+	Aaa	10/05/2022
3135G0T78	17531	FEDERAL NATIONAL MORTGAGE		01/11/2018	5,000,000.00	5,114,736.60	4,977,505.15	2.000	2.379	AA+	Aaa	10/05/2022
3135G0T94	17533	FEDERAL NATIONAL MORTGAGE		01/23/2018	40,000,000.00	41,348,520.00	39,925,869.27	2.375	2.503	AA+	Aaa	01/19/2023
3135G0U43	17631	FEDERAL NATIONAL MORTGAGE		03/27/2019	20,000,000.00	21,137,302.40	20,262,040.31	2.875	2.245	AA+	Aaa	09/12/2023
3135G0V75	17652	FEDERAL NATIONAL MORTGAGE		09/26/2019	35,000,000.00	36,390,078.55	35,119,965.17	1.750	1.631	AA+	Aaa	07/02/2024
3135G0V75	17656	FEDERAL NATIONAL MORTGAGE		10/16/2019	10,000,000.00	10,397,165.30	10,031,869.10	1.750	1.639	AA+	Aaa	07/02/2024
3135G0V75	17659	FEDERAL NATIONAL MORTGAGE		10/23/2019	10,000,000.00	10,397,165.30	10,023,444.07	1.750	1.668	AA+	Aaa	07/02/2024
3135G0V75	17660	FEDERAL NATIONAL MORTGAGE		10/28/2019	8,632,000.00	8,974,833.09	8,648,235.39	1.750	1.684	AA+	Aaa	07/02/2024
3135G0V75	17661	FEDERAL NATIONAL MORTGAGE		11/05/2019	23,000,000.00	23,913,480.19	23,059,600.04	1.750	1.660	AA+	Aaa	07/02/2024
3135G0V75	17663	FEDERAL NATIONAL MORTGAGE		11/08/2019	25,000,000.00	25,992,913.25	24,939,137.25	1.750	1.835	AA+	Aaa	07/02/2024
3135G0V75	17668	FEDERAL NATIONAL MORTGAGE		12/06/2019	25,000,000.00	25,992,913.25	25,055,330.65	1.750	1.673	AA+	Aaa	07/02/2024
3135G0V75	17669	FEDERAL NATIONAL MORTGAGE		12/06/2019	15,000,000.00	15,595,747.95	15,035,375.50	1.750	1.668	AA+	Aaa	07/02/2024
3135G0V75	17670	FEDERAL NATIONAL MORTGAGE		12/09/2019	15,000,000.00	15,595,747.95	15,014,705.02	1.750	1.716	AA+	Aaa	07/02/2024
3135G0V75	17671	FEDERAL NATIONAL MORTGAGE		12/09/2019	25,000,000.00	25,992,913.25	25,025,659.77	1.750	1.714	AA+	Aaa	07/02/2024
3135G0V75	17673	FEDERAL NATIONAL MORTGAGE		12/12/2019	25,000,000.00	25,992,913.25	25,021,587.04	1.750	1.720	AA+	Aaa	07/02/2024
3135G0V75	17675	FEDERAL NATIONAL MORTGAGE		12/13/2019	20,000,000.00	20,794,330.60	19,988,919.59	1.750	1.769	AA+	Aaa	07/02/2024
3135G0X24	17680	FEDERAL NATIONAL MORTGAGE		01/10/2020	50,000,000.00	51,781,327.00	49,850,644.41	1.625	1.714	AA+	Aaa	01/07/2025
3135G05X7	17730	FEDERAL NATIONAL MORTGAGE		08/27/2020	125,000,000.00	123,196,943.75	124,513,909.90	0.375	0.470	AA+	Aaa	08/25/2025
3135G04Z3	17732	FEDERAL NATIONAL MORTGAGE		09/11/2020	20,000,000.00	19,882,248.60	20,050,890.58	0.500	0.435	AA+	Aaa	06/17/2025
3135G04Z3	17733	FEDERAL NATIONAL MORTGAGE		09/24/2020	50,000,000.00	49,705,621.50	50,144,902.70	0.500	0.426	AA+	Aaa	06/17/2025
3135G04Z3	17734	FEDERAL NATIONAL MORTGAGE		09/28/2020	20,000,000.00	19,882,248.60	20,075,538.55	0.500	0.404	AA+	Aaa	06/17/2025
3135G04Z3	17735	FEDERAL NATIONAL MORTGAGE		09/28/2020	50,000,000.00	49,705,621.50	50,188,132.96	0.500	0.404	AA+	Aaa	06/17/2025
3135G04Z3	17736	FEDERAL NATIONAL MORTGAGE		10/01/2020	75,000,000.00	74,558,432.25	75,270,401.89	0.500	0.408	AA+	Aaa	06/17/2025

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Federal Agency Coupons												
3135G04Z3	17746	FEDERAL NATIONAL MORTGAGE		11/24/2020	10,000,000.00	9,941,124.30	10,019,181.13	0.500	0.451	AA+	Aaa	06/17/2025
3135G05X7	17747	FEDERAL NATIONAL MORTGAGE		11/24/2020	10,000,000.00	9,855,755.50	9,956,166.69	0.375	0.482	AA+	Aaa	08/25/2025
3135G05X7	17748	FEDERAL NATIONAL MORTGAGE		11/24/2020	10,000,000.00	9,855,755.50	9,956,079.37	0.375	0.482	AA+	Aaa	08/25/2025
3135G06G3	17754	FEDERAL NATIONAL MORTGAGE		12/07/2020	25,000,000.00	24,728,217.75	24,981,752.12	0.500	0.517	AA+	Aaa	11/07/2025
742651DP4	17643	PRIVATE EXPORT FUNDING CO		07/15/2019	10,000,000.00	10,546,633.90	10,129,213.56	2.450	2.001		Aaa	07/15/2024
742651DP4	17644	PRIVATE EXPORT FUNDING CO		07/15/2019	10,000,000.00	10,546,633.90	10,126,606.19	2.450	2.010		Aaa	07/15/2024
		Subtotal and Average	**2,411,275,309.56**		**2,331,768,000.00**	**2,378,205,262.56**	**2,333,599,648.28**		**1.587**			
Medium Term Notes												
02079KAH0	17773	ALPHABET INC		01/19/2021	20,000,000.00	19,811,429.80	19,902,467.12	0.450	0.570	AA+	Aa2	08/15/2025
02079KAH0	17776	ALPHABET INC		01/20/2021	5,000,000.00	4,952,857.45	4,981,700.34	0.450	0.540	AA+	Aa2	08/15/2025
02079KAH0	17777	ALPHABET INC		01/20/2021	5,000,000.00	4,952,857.45	4,981,686.81	0.450	0.540	AA+	Aa2	08/15/2025
037833CC2	17425	APPLE INC		12/13/2016	5,000,000.00	5,000,377.85	4,997,071.27	1.550	2.226	AA+	Aa1	08/04/2021
037833CM0	17448	APPLE INC		02/21/2017	15,000,000.00	15,179,588.10	14,995,501.01	2.500	2.553	AA+	Aa1	02/09/2022
037833AY6	17470	APPLE INC		04/18/2017	10,000,000.00	10,119,099.30	9,997,409.78	2.150	2.195	AA+	Aa1	02/09/2022
037833CQ1	17475	APPLE INC		05/11/2017	20,000,000.00	20,327,947.20	19,991,733.33	2.300	2.351	AA+	Aa1	05/11/2022
037833BU3	17540	APPLE INC		03/01/2018	10,000,000.00	10,384,548.30	9,967,625.00	2.850	3.064	AA+	Aa1	02/23/2023
037833DE7	17541	APPLE INC		03/01/2018	2,500,000.00	2,580,736.25	2,476,609.32	2.400	3.060	AA+	Aa1	01/13/2023
037833AK6	17563	APPLE INC		05/03/2018	5,000,000.00	5,187,416.00	4,926,003.11	2.400	3.279	AA+	Aa1	05/03/2023
037833AK6	17564	APPLE INC		05/03/2018	5,000,000.00	5,187,416.00	4,925,929.56	2.400	3.280	AA+	Aa1	05/03/2023
037833AK6	17581	APPLE INC		06/22/2018	10,000,000.00	10,374,832.00	9,857,089.66	2.400	3.246	AA+	Aa1	05/03/2023
037833DX5	17729	APPLE INC		08/20/2020	10,000,000.00	9,893,637.00	9,980,477.56	0.550	0.598	AA+	Aa1	08/20/2025
037833DX5	17772	APPLE INC		01/19/2021	15,000,000.00	14,840,455.50	14,965,164.98	0.550	0.607	AA+	Aa1	08/20/2025
037833DX5	17782	APPLE INC		01/25/2021	10,000,000.00	9,893,637.00	9,987,771.19	0.550	0.580	AA+	Aa1	08/20/2025
037833EB2	17785	APPLE INC		02/08/2021	10,000,000.00	9,889,617.40	9,979,287.50	0.700	0.746	AA+	Aa1	02/08/2026
037833EB2	17787	APPLE INC		02/08/2021	20,000,000.00	19,779,234.80	19,961,152.56	0.700	0.743	AA+	Aa1	02/08/2026
084670BF4	17520	BERKSHIRE HATHAWAY		12/14/2017	15,000,000.00	15,273,622.95	15,086,180.85	3.400	2.355	AA	Aa2	01/31/2022
06406RAA5	17469	BANK OF NEW YORK		04/18/2017	10,000,000.00	10,125,027.30	10,009,952.99	2.600	2.423	A	A1	02/07/2022
14912L6U0	17401	CATERPILLAR		09/16/2016	15,294,000.00	15,319,343.08	15,290,393.63	1.700	1.935	A	A2	08/09/2021
166764BK5	17571	CHEVRON CORP		06/08/2018	10,000,000.00	10,377,055.90	9,871,806.95	2.566	3.313	AA-	Aa2	05/16/2023
166764BK5	17579	CHEVRON CORP		06/22/2018	5,000,000.00	5,188,527.95	4,940,082.27	2.566	3.262	AA-	Aa2	05/16/2023
166764BK5	17585	CHEVRON CORP		07/25/2018	6,288,000.00	6,525,092.75	6,210,222.78	2.566	3.284	AA-	Aa2	05/16/2023
166764BK5	17626	CHEVRON CORP		03/04/2019	7,966,000.00	8,266,362.73	7,923,147.19	2.566	2.872	AA-	Aa2	05/16/2023
166764BW9	17710	CHEVRON CORP		05/11/2020	5,000,000.00	5,125,289.20	5,000,000.00	1.554	1.554	AA-	Aa2	05/11/2025
166756AE6	17725	CHEVRON CORP		08/12/2020	3,000,000.00	2,976,243.81	3,000,000.00	0.687	0.687	AA-	Aa2	08/12/2025
166756AE6	17726	CHEVRON CORP		08/13/2020	4,500,000.00	4,464,365.72	4,497,636.49	0.687	0.700	AA-	Aa2	08/12/2025
166756AE6	17727	CHEVRON CORP		08/13/2020	9,000,000.00	8,928,731.43	8,995,258.17	0.687	0.700	AA-	Aa2	08/12/2025
166756AE6	17728	CHEVRON CORP		08/13/2020	5,000,000.00	4,960,406.35	4,997,365.65	0.687	0.700	AA-	Aa2	08/12/2025

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Medium Term Notes												
166756AE6	17745	CHEVRON CORP		11/05/2020	10,000,000.00	9,920,812.70	9,971,346.06	0.687	0.758	AA-	Aa2	08/12/2025
17325FAS7	17702	CITIBANK		03/24/2020	5,000,000.00	5,380,137.75	4,916,371.46	3.650	4.365	A+	Aa3	01/23/2024
30231GBC5	17695	EXXON MOBIL		03/17/2020	5,000,000.00	5,209,124.20	4,984,247.17	2.019	2.125	AA-	Aa2	08/16/2024
30231GBC5	17696	EXXON MOBIL		03/17/2020	5,000,000.00	5,209,124.20	4,982,016.99	2.019	2.140	AA-	Aa2	08/16/2024
30231GBH4	17699	EXXON MOBIL		03/19/2020	5,000,000.00	5,364,721.10	5,000,000.00	2.992	2.992	AA-	Aa2	03/19/2025
24422ERH4	17427	JOHN DEERE		12/13/2016	8,707,000.00	8,781,562.74	8,724,148.89	3.150	2.423	A	A2	10/15/2021
24422ERT8	17635	JOHN DEERE		05/28/2019	11,125,000.00	11,564,883.28	11,149,065.14	2.800	2.654	A	A2	01/27/2023
24422EUA5	17637	JOHN DEERE		06/06/2019	10,000,000.00	10,356,618.50	10,019,518.60	2.700	2.564	A	A2	01/06/2023
24422EUA5	17638	JOHN DEERE		06/06/2019	5,000,000.00	5,178,309.25	5,009,864.92	2.700	2.562	A	A2	01/06/2023
24422ETT6	17650	JOHN DEERE		09/19/2019	7,059,000.00	7,505,552.06	7,141,124.92	2.650	2.236	A	A2	06/24/2024
24422EUR8	17665	JOHN DEERE		11/26/2019	5,000,000.00	5,379,104.60	5,171,846.33	3.450	2.024	A	A2	01/10/2024
24422EUR8	17672	JOHN DEERE		12/12/2019	3,306,000.00	3,556,663.96	3,419,594.00	3.450	2.025	A	A2	01/10/2024
24422EUR8	17678	JOHN DEERE		12/27/2019	6,413,000.00	6,899,239.56	6,626,758.66	3.450	2.067	A	A2	01/10/2024
24422EVC0	17681	JOHN DEERE		01/10/2020	3,925,000.00	4,105,357.24	3,922,233.52	2.050	2.071	A	A2	01/09/2025
24422EVC0	17683	JOHN DEERE		01/13/2020	10,000,000.00	10,459,508.90	9,990,334.68	2.050	2.079	A	A2	01/09/2025
24422EVC0	17686	JOHN DEERE		02/10/2020	10,000,000.00	10,459,508.90	10,074,411.96	2.050	1.828	A	A2	01/09/2025
24422EVC0	17688	JOHN DEERE		02/28/2020	5,000,000.00	5,229,754.45	5,078,147.47	2.050	1.587	A	A2	01/09/2025
24422EVC0	17689	JOHN DEERE		02/28/2020	10,000,000.00	10,459,508.90	10,157,996.71	2.050	1.582	A	A2	01/09/2025
24422EVC0	17697	JOHN DEERE		03/17/2020	5,000,000.00	5,229,754.45	5,041,268.57	2.050	1.804	A	A2	01/09/2025
24422EVC0	17701	JOHN DEERE		03/24/2020	4,500,000.00	4,706,779.01	4,360,641.29	2.050	3.000	A	A2	01/09/2025
24422EVC0	17755	JOHN DEERE		12/10/2020	8,210,000.00	8,587,256.81	8,629,479.72	2.050	0.580	A	A2	01/09/2025
24422EVK2	17774	JOHN DEERE		01/20/2021	9,200,000.00	9,114,407.25	9,175,777.38	0.700	0.765	A	A2	01/15/2026
24422EVK2	17775	JOHN DEERE		01/20/2021	4,510,000.00	4,468,040.94	4,501,307.40	0.700	0.749	A	A2	01/15/2026
24422EVK2	17778	JOHN DEERE		01/21/2021	10,000,000.00	9,906,964.40	9,993,796.24	0.700	0.720	A	A2	01/15/2026
24422EVK2	17779	JOHN DEERE		01/21/2021	5,000,000.00	4,953,482.20	4,996,898.12	0.700	0.720	A	A2	01/15/2026
24422EVK2	17781	JOHN DEERE		01/22/2021	5,000,000.00	4,953,482.20	4,993,666.53	0.700	0.735	A	A2	01/15/2026
478160CN2	17784	JOHNSON & JOHNSON		02/02/2021	5,000,000.00	4,955,007.55	5,000,000.00	0.550	0.550	AAA	Aaa	09/01/2025
478160CN2	17786	JOHNSON & JOHNSON		02/04/2021	5,000,000.00	4,955,007.55	5,000,000.00	0.550	0.550	AAA	Aaa	09/01/2025
46625HJH4	17559	JP MORGAN		04/26/2018	10,000,000.00	10,444,640.90	9,949,276.30	3.200	3.554	A-	A2	01/25/2023
46632FPH2	17590	JP MORGAN		08/14/2018	30,000,000.00	31,404,600.00	30,000,000.00	3.450	3.450	A+	Aa2	07/14/2023
46632FPT6	17627	JP MORGAN		03/06/2019	30,000,000.00	31,560,300.00	30,000,000.00	3.050	3.050	A+	Aa2	01/26/2024
46632FPX7	17634	JP MORGAN		05/15/2019	40,000,000.00	42,054,000.00	40,000,000.00	2.775	2.775	A+	Aa2	05/15/2024
46632FRT4	17756	JP MORGAN		12/14/2020	60,000,000.00	58,708,786.20	60,000,000.00	0.580	0.580	A+	Aa2	05/29/2025
594918BP8	17394	MICROSOFT		08/22/2016	15,000,000.00	15,003,530.25	14,999,791.80	1.550	1.564	AAA	Aaa	08/08/2021
594918BP8	17424	MICROSOFT		12/13/2016	5,000,000.00	5,001,176.75	4,996,907.46	1.550	2.186	AAA	Aaa	08/08/2021
594918BW3	17449	MICROSOFT		02/21/2017	6,725,000.00	6,804,319.49	6,724,317.97	2.400	2.418	AAA	Aaa	02/06/2022
594918BA1	17450	MICROSOFT		02/21/2017	6,450,000.00	6,526,610.71	6,448,401.84	2.375	2.418	AAA	Aaa	02/12/2022
594918BW3	17525	MICROSOFT		12/21/2017	17,375,000.00	17,579,933.26	17,375,000.00	2.400	2.400	AAA	Aaa	02/06/2022

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Medium Term Notes												
594918AT1	17580	MICROSOFT		06/22/2018	10,000,000.00	10,335,530.70	9,867,086.79	2.375	3.162	AAA	Aaa	05/01/2023
594918BQ6	17616	MICROSOFT		02/07/2019	2,880,000.00	2,973,200.80	2,838,669.76	2.000	2.730	AAA	Aaa	08/08/2023
594918BQ6	17617	MICROSOFT		02/11/2019	20,000,000.00	20,647,227.80	19,726,038.10	2.000	2.696	AAA	Aaa	08/08/2023
594918BQ6	17624	MICROSOFT		03/04/2019	10,000,000.00	10,323,613.90	9,855,343.66	2.000	2.735	AAA	Aaa	08/08/2023
594918BQ6	17625	MICROSOFT		03/04/2019	5,000,000.00	5,161,806.95	4,927,757.31	2.000	2.734	AAA	Aaa	08/08/2023
594918BX1	17629	MICROSOFT		03/07/2019	10,000,000.00	10,575,861.90	10,000,000.00	2.875	2.875	AAA	Aaa	02/06/2024
742718FL8	17780	PROCTER & GAMBLE		01/22/2021	12,200,000.00	12,059,846.52	12,200,000.00	0.550	0.550	AA-	Aa3	10/29/2025
89233P7F7	17538	TOYOTA MOTOR CREDIT		03/01/2018	5,000,000.00	5,174,510.65	4,969,806.57	2.625	3.054	A+	A1	01/10/2023
89236TEL5	17539	TOYOTA MOTOR CREDIT		03/01/2018	5,000,000.00	5,180,572.85	4,975,039.43	2.700	3.054	A+	A1	01/11/2023
89236TEL5	17542	TOYOTA MOTOR CREDIT		04/02/2018	20,000,000.00	20,722,291.40	19,877,585.81	2.700	3.134	A+	A1	01/11/2023
89236TFS9	17612	TOYOTA MOTOR CREDIT		01/09/2019	12,250,000.00	13,100,640.00	12,215,661.05	3.350	3.472	A+	A1	01/08/2024
89236TDK8	17628	TOYOTA MOTOR CREDIT		03/07/2019	3,000,000.00	3,124,533.99	2,948,097.66	2.250	3.063	A+	A1	10/18/2023
89236TDK8	17636	TOYOTA MOTOR CREDIT		05/30/2019	5,000,000.00	5,207,556.65	4,959,312.96	2.250	2.627	A+	A1	10/18/2023
89236TGM1	17653	TOYOTA MOTOR CREDIT		10/15/2019	30,000,000.00	30,535,157.10	30,000,000.00	1.875	1.875	A+	A1	07/31/2024
89236TGL3	17664	TOYOTA MOTOR CREDIT		11/12/2019	10,000,000.00	10,428,364.80	9,983,875.81	2.000	2.052	A+	A1	10/07/2024
89236TGL3	17682	TOYOTA MOTOR CREDIT		01/13/2020	21,410,000.00	22,327,129.04	21,380,300.41	2.000	2.044	A+	A1	10/07/2024
89236TGW9	17715	TOYOTA MOTOR CREDIT		06/11/2020	10,000,000.00	10,443,917.40	10,365,468.33	2.900	0.781	A+	A1	03/30/2023
89236THP3	17743	TOYOTA MOTOR CREDIT		10/16/2020	7,000,000.00	6,940,360.00	6,990,026.17	0.800	0.834	A+	A1	10/16/2025
89236THW8	17767	TOYOTA MOTOR CREDIT		01/11/2021	5,000,000.00	4,954,334.35	4,994,703.11	0.800	0.824	A+	A1	01/09/2026
89236THW8	17768	TOYOTA MOTOR CREDIT		01/11/2021	5,000,000.00	4,954,334.35	4,996,876.20	0.800	0.814	A+	A1	01/09/2026
89236THW8	17769	TOYOTA MOTOR CREDIT		01/11/2021	5,500,000.00	5,449,767.79	5,496,105.66	0.800	0.816	A+	A1	01/09/2026
89236THW8	17770	TOYOTA MOTOR CREDIT		01/11/2021	5,270,000.00	5,221,868.40	5,266,502.33	0.800	0.815	A+	A1	01/09/2026
91159HHP8	17483	US BANK NA		06/27/2017	20,000,000.00	20,233,371.00	20,037,987.01	2.625	2.268	A+	A1	01/24/2022
91159JAA4	17529	US BANK NA		12/21/2017	10,004,000.00	10,263,761.26	10,036,908.78	2.950	2.606	A-	A1	07/15/2022
90331HNL3	17534	US BANK NA		01/24/2018	10,000,000.00	10,373,782.90	9,994,220.68	2.850	2.890	AA-	A1	01/23/2023
90331HNL3	17537	US BANK NA		03/01/2018	5,000,000.00	5,186,891.45	4,979,593.21	2.850	3.134	AA-	A1	01/23/2023
90331HNL3	17556	US BANK NA		04/20/2018	10,000,000.00	10,373,782.90	9,954,728.32	2.850	3.164	AA-	A1	01/23/2023
90331HNV1	17586	US BANK NA		07/25/2018	10,000,000.00	10,595,882.10	9,994,713.51	3.400	3.428	AA-	A1	07/24/2023
90331HNV1	17587	US BANK NA		07/25/2018	1,500,000.00	1,589,382.32	1,498,757.88	3.400	3.444	AA-	A1	07/24/2023
90331HNV1	17588	US BANK NA		07/25/2018	1,250,000.00	1,324,485.26	1,249,173.99	3.400	3.435	AA-	A1	07/24/2023
90331HPL1	17690	US BANK NA		02/28/2020	5,000,000.00	5,222,165.35	5,069,300.06	2.050	1.636	AA-	A1	01/21/2025
90331HPL1	17691	US BANK NA		03/12/2020	5,000,000.00	5,222,165.35	5,081,121.56	2.050	1.574	AA-	A1	01/21/2025
90331HPL1	17692	US BANK NA		03/12/2020	5,000,000.00	5,222,165.35	5,075,343.62	2.050	1.608	AA-	A1	01/21/2025
931142EK5	17604	WALMART		11/13/2018	10,000,000.00	10,597,555.70	9,979,534.58	3.400	3.512	AA	Aa2	06/26/2023
949746SA0	17445	WELLS FARGO		01/25/2017	10,000,000.00	10,012,698.10	9,995,316.16	2.100	2.823	BBB+	A2	07/26/2021
949746SA0	17467	WELLS FARGO		04/17/2017	5,000,000.00	5,006,349.05	4,998,791.42	2.100	2.469	BBB+	A2	07/26/2021
949746SA0	17477	WELLS FARGO		05/15/2017	13,232,000.00	13,248,802.13	13,228,742.35	2.100	2.475	BBB+	A2	07/26/2021
949746SA0	17491	WELLS FARGO		07/18/2017	12,275,000.00	12,290,586.92	12,272,386.90	2.100	2.424	BBB+	A2	07/26/2021

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Medium Term Notes												
95000U2B8	17508	WELLS FARGO		10/20/2017	5,000,000.00	5,124,978.80	4,999,488.14	2.625	2.635	BBB+	A2	07/22/2022
94988J5R4	17591	WELLS FARGO		08/14/2018	10,000,000.00	10,644,812.20	9,993,090.61	3.550	3.586	A+	Aa2	08/14/2023
94988J5R4	17602	WELLS FARGO		11/13/2018	10,000,000.00	10,644,812.20	9,946,045.96	3.550	3.830	A+	Aa2	08/14/2023
94988J5T0	17704	WELLS FARGO		03/24/2020	20,000,000.00	20,150,620.20	19,987,578.94	3.625	3.833	A+	Aa2	10/22/2021
		Subtotal and Average	**1,078,412,339.44**		**1,078,824,000.00**	**1,102,994,806.66**	**1,078,429,365.97**		**2.127**			
Treasury Notes												
911759MW5	17630	US HOUSING AND URBAN DEVELOP		03/28/2019	3,500,000.00	3,660,485.47	3,500,000.00	2.618	2.618	AA+	Aaa	08/01/2023
912828XR6	17497	US TREASURY NOTE		09/27/2017	20,000,000.00	20,301,560.00	19,984,102.23	1.750	1.841	AA+	Aaa	05/31/2022
912828L24	17510	US TREASURY NOTE		10/23/2017	20,000,000.00	20,407,820.00	19,969,590.74	1.875	2.012	AA+	Aaa	08/31/2022
912828XT2	17677	US TREASURY NOTE		12/18/2019	20,000,000.00	20,902,340.00	20,161,698.57	2.000	1.711	AA+	Aaa	05/31/2024
912828P46	17791	US TREASURY NOTE		02/26/2021	30,000,000.00	31,107,420.00	31,160,539.26	1.625	0.782	AA+	Aaa	02/15/2026
91282CBH3	17795	US TREASURY NOTE		03/08/2021	20,000,000.00	19,607,040.00	19,619,997.84	0.375	0.807	AA+	Aaa	01/31/2026
91282CBW0	17798	US TREASURY NOTE		05/03/2021	20,000,000.00	19,909,380.00	19,887,072.05	0.750	0.871	AA+	Aaa	04/30/2026
91282CBW0	17800	US TREASURY NOTE		05/12/2021	30,000,000.00	29,864,070.00	29,870,588.06	0.750	0.847	AA+	Aaa	04/30/2026
912828R36	17801	US TREASURY NOTE		05/18/2021	30,000,000.00	31,107,420.00	31,136,128.85	1.625	0.832	AA+	Aaa	05/15/2026
912828R36	17802	US TREASURY NOTE		05/19/2021	20,000,000.00	20,738,280.00	20,766,344.77	1.625	0.824	AA+	Aaa	05/15/2026
912828R36	17803	US TREASURY NOTE		05/20/2021	20,000,000.00	20,738,280.00	20,724,905.88	1.625	0.868	AA+	Aaa	05/15/2026
91282CCF6	17805	US TREASURY NOTE		06/16/2021	20,000,000.00	19,895,320.00	19,972,467.26	0.750	0.785	AA+	Aaa	05/31/2026
91282CCF6	17808	US TREASURY NOTE		06/17/2021	40,000,000.00	39,790,640.00	39,849,591.22	0.750	0.835	AA+	Aaa	05/31/2026
91282CCF6	17809	US TREASURY NOTE		06/17/2021	40,000,000.00	39,790,640.00	39,821,683.88	0.750	0.850	AA+	Aaa	05/31/2026
91282CCF6	17810	US TREASURY NOTE		06/17/2021	20,000,000.00	19,895,320.00	19,864,329.70	0.750	0.899	AA+	Aaa	05/31/2026
91282CCJ8	17823	US TREASURY NOTE		06/30/2021	30,000,000.00	30,000,000.00	29,875,868.02	0.875	0.960	AA+	Aaa	06/30/2026
91282CCJ8	17824	US TREASURY NOTE		06/30/2021	30,000,000.00	30,000,000.00	29,963,431.74	0.875	0.900	AA+	Aaa	06/30/2026
91282CCJ8	17827	US TREASURY NOTE		06/30/2021	30,000,000.00	30,000,000.00	29,913,328.74	0.875	0.934	AA+	Aaa	06/30/2026
		Subtotal and Average	**296,234,202.58**		**443,500,000.00**	**447,716,015.47**	**446,041,668.81**		**1.006**			
Discount Commercial Paper												
		Subtotal and Average	**96,657,268.52**									
Mutual Funds												
SYS16450	16450	BLACKROCK LIQUIDITY FED FUND		07/01/2020	0.00	0.00	0.00	0.040	0.040	AAA	Aaa	
SYS02642	02642	FIDELITY 2642			10,000,000.00	10,000,000.00	10,000,000.00	0.010	0.010	AAA	Aaa	
SYS15497	15497	FIDELITY 2644		07/01/2020	0.00	0.00	0.00	0.010	0.010	AAA	Aaa	
		Subtotal and Average	**21,333,333.33**		**10,000,000.00**	**10,000,000.00**	**10,000,000.00**		**0.010**			

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's	Maturity Date
Local Agency Investment Funds												
SYS05291	05291	LAIF			75,000,000.00	75,000,000.00	75,000,000.00	0.262	0.262			
		Subtotal and Average	**75,000,000.00**		**75,000,000.00**	**75,000,000.00**	**75,000,000.00**		**0.262**			
Bank Money Market Accounts												
SYS16800	16800	BANK OF THE WEST MM			575,000,000.00	575,000,000.00	575,000,000.00	0.100	0.100			
SYS16900	16900	CENTRAL VALLEY COMM. BANK MM		12/01/2020	50,000,000.00	50,000,000.00	50,000,000.00	0.250	0.250			
SYS16500	16500	UNION BANK MM			0.00	0.00	0.00	0.030	0.030			
SYS16950	16950	UNITED SECURITY BANK MM		03/01/2021	15,000,000.00	15,000,000.00	15,000,000.00	0.400	0.400			
		Subtotal and Average	**558,333,333.33**		**640,000,000.00**	**640,000,000.00**	**640,000,000.00**		**0.119**			
Negotiable CDs												
05586FGU5	17799	BNP PARIBAS NY BRANCH		05/04/2021	100,000,000.00	100,001,800.00	100,000,000.00	0.110	0.112	A-1	P-1	08/03/2021
05586FPC5	17820	BNP PARIBAS NY BRANCH		06/24/2021	100,000,000.00	99,998,300.00	100,000,000.00	0.120	0.122	A-1	P-1	11/23/2021
89114WCM5	17819	TORONTO DOMIN NY		06/24/2021	100,000,000.00	99,999,900.00	100,000,000.00	0.110	0.112	A-1+	P-1	10/22/2021
		Subtotal and Average	**146,666,666.67**		**300,000,000.00**	**300,000,000.00**	**300,000,000.00**		**0.115**			
Municipal Bonds												
13063DAD0	17472	STATE OF CALIFORNIA		04/27/2017	5,000,000.00	5,082,450.00	5,000,000.00	2.367	2.367	AA-	Aa2	04/01/2022
13063DAD0	17473	STATE OF CALIFORNIA		04/27/2017	10,500,000.00	10,673,145.00	10,508,725.54	2.367	2.249	AA-	Aa2	04/01/2022
13063DAD0	17474	STATE OF CALIFORNIA		05/03/2017	8,000,000.00	8,131,920.00	8,004,557.01	2.367	2.286	AA-	Aa2	04/01/2022
13063DDF2	17504	STATE OF CALIFORNIA		10/26/2017	10,000,000.00	10,287,000.00	10,035,315.49	2.500	2.200	AA-	Aa2	10/01/2022
13063DDF2	17505	STATE OF CALIFORNIA		10/26/2017	10,000,000.00	10,287,000.00	10,035,315.49	2.500	2.200	AA-	Aa2	10/01/2022
13063DDF2	17519	STATE OF CALIFORNIA		12/14/2017	20,000,000.00	20,574,000.00	20,016,259.41	2.500	2.430	AA-	Aa2	10/01/2022
13063DDF2	17532	STATE OF CALIFORNIA		01/16/2018	5,000,000.00	5,143,500.00	4,995,632.74	2.500	2.574	AA-	Aa2	10/01/2022
13063DRK6	17657	STATE OF CALIFORNIA		10/24/2019	50,000,000.00	52,753,000.00	50,756,187.39	2.400	1.910	AA-	Aa2	10/01/2024
13063BF49	17705	STATE OF CALIFORNIA		03/26/2020	11,000,000.00	11,088,550.00	11,048,852.82	5.000	2.275	AA-	Aa2	09/01/2021
13063DLZ9	17742	STATE OF CALIFORNIA		10/15/2020	22,790,000.00	24,295,963.20	24,356,309.51	3.000	0.477	AA-	Aa2	04/01/2024
13063DYW2	17744	STATE OF CALIFORNIA		11/03/2020	50,685,000.00	55,146,293.70	55,640,639.90	3.000	0.700	AA-	Aa2	11/01/2025
13063DGB8	17766	STATE OF CALIFORNIA		01/11/2021	7,500,000.00	8,211,600.00	8,256,177.63	3.375	0.645	AA-	Aa2	04/01/2025
		Subtotal and Average	**218,755,647.83**		**210,475,000.00**	**221,674,421.90**	**218,653,972.93**		**1.543**			
		Total and Average	**4,915,169,621.63**		**5,161,404,951.56**	**5,247,428,458.15**	**5,173,562,607.55**		**1.357**			

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	S&P	Moody's
		Average Balance	0.00								
		Total Cash and Investments	4,915,169,621.63		5,161,404,951.56	5,247,428,458.15	5,173,562,607.55		1.357		

County of Fresno
Inventory by Maturity Report
June 30, 2021

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM 360	YTM 365	Days to Maturity
3130A8QS5	17389	TREAS	FAC	FEDERAL HOME LOAN	08/08/2016	14,999,376.35	1.125	07/14/2021	15,000,000.00	1,801	15,000,000.00	1.227	1.244	13
3130A8QS5	17399	TREAS	FAC	FEDERAL HOME LOAN	08/29/2016	3,954,732.82	1.125	07/14/2021	3,955,000.00	1,780	3,955,000.00	1.301	1.319	13
3130A8QS5	17400	TREAS	FAC	FEDERAL HOME LOAN	09/13/2016	14,998,922.29	1.125	07/14/2021	15,000,000.00	1,765	15,000,000.00	1.313	1.331	13
3130A8QS5	17403	TREAS	FAC	FEDERAL HOME LOAN	09/28/2016	9,999,597.72	1.125	07/14/2021	10,000,000.00	1,750	10,000,000.00	1.223	1.240	13
3130A8QS5	17408	TREAS	FAC	FEDERAL HOME LOAN	10/13/2016	9,998,971.93	1.125	07/14/2021	10,000,000.00	1,735	10,000,000.00	1.401	1.420	13
3130A8QS5	17414	TREAS	FAC	FEDERAL HOME LOAN	11/14/2016	9,998,593.29	1.125	07/14/2021	10,000,000.00	1,703	10,000,000.00	1.509	1.530	13
3130A8QS5	17464	TREAS	FAC	FEDERAL HOME LOAN	04/06/2017	19,995,279.19	1.125	07/14/2021	20,000,000.00	1,560	20,000,000.00	1.782	1.807	13
949746SA0	17445	TREAS	MTN	WELLS FARGO	01/25/2017	9,995,316.16	2.100	07/26/2021	10,000,000.00	1,643	10,000,000.00	2.784	2.823	25
3134G9M79	17463	TREAS	FAC	FEDERAL HOME	04/06/2017	4,409,978.76	1.875	07/26/2021	4,410,000.00	1,572	4,410,000.00	1.856	1.882	25
949746SA0	17467	TREAS	MTN	WELLS FARGO	04/17/2017	4,998,791.42	2.100	07/26/2021	5,000,000.00	1,561	5,000,000.00	2.435	2.469	25
949746SA0	17477	TREAS	MTN	WELLS FARGO	05/15/2017	13,228,742.35	2.100	07/26/2021	13,232,000.00	1,533	13,232,000.00	2.441	2.475	25
949746SA0	17491	TREAS	MTN	WELLS FARGO	07/18/2017	12,272,386.90	2.100	07/26/2021	12,275,000.00	1,469	12,275,000.00	2.390	2.424	25
3134G9N86	17476	TREAS	FAC	FEDERAL HOME	05/11/2017	6,169,894.18	1.875	07/27/2021	6,170,000.00	1,538	6,170,000.00	1.874	1.900	26
3133752P1	17405	TREAS	FAC	FEDERAL HOME LOAN	10/05/2016	5,709,233.61	3.500	07/29/2021	5,700,000.00	1,758	5,700,000.00	1.324	1.342	28
05586FGU5	17799	TREAS	NCB	BNP PARIBAS NY BRANCH	05/04/2021	100,000,000.00	0.110	08/03/2021	100,000,000.00	91	100,000,000.00	0.110	0.112	33
037833CC2	17425	TREAS	MTN	APPLE INC	12/13/2016	4,997,071.27	1.550	08/04/2021	5,000,000.00	1,695	5,000,000.00	2.195	2.226	34
594918BP8	17394	TREAS	MTN	MICROSOFT	08/22/2016	14,999,791.80	1.550	08/08/2021	15,000,000.00	1,812	15,000,000.00	1.543	1.564	38
594918BP8	17424	TREAS	MTN	MICROSOFT	12/13/2016	4,996,907.46	1.550	08/08/2021	5,000,000.00	1,699	5,000,000.00	2.156	2.186	38
14912L6U0	17401	TREAS	MTN	CATERPILLAR	09/16/2016	15,290,393.63	1.700	08/09/2021	15,294,000.00	1,788	15,294,000.00	1.909	1.935	39
3137EAEC9	17393	TREAS	FAC	FEDERAL HOME	08/17/2016	9,997,830.08	1.125	08/12/2021	10,000,000.00	1,821	10,000,000.00	1.304	1.322	42
3135G0N82	17396	TREAS	FAC	FEDERAL NATIONAL	08/29/2016	9,999,462.30	1.250	08/17/2021	10,000,000.00	1,814	10,000,000.00	1.276	1.294	47
3135G0N82	17397	TREAS	FAC	FEDERAL NATIONAL	08/29/2016	9,998,922.04	1.250	08/17/2021	10,000,000.00	1,814	10,000,000.00	1.319	1.337	47
3135G0N82	17398	TREAS	FAC	FEDERAL NATIONAL	08/29/2016	9,998,672.48	1.250	08/17/2021	10,000,000.00	1,814	10,000,000.00	1.339	1.358	47
13063BF49	17705	TREAS	MUN	STATE OF CALIFORNIA	03/26/2020	11,048,852.82	5.000	09/01/2021	11,000,000.00	524	11,000,000.00	2.244	2.275	62
3135G0Q89	17407	TREAS	FAC	FEDERAL NATIONAL	10/13/2016	9,996,842.81	1.375	10/07/2021	10,000,000.00	1,820	10,000,000.00	1.478	1.498	98
3135G0Q89	17409	TREAS	FAC	FEDERAL NATIONAL	10/27/2016	4,999,013.03	1.375	10/07/2021	5,000,000.00	1,806	5,000,000.00	1.432	1.452	98
3133EGYQ2	17410	TREAS	FAC	FEDERAL FARM CREDIT	10/27/2016	9,998,431.08	1.400	10/14/2021	10,000,000.00	1,813	10,000,000.00	1.437	1.457	105
24422ERH4	17427	TREAS	MTN	JOHN DEERE	12/13/2016	8,724,148.89	3.150	10/15/2021	8,707,000.00	1,767	8,707,000.00	2.390	2.423	106
94988J5T0	17704	TREAS	MTN	WELLS FARGO	03/24/2020	19,987,578.94	3.625	10/22/2021	20,000,000.00	577	20,000,000.00	3.780	3.833	113
89114WCM5	17819	TREAS	NCB	TORONTO DOMIN NY	06/24/2021	100,000,000.00	0.110	10/22/2021	100,000,000.00	120	100,000,000.00	0.110	0.112	113
3133EGZJ7	17411	TREAS	FAC	FEDERAL FARM CREDIT	10/27/2016	9,997,503.79	1.375	10/25/2021	10,000,000.00	1,824	10,000,000.00	1.437	1.457	116
05586FPC5	17820	TREAS	NCB	BNP PARIBAS NY BRANCH	06/24/2021	100,000,000.00	0.120	11/23/2021	100,000,000.00	152	100,000,000.00	0.120	0.122	145
3135G0S38	17440	TREAS	FAC	FEDERAL NATIONAL	01/09/2017	19,995,359.02	2.000	01/05/2022	20,000,000.00	1,822	20,000,000.00	2.020	2.048	188
3135G0S38	17441	TREAS	FAC	FEDERAL NATIONAL	01/09/2017	9,997,583.62	2.000	01/05/2022	10,000,000.00	1,822	10,000,000.00	2.022	2.050	188
3135G0S38	17459	TREAS	FAC	FEDERAL NATIONAL	03/28/2017	10,000,718.00	2.000	01/05/2022	10,000,000.00	1,744	10,000,000.00	1.958	1.985	188

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM 360	YTM 365	Days to Maturity
3135G0S38	17480	TREAS	FAC	FEDERAL NATIONAL	06/02/2017	5,004,096.15	2.000	01/05/2022	5,000,000.00	1,678	5,000,000.00	1.807	1.832	188
3135G0S38	17481	TREAS	FAC	FEDERAL NATIONAL	06/12/2017	5,004,073.56	2.000	01/05/2022	5,000,000.00	1,668	5,000,000.00	1.808	1.833	188
91159HHP8	17483	TREAS	MTN	US BANK NA	06/27/2017	20,037,987.01	2.625	01/24/2022	20,000,000.00	1,672	20,000,000.00	2.237	2.268	207
3133EG5D3	17447	TREAS	FAC	FEDERAL FARM CREDIT	01/27/2017	50,000,000.00	2.030	01/27/2022	50,000,000.00	1,826	50,000,000.00	2.002	2.030	210
3136G2CS4	17461	TREAS	FAC	FEDERAL NATIONAL	03/28/2017	5,000,400.76	2.000	01/27/2022	5,000,000.00	1,766	5,000,000.00	1.958	1.985	210
084670BF4	17520	TREAS	MTN	BERKSHIRE HATHAWAY	12/14/2017	15,086,180.85	3.400	01/31/2022	15,000,000.00	1,509	15,000,000.00	2.323	2.355	214
594918BW3	17449	TREAS	MTN	MICROSOFT	02/21/2017	6,724,317.97	2.400	02/06/2022	6,725,000.00	1,811	6,725,000.00	2.385	2.418	220
594918BW3	17525	TREAS	MTN	MICROSOFT	12/21/2017	17,375,000.00	2.400	02/06/2022	17,375,000.00	1,508	17,375,000.00	2.367	2.400	220
06406RAA5	17469	TREAS	MTN	BANK OF NEW YORK	04/18/2017	10,009,952.99	2.600	02/07/2022	10,000,000.00	1,756	10,000,000.00	2.390	2.423	221
037833CM0	17448	TREAS	MTN	APPLE INC	02/21/2017	14,995,501.01	2.500	02/09/2022	15,000,000.00	1,814	15,000,000.00	2.518	2.553	223
037833AY6	17470	TREAS	MTN	APPLE INC	04/18/2017	9,997,409.78	2.150	02/09/2022	10,000,000.00	1,758	10,000,000.00	2.165	2.195	223
594918BA1	17450	TREAS	MTN	MICROSOFT	02/21/2017	6,448,401.84	2.375	02/12/2022	6,450,000.00	1,817	6,450,000.00	2.385	2.418	226
13063DAD0	17472	TREAS	MUN	STATE OF CALIFORNIA	04/27/2017	5,000,000.00	2.367	04/01/2022	5,000,000.00	1,800	5,000,000.00	2.335	2.367	274
13063DAD0	17473	TREAS	MUN	STATE OF CALIFORNIA	04/27/2017	10,508,725.54	2.367	04/01/2022	10,500,000.00	1,800	10,500,000.00	2.219	2.249	274
13063DAD0	17474	TREAS	MUN	STATE OF CALIFORNIA	05/03/2017	8,004,557.01	2.367	04/01/2022	8,000,000.00	1,794	8,000,000.00	2.255	2.286	274
037833CQ1	17475	TREAS	MTN	APPLE INC	05/11/2017	19,991,733.33	2.300	05/11/2022	20,000,000.00	1,826	20,000,000.00	2.319	2.351	314
3133EHJT1	17479	TREAS	FAC	FEDERAL FARM CREDIT	05/18/2017	4,998,996.17	2.000	05/18/2022	5,000,000.00	1,826	5,000,000.00	1.996	2.024	321
3130ACUZ5	17513	TREAS	FAC	FEDERAL HOME LOAN	11/24/2017	22,995,689.35	2.060	05/24/2022	23,000,000.00	1,642	23,000,000.00	2.053	2.082	327
3130ACXH2	17567	TREAS	FAC	FEDERAL HOME LOAN	12/04/2017	24,983,091.06	2.020	05/25/2022	25,000,000.00	1,633	25,000,000.00	2.070	2.099	328
912828XR6	17497	TREAS	TRC	US TREASURY NOTE	09/27/2017	19,984,102.23	1.750	05/31/2022	20,000,000.00	1,707	20,000,000.00	1.816	1.841	334
313379Q69	17485	TREAS	FAC	FEDERAL HOME LOAN	06/28/2017	5,010,415.40	2.125	06/10/2022	5,000,000.00	1,808	5,000,000.00	1.866	1.892	344
313379Q69	17486	TREAS	FAC	FEDERAL HOME LOAN	06/28/2017	5,010,424.92	2.125	06/10/2022	5,000,000.00	1,808	5,000,000.00	1.866	1.892	344
313379Q69	17487	TREAS	FAC	FEDERAL HOME LOAN	06/28/2017	3,828,099.08	2.125	06/10/2022	3,820,000.00	1,808	3,820,000.00	1.862	1.888	344
313379Q69	17488	TREAS	FAC	FEDERAL HOME LOAN	07/07/2017	13,484,654.49	2.125	06/10/2022	13,470,000.00	1,799	13,470,000.00	1.976	2.003	344
313379Q69	17498	TREAS	FAC	FEDERAL HOME LOAN	09/27/2017	20,043,931.84	2.125	06/10/2022	20,000,000.00	1,717	20,000,000.00	1.854	1.880	344
313379Q69	17516	TREAS	FAC	FEDERAL HOME LOAN	12/01/2017	1,999,855.99	2.125	06/10/2022	2,000,000.00	1,652	2,000,000.00	2.104	2.133	344
313379Q69	17527	TREAS	FAC	FEDERAL HOME LOAN	12/20/2017	1,898,258.93	2.125	06/10/2022	1,900,000.00	1,633	1,900,000.00	2.197	2.228	344
3130A5P45	17528	TREAS	FAC	FEDERAL HOME LOAN	12/20/2017	1,927,526.40	2.375	06/10/2022	1,925,000.00	1,633	1,925,000.00	2.197	2.228	344
3133EEY20	17495	TREAS	FAC	FEDERAL FARM CREDIT	09/21/2017	10,043,158.73	2.400	06/17/2022	10,000,000.00	1,730	10,000,000.00	1.901	1.928	351
3130ACM27	17502	TREAS	FAC	FEDERAL HOME LOAN	10/12/2017	14,996,687.54	1.950	07/11/2022	15,000,000.00	1,733	15,000,000.00	1.946	1.973	375
3130ACM27	17509	TREAS	FAC	FEDERAL HOME LOAN	10/19/2017	4,452,627.23	1.950	07/11/2022	4,455,000.00	1,726	4,455,000.00	1.977	2.005	375
91159JAA4	17529	TREAS	MTN	US BANK NA	12/21/2017	10,036,908.78	2.950	07/15/2022	10,004,000.00	1,667	10,004,000.00	2.570	2.606	379
3130ACKC7	17500	TREAS	FAC	FEDERAL HOME LOAN	10/18/2017	50,000,000.00	1.950	07/18/2022	50,000,000.00	1,734	50,000,000.00	1.924	1.950	382
95000U2B8	17508	TREAS	MTN	WELLS FARGO	10/20/2017	4,999,488.14	2.625	07/22/2022	5,000,000.00	1,736	5,000,000.00	2.599	2.635	386
3130ACYP3	17515	TREAS	FAC	FEDERAL HOME LOAN	12/05/2017	19,995,807.56	2.100	07/27/2022	20,000,000.00	1,695	20,000,000.00	2.092	2.121	391
3130ACUV4	17512	TREAS	FAC	FEDERAL HOME LOAN	11/30/2017	50,000,000.00	2.070	07/29/2022	50,000,000.00	1,702	50,000,000.00	2.042	2.070	393
3130ACUV4	17517	TREAS	FAC	FEDERAL HOME LOAN	12/06/2017	8,881,447.83	2.070	07/29/2022	8,890,000.00	1,696	8,890,000.00	2.135	2.165	393
3130AC5A8	17494	TREAS	FAC	FEDERAL HOME LOAN	09/19/2017	9,995,026.64	1.850	08/15/2022	10,000,000.00	1,791	10,000,000.00	1.870	1.896	410
3130AC5A8	17496	TREAS	FAC	FEDERAL HOME LOAN	09/27/2017	9,272,484.70	1.850	08/15/2022	9,280,000.00	1,783	9,280,000.00	1.899	1.926	410
3133EHVS9	17499	TREAS	FAC	FEDERAL FARM CREDIT	09/28/2017	5,492,104.31	1.840	08/23/2022	5,500,000.00	1,790	5,500,000.00	1.945	1.972	418

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM 360	YTM 365	Days to Maturity
912828L24	17510	TREAS	TRC	US TREASURY NOTE	10/23/2017	19,969,590.74	1.875	08/31/2022	20,000,000.00	1,773	20,000,000.00	1.985	2.012	426
13063DDF2	17504	TREAS	MUN	STATE OF CALIFORNIA	10/26/2017	10,035,315.49	2.500	10/01/2022	10,000,000.00	1,801	10,000,000.00	2.170	2.200	457
13063DDF2	17505	TREAS	MUN	STATE OF CALIFORNIA	10/26/2017	10,035,315.49	2.500	10/01/2022	10,000,000.00	1,801	10,000,000.00	2.170	2.200	457
13063DDF2	17519	TREAS	MUN	STATE OF CALIFORNIA	12/14/2017	20,016,259.41	2.500	10/01/2022	20,000,000.00	1,752	20,000,000.00	2.397	2.430	457
13063DDF2	17532	TREAS	MUN	STATE OF CALIFORNIA	01/16/2018	4,995,632.74	2.500	10/01/2022	5,000,000.00	1,719	5,000,000.00	2.539	2.574	457
3135G0T78	17501	TREAS	FAC	FEDERAL NATIONAL	10/10/2017	19,994,476.12	2.000	10/05/2022	20,000,000.00	1,821	20,000,000.00	1.995	2.023	461
3135G0T78	17531	TREAS	FAC	FEDERAL NATIONAL	01/11/2018	4,977,505.15	2.000	10/05/2022	5,000,000.00	1,728	5,000,000.00	2.346	2.379	461
24422EUA5	17637	TREAS	MTN	JOHN DEERE	06/06/2019	10,019,518.60	2.700	01/06/2023	10,000,000.00	1,310	10,000,000.00	2.529	2.564	554
24422EUA5	17638	TREAS	MTN	JOHN DEERE	06/06/2019	5,009,864.92	2.700	01/06/2023	5,000,000.00	1,310	5,000,000.00	2.527	2.562	554
89233P7F7	17538	TREAS	MTN	TOYOTA MOTOR CREDIT	03/01/2018	4,969,806.57	2.625	01/10/2023	5,000,000.00	1,776	5,000,000.00	3.012	3.054	558
89236TEL5	17539	TREAS	MTN	TOYOTA MOTOR CREDIT	03/01/2018	4,975,039.43	2.700	01/11/2023	5,000,000.00	1,777	5,000,000.00	3.012	3.054	559
89236TEL5	17542	TREAS	MTN	TOYOTA MOTOR CREDIT	04/02/2018	19,877,585.81	2.700	01/11/2023	20,000,000.00	1,745	20,000,000.00	3.091	3.134	559
037833DE7	17541	TREAS	MTN	APPLE INC	03/01/2018	2,476,609.32	2.400	01/13/2023	2,500,000.00	1,779	2,500,000.00	3.018	3.060	561
3133EH7F4	17557	TREAS	FAC	FEDERAL FARM CREDIT	04/19/2018	19,741,239.68	2.350	01/17/2023	19,869,000.00	1,734	19,869,000.00	2.759	2.797	565
3135G0T94	17533	TREAS	FAC	FEDERAL NATIONAL	01/23/2018	39,925,869.27	2.375	01/19/2023	40,000,000.00	1,822	40,000,000.00	2.469	2.503	567
90331HNL3	17534	TREAS	MTN	US BANK NA	01/24/2018	9,994,220.68	2.850	01/23/2023	10,000,000.00	1,825	10,000,000.00	2.850	2.890	571
90331HNL3	17537	TREAS	MTN	US BANK NA	03/01/2018	4,979,593.21	2.850	01/23/2023	5,000,000.00	1,789	5,000,000.00	3.091	3.134	571
90331HNL3	17556	TREAS	MTN	US BANK NA	04/20/2018	9,954,728.32	2.850	01/23/2023	10,000,000.00	1,739	10,000,000.00	3.121	3.164	571
46625HJH4	17559	TREAS	MTN	JP MORGAN	04/26/2018	9,949,276.30	3.200	01/25/2023	10,000,000.00	1,735	10,000,000.00	3.505	3.554	573
24422ERT8	17635	TREAS	MTN	JOHN DEERE	05/28/2019	11,149,065.14	2.800	01/27/2023	11,125,000.00	1,340	11,125,000.00	2.618	2.654	575
3133EJBP3	17536	TREAS	FAC	FEDERAL FARM CREDIT	02/28/2018	50,982,187.63	2.500	02/02/2023	51,180,000.00	1,800	51,180,000.00	2.724	2.762	581
037833BU3	17540	TREAS	MTN	APPLE INC	03/01/2018	9,967,625.00	2.850	02/23/2023	10,000,000.00	1,820	10,000,000.00	3.022	3.064	602
89236TGW9	17715	TREAS	MTN	TOYOTA MOTOR CREDIT	06/11/2020	10,365,468.33	2.900	03/30/2023	10,000,000.00	1,022	10,000,000.00	0.770	0.781	637
594918AT1	17580	TREAS	MTN	MICROSOFT	06/22/2018	9,867,086.79	2.375	05/01/2023	10,000,000.00	1,774	10,000,000.00	3.119	3.162	669
037833AK6	17563	TREAS	MTN	APPLE INC	05/03/2018	4,926,003.11	2.400	05/03/2023	5,000,000.00	1,826	5,000,000.00	3.234	3.279	671
037833AK6	17564	TREAS	MTN	APPLE INC	05/03/2018	4,925,929.56	2.400	05/03/2023	5,000,000.00	1,826	5,000,000.00	3.235	3.280	671
037833AK6	17581	TREAS	MTN	APPLE INC	06/22/2018	9,857,089.66	2.400	05/03/2023	10,000,000.00	1,776	10,000,000.00	3.202	3.246	671
166764BK5	17571	TREAS	MTN	CHEVRON CORP	06/08/2018	9,871,806.95	2.566	05/16/2023	10,000,000.00	1,803	10,000,000.00	3.267	3.313	684
166764BK5	17579	TREAS	MTN	CHEVRON CORP	06/22/2018	4,940,082.27	2.566	05/16/2023	5,000,000.00	1,789	5,000,000.00	3.217	3.262	684
166764BK5	17585	TREAS	MTN	CHEVRON CORP	07/25/2018	6,210,222.78	2.566	05/16/2023	6,288,000.00	1,756	6,288,000.00	3.239	3.284	684
166764BK5	17626	TREAS	MTN	CHEVRON CORP	03/04/2019	7,923,147.19	2.566	05/16/2023	7,966,000.00	1,534	7,966,000.00	2.833	2.872	684
3130AEEW6	17572	TREAS	FAC	FEDERAL HOME LOAN	06/07/2018	21,100,374.36	2.760	05/30/2023	21,150,000.00	1,818	21,150,000.00	2.853	2.893	698
3130AEAP5	17576	TREAS	FAC	FEDERAL HOME LOAN	05/30/2018	49,990,258.31	2.875	05/30/2023	50,000,000.00	1,826	50,000,000.00	2.846	2.886	698
931142EK5	17604	TREAS	MTN	WALMART	11/13/2018	9,979,534.58	3.400	06/26/2023	10,000,000.00	1,686	10,000,000.00	3.464	3.512	725
46632FPH2	17590	TREAS	MTN	JP MORGAN	08/14/2018	30,000,000.00	3.450	07/14/2023	30,000,000.00	1,795	30,000,000.00	3.403	3.450	743
3133EJUS6	17584	TREAS	FAC	FEDERAL FARM CREDIT	07/17/2018	19,998,936.89	2.875	07/17/2023	20,000,000.00	1,826	20,000,000.00	2.838	2.878	746
3133EJUS6	17589	TREAS	FAC	FEDERAL FARM CREDIT	07/25/2018	29,960,448.21	2.875	07/17/2023	30,000,000.00	1,818	30,000,000.00	2.904	2.945	746
3133EJUS6	17593	TREAS	FAC	FEDERAL FARM CREDIT	09/19/2018	9,970,788.68	2.875	07/17/2023	10,000,000.00	1,762	10,000,000.00	2.988	3.029	746
3133EJUS6	17607	TREAS	FAC	FEDERAL FARM CREDIT	12/20/2018	2,915,612.53	2.875	07/17/2023	2,910,000.00	1,670	2,910,000.00	2.736	2.774	746
3133EJUS6	17615	TREAS	FAC	FEDERAL FARM CREDIT	01/18/2019	20,075,009.26	2.875	07/17/2023	20,000,000.00	1,641	20,000,000.00	2.642	2.679	746

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM 360	YTM 365	Days to Maturity
90331HNV1	17586	TREAS	MTN	US BANK NA	07/25/2018	9,994,713.51	3.400	07/24/2023	10,000,000.00	1,825	10,000,000.00	3.381	3.428	753
90331HNV1	17587	TREAS	MTN	US BANK NA	07/25/2018	1,498,757.88	3.400	07/24/2023	1,500,000.00	1,825	1,500,000.00	3.397	3.444	753
90331HNV1	17588	TREAS	MTN	US BANK NA	07/25/2018	1,249,173.99	3.400	07/24/2023	1,250,000.00	1,825	1,250,000.00	3.388	3.435	753
3133EJK57	17606	TREAS	FAC	FEDERAL FARM CREDIT	12/20/2018	17,099,818.50	3.080	07/24/2023	17,000,000.00	1,677	17,000,000.00	2.737	2.775	753
3130AFBD8	17608	TREAS	FAC	FEDERAL HOME LOAN	12/20/2018	12,584,700.24	3.125	07/25/2023	12,500,000.00	1,678	12,500,000.00	2.736	2.774	754
3133EJ4G1	17610	TREAS	FAC	FEDERAL FARM CREDIT	12/28/2018	64,978,459.24	2.770	07/28/2023	65,000,000.00	1,673	65,000,000.00	2.749	2.787	757
911759MW5	17630	TREAS	TRC	US HOUSING AND URBAN	03/28/2019	3,500,000.00	2.618	08/01/2023	3,500,000.00	1,587	3,500,000.00	2.583	2.618	761
594918BQ6	17616	TREAS	MTN	MICROSOFT	02/07/2019	2,838,669.76	2.000	08/08/2023	2,880,000.00	1,643	2,880,000.00	2.693	2.730	768
594918BQ6	17617	TREAS	MTN	MICROSOFT	02/11/2019	19,726,038.10	2.000	08/08/2023	20,000,000.00	1,639	20,000,000.00	2.659	2.696	768
594918BQ6	17624	TREAS	MTN	MICROSOFT	03/04/2019	9,855,343.66	2.000	08/08/2023	10,000,000.00	1,618	10,000,000.00	2.698	2.735	768
594918BQ6	17625	TREAS	MTN	MICROSOFT	03/04/2019	4,927,757.31	2.000	08/08/2023	5,000,000.00	1,618	5,000,000.00	2.697	2.734	768
94988J5R4	17591	TREAS	MTN	WELLS FARGO	08/14/2018	9,993,090.61	3.550	08/14/2023	10,000,000.00	1,826	10,000,000.00	3.537	3.586	774
94988J5R4	17602	TREAS	MTN	WELLS FARGO	11/13/2018	9,946,045.96	3.550	08/14/2023	10,000,000.00	1,735	10,000,000.00	3.778	3.830	774
3130AFRW9	17621	TREAS	FAC	FEDERAL HOME LOAN	02/28/2019	20,051,042.19	2.700	08/28/2023	20,000,000.00	1,642	20,000,000.00	2.539	2.574	788
3130AFRW9	17623	TREAS	FAC	FEDERAL HOME LOAN	03/01/2019	20,038,201.30	2.700	08/28/2023	20,000,000.00	1,641	20,000,000.00	2.570	2.606	788
3135G0U43	17631	TREAS	FAC	FEDERAL NATIONAL	03/27/2019	20,262,040.31	2.875	09/12/2023	20,000,000.00	1,630	20,000,000.00	2.214	2.245	803
89236TDK8	17628	TREAS	MTN	TOYOTA MOTOR CREDIT	03/07/2019	2,948,097.66	2.250	10/18/2023	3,000,000.00	1,686	3,000,000.00	3.021	3.063	839
89236TDK8	17636	TREAS	MTN	TOYOTA MOTOR CREDIT	05/30/2019	4,959,312.96	2.250	10/18/2023	5,000,000.00	1,602	5,000,000.00	2.591	2.627	839
3133EJ5W5	17618	TREAS	FAC	FEDERAL FARM CREDIT	02/26/2019	2,949,286.82	2.650	10/23/2023	2,945,000.00	1,700	2,945,000.00	2.548	2.583	844
3130AFQL4	17614	TREAS	FAC	FEDERAL HOME LOAN	01/18/2019	9,987,340.85	2.640	10/27/2023	10,000,000.00	1,743	10,000,000.00	2.662	2.699	848
3130AFQL4	17619	TREAS	FAC	FEDERAL HOME LOAN	02/26/2019	4,911,098.42	2.640	10/27/2023	4,905,000.00	1,704	4,905,000.00	2.548	2.583	848
3130A0F70	17613	TREAS	FAC	FEDERAL HOME LOAN	01/18/2019	10,146,100.23	3.375	12/08/2023	10,000,000.00	1,785	10,000,000.00	2.692	2.730	890
3130A0F70	17632	TREAS	FAC	FEDERAL HOME LOAN	04/04/2019	11,457,079.74	3.375	12/08/2023	11,200,000.00	1,709	11,200,000.00	2.341	2.373	890
89236TFS9	17612	TREAS	MTN	TOYOTA MOTOR CREDIT	01/09/2019	12,215,661.05	3.350	01/08/2024	12,250,000.00	1,825	12,250,000.00	3.425	3.472	921
24422EUR8	17665	TREAS	MTN	JOHN DEERE	11/26/2019	5,171,846.33	3.450	01/10/2024	5,000,000.00	1,506	5,000,000.00	1.996	2.024	923
24422EUR8	17672	TREAS	MTN	JOHN DEERE	12/12/2019	3,419,594.00	3.450	01/10/2024	3,306,000.00	1,490	3,306,000.00	1.997	2.025	923
24422EUR8	17678	TREAS	MTN	JOHN DEERE	12/27/2019	6,626,758.66	3.450	01/10/2024	6,413,000.00	1,475	6,413,000.00	2.039	2.067	923
17325FAS7	17702	TREAS	MTN	CITIBANK	03/24/2020	4,916,371.46	3.650	01/23/2024	5,000,000.00	1,400	5,000,000.00	4.305	4.365	936
46632FPT6	17627	TREAS	MTN	JP MORGAN	03/06/2019	30,000,000.00	3.050	01/26/2024	30,000,000.00	1,787	30,000,000.00	3.009	3.050	939
3130AGA88	17633	TREAS	FAC	FEDERAL HOME LOAN	04/05/2019	49,979,797.00	2.320	01/29/2024	50,000,000.00	1,760	50,000,000.00	2.305	2.337	942
594918BX1	17629	TREAS	MTN	MICROSOFT	03/07/2019	10,000,000.00	2.875	02/06/2024	10,000,000.00	1,797	10,000,000.00	2.835	2.875	950
3133EKBW5	17620	TREAS	FAC	FEDERAL FARM CREDIT	02/28/2019	20,009,799.13	2.610	02/27/2024	20,000,000.00	1,825	20,000,000.00	2.555	2.590	971
3133EKBW5	17622	TREAS	FAC	FEDERAL FARM CREDIT	03/01/2019	19,991,483.30	2.610	02/27/2024	20,000,000.00	1,824	20,000,000.00	2.591	2.627	971
3133ELCS1	17666	TREAS	FAC	FEDERAL FARM CREDIT	12/11/2019	19,961,200.00	1.550	03/11/2024	20,000,000.00	1,552	20,000,000.00	1.603	1.625	984
3133ELCS1	17667	TREAS	FAC	FEDERAL FARM CREDIT	12/11/2019	24,949,281.05	1.550	03/11/2024	25,000,000.00	1,552	25,000,000.00	1.606	1.628	984
13063DLZ9	17742	TREAS	MUN	STATE OF CALIFORNIA	10/15/2020	24,356,309.51	3.000	04/01/2024	22,790,000.00	1,264	22,790,000.00	0.470	0.477	1,005
46632FPX7	17634	TREAS	MTN	JP MORGAN	05/15/2019	40,000,000.00	2.775	05/15/2024	40,000,000.00	1,827	40,000,000.00	2.737	2.775	1,049
3133ELEM2	17674	TREAS	FAC	FEDERAL FARM CREDIT	12/17/2019	25,000,000.00	1.700	05/17/2024	25,000,000.00	1,613	25,000,000.00	1.677	1.700	1,051
912828XT2	17677	TREAS	TRC	US TREASURY NOTE	12/18/2019	20,161,698.57	2.000	05/31/2024	20,000,000.00	1,626	20,000,000.00	1.688	1.711	1,065
24422ETT6	17650	TREAS	MTN	JOHN DEERE	09/19/2019	7,141,124.92	2.650	06/24/2024	7,059,000.00	1,740	7,059,000.00	2.205	2.236	1,089

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM 360	YTM 365	Days to Maturity
3135G0V75	17652	TREAS	FAC	FEDERAL NATIONAL	09/26/2019	35,119,965.17	1.750	07/02/2024	35,000,000.00	1,741	35,000,000.00	1.608	1.631	1,097
3135G0V75	17656	TREAS	FAC	FEDERAL NATIONAL	10/16/2019	10,031,869.10	1.750	07/02/2024	10,000,000.00	1,721	10,000,000.00	1.617	1.639	1,097
3135G0V75	17659	TREAS	FAC	FEDERAL NATIONAL	10/23/2019	10,023,444.07	1.750	07/02/2024	10,000,000.00	1,714	10,000,000.00	1.645	1.668	1,097
3135G0V75	17660	TREAS	FAC	FEDERAL NATIONAL	10/28/2019	8,648,235.39	1.750	07/02/2024	8,632,000.00	1,709	8,632,000.00	1.661	1.684	1,097
3135G0V75	17661	TREAS	FAC	FEDERAL NATIONAL	11/05/2019	23,059,600.04	1.750	07/02/2024	23,000,000.00	1,701	23,000,000.00	1.637	1.660	1,097
3135G0V75	17663	TREAS	FAC	FEDERAL NATIONAL	11/08/2019	24,939,137.25	1.750	07/02/2024	25,000,000.00	1,698	25,000,000.00	1.810	1.835	1,097
3135G0V75	17668	TREAS	FAC	FEDERAL NATIONAL	12/06/2019	25,055,330.65	1.750	07/02/2024	25,000,000.00	1,670	25,000,000.00	1.650	1.673	1,097
3135G0V75	17669	TREAS	FAC	FEDERAL NATIONAL	12/06/2019	15,035,375.50	1.750	07/02/2024	15,000,000.00	1,670	15,000,000.00	1.645	1.668	1,097
3135G0V75	17670	TREAS	FAC	FEDERAL NATIONAL	12/09/2019	15,014,705.02	1.750	07/02/2024	15,000,000.00	1,667	15,000,000.00	1.692	1.716	1,097
3135G0V75	17671	TREAS	FAC	FEDERAL NATIONAL	12/09/2019	25,025,659.77	1.750	07/02/2024	25,000,000.00	1,667	25,000,000.00	1.691	1.714	1,097
3135G0V75	17673	TREAS	FAC	FEDERAL NATIONAL	12/12/2019	25,021,587.04	1.750	07/02/2024	25,000,000.00	1,664	25,000,000.00	1.696	1.720	1,097
3135G0V75	17675	TREAS	FAC	FEDERAL NATIONAL	12/13/2019	19,988,919.59	1.750	07/02/2024	20,000,000.00	1,663	20,000,000.00	1.745	1.769	1,097
742651DP4	17643	TREAS	FAC	PRIVATE EXPORT	07/15/2019	10,129,213.56	2.450	07/15/2024	10,000,000.00	1,827	10,000,000.00	1.974	2.001	1,110
742651DP4	17644	TREAS	FAC	PRIVATE EXPORT	07/15/2019	10,126,606.19	2.450	07/15/2024	10,000,000.00	1,827	10,000,000.00	1.982	2.010	1,110
3133EKHV1	17655	TREAS	FAC	FEDERAL FARM CREDIT	10/16/2019	2,345,969.79	2.450	07/22/2024	2,292,000.00	1,741	2,292,000.00	1.623	1.646	1,117
3133EKWV4	17647	TREAS	FAC	FEDERAL FARM CREDIT	08/28/2019	5,007,769.59	1.850	07/26/2024	4,950,000.00	1,794	4,950,000.00	1.435	1.455	1,121
3133EKWV4	17648	TREAS	FAC	FEDERAL FARM CREDIT	08/28/2019	15,170,728.12	1.850	07/26/2024	15,000,000.00	1,794	15,000,000.00	1.444	1.464	1,121
3133EKWV4	17649	TREAS	FAC	FEDERAL FARM CREDIT	09/13/2019	18,017,132.68	1.850	07/26/2024	17,941,000.00	1,778	17,941,000.00	1.682	1.705	1,121
89236TGM1	17653	TREAS	MTN	TOYOTA MOTOR CREDIT	10/15/2019	30,000,000.00	1.875	07/31/2024	30,000,000.00	1,751	30,000,000.00	1.850	1.875	1,126
3133X8EW8	17651	TREAS	FAC	FEDERAL HOME LOAN	09/26/2019	4,178,083.01	5.375	08/15/2024	3,760,000.00	1,785	3,760,000.00	1.630	1.653	1,141
3130AGWK7	17658	TREAS	FAC	FEDERAL HOME LOAN	10/23/2019	9,951,431.78	1.500	08/15/2024	10,000,000.00	1,758	10,000,000.00	1.640	1.662	1,141
3130AGWK7	17662	TREAS	FAC	FEDERAL HOME LOAN	11/05/2019	12,443,497.76	1.500	08/15/2024	12,500,000.00	1,745	12,500,000.00	1.628	1.651	1,141
3130AGWK7	17676	TREAS	FAC	FEDERAL HOME LOAN	12/18/2019	9,930,964.82	1.500	08/15/2024	10,000,000.00	1,702	10,000,000.00	1.707	1.731	1,141
30231GBC5	17695	TREAS	MTN	EXXON MOBIL	03/17/2020	4,984,247.17	2.019	08/16/2024	5,000,000.00	1,613	5,000,000.00	2.096	2.125	1,142
30231GBC5	17696	TREAS	MTN	EXXON MOBIL	03/17/2020	4,982,016.99	2.019	08/16/2024	5,000,000.00	1,613	5,000,000.00	2.111	2.140	1,142
3130A2UW4	17654	TREAS	FAC	FEDERAL HOME LOAN	10/15/2019	10,369,252.49	2.875	09/13/2024	10,000,000.00	1,795	10,000,000.00	1.645	1.668	1,170
13063DRK6	17657	TREAS	MUN	STATE OF CALIFORNIA	10/24/2019	50,756,187.39	2.400	10/01/2024	50,000,000.00	1,804	50,000,000.00	1.884	1.910	1,188
89236TGL3	17664	TREAS	MTN	TOYOTA MOTOR CREDIT	11/12/2019	9,983,875.81	2.000	10/07/2024	10,000,000.00	1,791	10,000,000.00	2.024	2.052	1,194
89236TGL3	17682	TREAS	MTN	TOYOTA MOTOR CREDIT	01/13/2020	21,380,300.41	2.000	10/07/2024	21,410,000.00	1,729	21,410,000.00	2.016	2.044	1,194
3130A3GE8	17693	TREAS	FAC	FEDERAL HOME LOAN	02/05/2020	5,206,830.66	2.750	12/13/2024	5,000,000.00	1,773	5,000,000.00	1.481	1.502	1,261
3135G0X24	17680	TREAS	FAC	FEDERAL NATIONAL	01/10/2020	49,850,644.41	1.625	01/07/2025	50,000,000.00	1,824	50,000,000.00	1.691	1.714	1,286
24422EVC0	17681	TREAS	MTN	JOHN DEERE	01/10/2020	3,922,233.52	2.050	01/09/2025	3,925,000.00	1,826	3,925,000.00	2.043	2.071	1,288
24422EVC0	17683	TREAS	MTN	JOHN DEERE	01/13/2020	9,990,334.68	2.050	01/09/2025	10,000,000.00	1,823	10,000,000.00	2.051	2.079	1,288
24422EVC0	17686	TREAS	MTN	JOHN DEERE	02/10/2020	10,074,411.96	2.050	01/09/2025	10,000,000.00	1,795	10,000,000.00	1.803	1.828	1,288
24422EVC0	17688	TREAS	MTN	JOHN DEERE	02/28/2020	5,078,147.47	2.050	01/09/2025	5,000,000.00	1,777	5,000,000.00	1.565	1.587	1,288
24422EVC0	17689	TREAS	MTN	JOHN DEERE	02/28/2020	10,157,996.71	2.050	01/09/2025	10,000,000.00	1,777	10,000,000.00	1.560	1.582	1,288
24422EVC0	17697	TREAS	MTN	JOHN DEERE	03/17/2020	5,041,268.57	2.050	01/09/2025	5,000,000.00	1,759	5,000,000.00	1.779	1.804	1,288
24422EVC0	17701	TREAS	MTN	JOHN DEERE	03/24/2020	4,360,641.29	2.050	01/09/2025	4,500,000.00	1,752	4,500,000.00	2.959	3.000	1,288
24422EVC0	17755	TREAS	MTN	JOHN DEERE	12/10/2020	8,629,479.72	2.050	01/09/2025	8,210,000.00	1,491	8,210,000.00	0.572	0.580	1,288
90331HPL1	17690	TREAS	MTN	US BANK NA	02/28/2020	5,069,300.06	2.050	01/21/2025	5,000,000.00	1,789	5,000,000.00	1.613	1.636	1,300

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90331HPL1	17691	TREAS	MTN	US BANK NA	03/12/2020	5,081,121.56	2.050	01/21/2025	5,000,000.00	1,776	5,000,000.00	1.552	1.574	1,300
90331HPL1	17692	TREAS	MTN	US BANK NA	03/12/2020	5,075,343.62	2.050	01/21/2025	5,000,000.00	1,776	5,000,000.00	1.586	1.608	1,300
3133ELJM7	17712	TREAS	FAC	FEDERAL FARM CREDIT	05/19/2020	10,382,392.28	1.650	01/23/2025	10,000,000.00	1,710	10,000,000.00	0.553	0.561	1,302
30231GBH4	17699	TREAS	MTN	EXXON MOBIL	03/19/2020	5,000,000.00	2.992	03/19/2025	5,000,000.00	1,826	5,000,000.00	2.951	2.992	1,357
13063DGB8	17766	TREAS	MUN	STATE OF CALIFORNIA	01/11/2021	8,256,177.63	3.375	04/01/2025	7,500,000.00	1,541	7,500,000.00	0.636	0.645	1,370
166764BW9	17710	TREAS	MTN	CHEVRON CORP	05/11/2020	5,000,000.00	1.554	05/11/2025	5,000,000.00	1,826	5,000,000.00	1.533	1.554	1,410
3133ELZM9	17711	TREAS	FAC	FEDERAL FARM CREDIT	05/19/2020	45,421,925.51	0.500	05/14/2025	45,559,000.00	1,821	45,559,000.00	0.571	0.579	1,413
46632FRT4	17756	TREAS	MTN	JP MORGAN	12/14/2020	60,000,000.00	0.580	05/29/2025	60,000,000.00	1,627	60,000,000.00	0.572	0.580	1,428
3135G04Z3	17732	TREAS	FAC	FEDERAL NATIONAL	09/11/2020	20,050,890.58	0.500	06/17/2025	20,000,000.00	1,740	20,000,000.00	0.429	0.435	1,447
3135G04Z3	17733	TREAS	FAC	FEDERAL NATIONAL	09/24/2020	50,144,902.70	0.500	06/17/2025	50,000,000.00	1,727	50,000,000.00	0.420	0.426	1,447
3135G04Z3	17734	TREAS	FAC	FEDERAL NATIONAL	09/28/2020	20,075,538.55	0.500	06/17/2025	20,000,000.00	1,723	20,000,000.00	0.398	0.404	1,447
3135G04Z3	17735	TREAS	FAC	FEDERAL NATIONAL	09/28/2020	50,188,132.96	0.500	06/17/2025	50,000,000.00	1,723	50,000,000.00	0.398	0.404	1,447
3135G04Z3	17736	TREAS	FAC	FEDERAL NATIONAL	10/01/2020	75,270,401.89	0.500	06/17/2025	75,000,000.00	1,720	75,000,000.00	0.402	0.408	1,447
3135G04Z3	17746	TREAS	FAC	FEDERAL NATIONAL	11/24/2020	10,019,181.13	0.500	06/17/2025	10,000,000.00	1,666	10,000,000.00	0.445	0.451	1,447
3137EAEU9	17724	TREAS	FAC	FEDERAL HOME	07/23/2020	64,737,151.28	0.375	07/21/2025	65,000,000.00	1,824	65,000,000.00	0.469	0.476	1,481
3137EAEU9	17731	TREAS	FAC	FEDERAL HOME	09/10/2020	29,933,962.31	0.375	07/21/2025	30,000,000.00	1,775	30,000,000.00	0.424	0.430	1,481
166756AE6	17725	TREAS	MTN	CHEVRON CORP	08/12/2020	3,000,000.00	0.687	08/12/2025	3,000,000.00	1,826	3,000,000.00	0.678	0.687	1,503
166756AE6	17726	TREAS	MTN	CHEVRON CORP	08/13/2020	4,497,636.49	0.687	08/12/2025	4,500,000.00	1,825	4,500,000.00	0.690	0.700	1,503
166756AE6	17727	TREAS	MTN	CHEVRON CORP	08/13/2020	8,995,258.17	0.687	08/12/2025	9,000,000.00	1,825	9,000,000.00	0.690	0.700	1,503
166756AE6	17728	TREAS	MTN	CHEVRON CORP	08/13/2020	4,997,365.65	0.687	08/12/2025	5,000,000.00	1,825	5,000,000.00	0.690	0.700	1,503
166756AE6	17745	TREAS	MTN	CHEVRON CORP	11/05/2020	9,971,346.06	0.687	08/12/2025	10,000,000.00	1,741	10,000,000.00	0.748	0.758	1,503
02079KAH0	17773	TREAS	MTN	ALPHABET INC	01/19/2021	19,902,467.12	0.450	08/15/2025	20,000,000.00	1,669	20,000,000.00	0.562	0.570	1,506
02079KAH0	17776	TREAS	MTN	ALPHABET INC	01/20/2021	4,981,700.34	0.450	08/15/2025	5,000,000.00	1,668	5,000,000.00	0.533	0.540	1,506
02079KAH0	17777	TREAS	MTN	ALPHABET INC	01/20/2021	4,981,686.81	0.450	08/15/2025	5,000,000.00	1,668	5,000,000.00	0.533	0.540	1,506
037833DX5	17729	TREAS	MTN	APPLE INC	08/20/2020	9,980,477.56	0.550	08/20/2025	10,000,000.00	1,826	10,000,000.00	0.590	0.598	1,511
037833DX5	17772	TREAS	MTN	APPLE INC	01/19/2021	14,965,164.98	0.550	08/20/2025	15,000,000.00	1,674	15,000,000.00	0.599	0.607	1,511
037833DX5	17782	TREAS	MTN	APPLE INC	01/25/2021	9,987,771.19	0.550	08/20/2025	10,000,000.00	1,668	10,000,000.00	0.572	0.580	1,511
3135G05X7	17730	TREAS	FAC	FEDERAL NATIONAL	08/27/2020	124,513,909.90	0.375	08/25/2025	125,000,000.00	1,824	125,000,000.00	0.463	0.470	1,516
3135G05X7	17747	TREAS	FAC	FEDERAL NATIONAL	11/24/2020	9,956,166.69	0.375	08/25/2025	10,000,000.00	1,735	10,000,000.00	0.475	0.482	1,516
3135G05X7	17748	TREAS	FAC	FEDERAL NATIONAL	11/24/2020	9,956,079.37	0.375	08/25/2025	10,000,000.00	1,735	10,000,000.00	0.476	0.482	1,516
478160CN2	17784	TREAS	MTN	JOHNSON & JOHNSON	02/02/2021	5,000,000.00	0.550	09/01/2025	5,000,000.00	1,672	5,000,000.00	0.542	0.550	1,523
478160CN2	17786	TREAS	MTN	JOHNSON & JOHNSON	02/04/2021	5,000,000.00	0.550	09/01/2025	5,000,000.00	1,670	5,000,000.00	0.542	0.550	1,523
3137EAEX3	17741	TREAS	FAC	FEDERAL HOME	10/08/2020	49,774,641.68	0.375	09/23/2025	50,000,000.00	1,811	50,000,000.00	0.476	0.483	1,545
89236THP3	17743	TREAS	MTN	TOYOTA MOTOR CREDIT	10/16/2020	6,990,026.17	0.800	10/16/2025	7,000,000.00	1,826	7,000,000.00	0.823	0.834	1,568
742718FL8	17780	TREAS	MTN	PROCTER & GAMBLE	01/22/2021	12,200,000.00	0.550	10/29/2025	12,200,000.00	1,741	12,200,000.00	0.542	0.550	1,581
13063DYW2	17744	TREAS	MUN	STATE OF CALIFORNIA	11/03/2020	55,640,639.90	3.000	11/01/2025	50,685,000.00	1,824	50,685,000.00	0.690	0.700	1,584
3135G06G3	17754	TREAS	FAC	FEDERAL NATIONAL	12/07/2020	24,981,752.12	0.500	11/07/2025	25,000,000.00	1,796	25,000,000.00	0.510	0.517	1,590
89236THW8	17767	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	4,994,703.11	0.800	01/09/2026	5,000,000.00	1,824	5,000,000.00	0.813	0.824	1,653
89236THW8	17768	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	4,996,876.20	0.800	01/09/2026	5,000,000.00	1,824	5,000,000.00	0.803	0.814	1,653
89236THW8	17769	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	5,496,105.66	0.800	01/09/2026	5,500,000.00	1,824	5,500,000.00	0.805	0.816	1,653

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM 360	YTM 365	Days to Maturity
89236THW8	17770	TREAS	MTN	TOYOTA MOTOR CREDIT	01/11/2021	5,266,502.33	0.800	01/09/2026	5,270,000.00	1,824	5,270,000.00	0.804	0.815	1,653
24422EVK2	17774	TREAS	MTN	JOHN DEERE	01/20/2021	9,175,777.38	0.700	01/15/2026	9,200,000.00	1,821	9,200,000.00	0.754	0.765	1,659
24422EVK2	17775	TREAS	MTN	JOHN DEERE	01/20/2021	4,501,307.40	0.700	01/15/2026	4,510,000.00	1,821	4,510,000.00	0.739	0.749	1,659
24422EVK2	17778	TREAS	MTN	JOHN DEERE	01/21/2021	9,993,796.24	0.700	01/15/2026	10,000,000.00	1,820	10,000,000.00	0.710	0.720	1,659
24422EVK2	17779	TREAS	MTN	JOHN DEERE	01/21/2021	4,996,898.12	0.700	01/15/2026	5,000,000.00	1,820	5,000,000.00	0.710	0.720	1,659
24422EVK2	17781	TREAS	MTN	JOHN DEERE	01/22/2021	4,993,666.53	0.700	01/15/2026	5,000,000.00	1,819	5,000,000.00	0.725	0.735	1,659
3133EMPC0	17783	TREAS	FAC	FEDERAL FARM CREDIT	01/29/2021	124,977,454.44	0.460	01/29/2026	125,000,000.00	1,826	125,000,000.00	0.458	0.464	1,673
91282CBH3	17795	TREAS	TRC	US TREASURY NOTE	03/08/2021	19,619,997.84	0.375	01/31/2026	20,000,000.00	1,790	20,000,000.00	0.796	0.807	1,675
037833EB2	17785	TREAS	MTN	APPLE INC	02/08/2021	9,979,287.50	0.700	02/08/2026	10,000,000.00	1,826	10,000,000.00	0.736	0.746	1,683
037833EB2	17787	TREAS	MTN	APPLE INC	02/08/2021	19,961,152.56	0.700	02/08/2026	20,000,000.00	1,826	20,000,000.00	0.733	0.743	1,683
912828P46	17791	TREAS	TRC	US TREASURY NOTE	02/26/2021	31,160,539.26	1.625	02/15/2026	30,000,000.00	1,815	30,000,000.00	0.771	0.782	1,690
91282CBW0	17798	TREAS	TRC	US TREASURY NOTE	05/03/2021	19,887,072.05	0.750	04/30/2026	20,000,000.00	1,823	20,000,000.00	0.859	0.871	1,764
91282CBW0	17800	TREAS	TRC	US TREASURY NOTE	05/12/2021	29,870,588.06	0.750	04/30/2026	30,000,000.00	1,814	30,000,000.00	0.835	0.847	1,764
912828R36	17801	TREAS	TRC	US TREASURY NOTE	05/18/2021	31,136,128.85	1.625	05/15/2026	30,000,000.00	1,823	30,000,000.00	0.821	0.832	1,779
912828R36	17802	TREAS	TRC	US TREASURY NOTE	05/19/2021	20,766,344.77	1.625	05/15/2026	20,000,000.00	1,822	20,000,000.00	0.813	0.824	1,779
912828R36	17803	TREAS	TRC	US TREASURY NOTE	05/20/2021	20,724,905.88	1.625	05/15/2026	20,000,000.00	1,821	20,000,000.00	0.856	0.868	1,779
91282CCF6	17805	TREAS	TRC	US TREASURY NOTE	06/16/2021	19,972,467.26	0.750	05/31/2026	20,000,000.00	1,810	20,000,000.00	0.775	0.785	1,795
91282CCF6	17808	TREAS	TRC	US TREASURY NOTE	06/17/2021	39,849,591.22	0.750	05/31/2026	40,000,000.00	1,809	40,000,000.00	0.824	0.835	1,795
91282CCF6	17809	TREAS	TRC	US TREASURY NOTE	06/17/2021	39,821,683.88	0.750	05/31/2026	40,000,000.00	1,809	40,000,000.00	0.838	0.850	1,795
91282CCF6	17810	TREAS	TRC	US TREASURY NOTE	06/17/2021	19,864,329.70	0.750	05/31/2026	20,000,000.00	1,809	20,000,000.00	0.886	0.899	1,795
91282CCJ8	17823	TREAS	TRC	US TREASURY NOTE	06/30/2021	29,875,868.02	0.875	06/30/2026	30,000,000.00	1,826	30,000,000.00	0.947	0.960	1,825
91282CCJ8	17824	TREAS	TRC	US TREASURY NOTE	06/30/2021	29,963,431.74	0.875	06/30/2026	30,000,000.00	1,826	30,000,000.00	0.888	0.900	1,825
91282CCJ8	17827	TREAS	TRC	US TREASURY NOTE	06/30/2021	29,913,328.74	0.875	06/30/2026	30,000,000.00	1,826	30,000,000.00	0.922	0.934	1,825
				Subtotal and Average		**4,376,724,655.99**			**4,364,567,000.00**		**4,364,567,000.00**	**1.536**	**1.557**	**935**
				Net Maturities and Average		**4,376,724,655.99**			**4,364,567,000.00**		**4,364,567,000.00**	**1.536**	**1.557**	**935**

FHN FINANCIAL
MAIN STREET ADVISORS

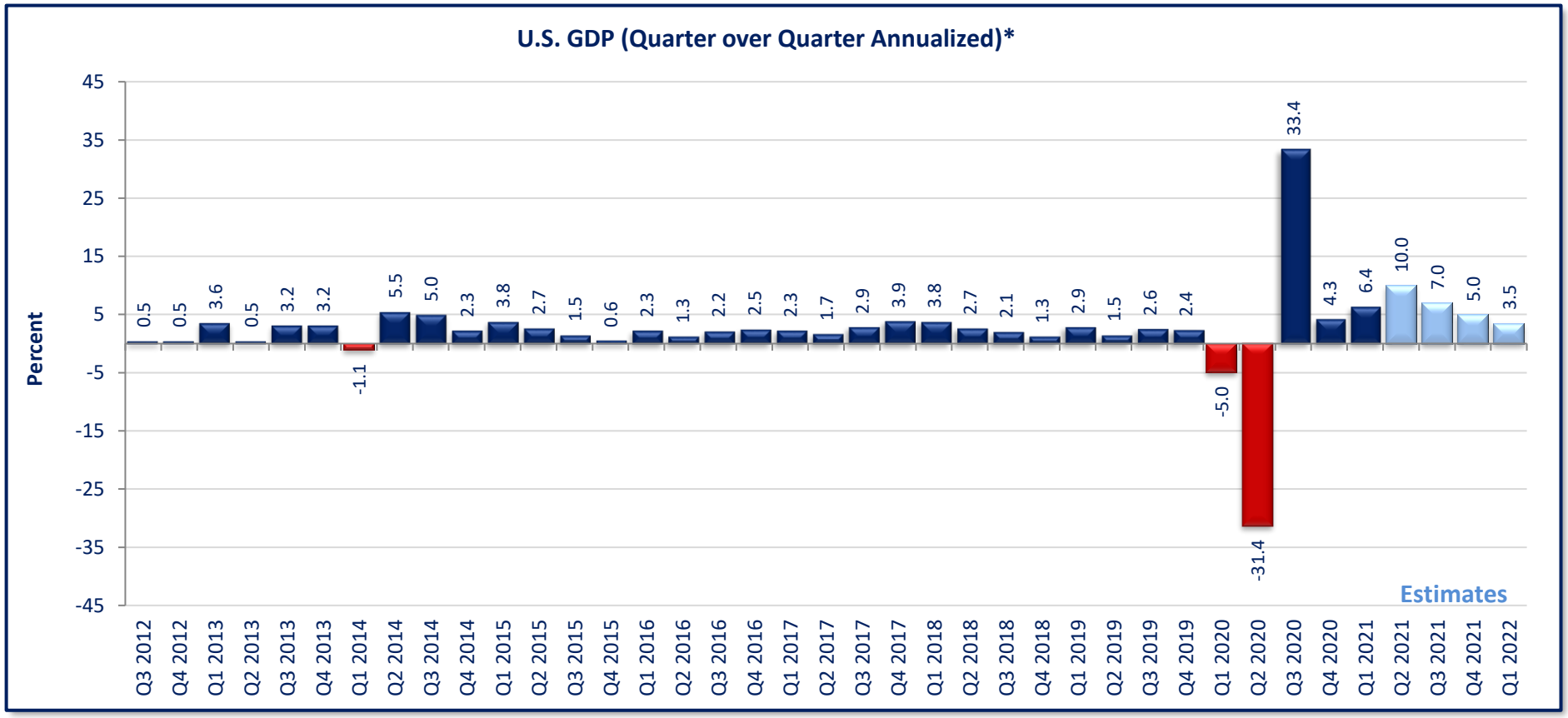
Quarterly Economic and Market Update

June 2021

Item	6/30/2021	3/31/2021	Change
U.S. Payrolls Monthly Change	850,000	785,000	65,000
Unemployment Rate	5.9%	6.0%	(0.1%)
Labor Force Participation	61.6%	61.5%	0.1%
Effective Fed Funds Rate	0.08%	0.06%	0.02%
3 Month T-Bill	0.04%	0.02%	0.03%
2 Year T-Note	0.25%	0.16%	0.09%
3 Year T-Note	0.46%	0.35%	0.11%
5 Year T-Note	0.89%	0.94%	(0.05%)
10 Year T-Note	1.47%	1.74%	(0.27%)
U.S. Fed Debt Avg Yield*	1.51%	1.50%	0.01%
30 Year Mortgage Rate	3.13%	3.27%	(0.14%)
1-5 Yr Agency Spread	0.01%	0.02%	(0.01%)
1-5 Yr A-AAA Corporate Spread	0.28%	0.38%	(0.10%)
Dow Jones	34,503	32,982	4.6%
S&P 500	4,298	3,973	8.2%
Consumer Price Index YOY*	3.5%	2.6%	0.9%
U.S. Avg Regular Unleaded	$3.12	$2.88	$0.25
Retail Sales YOY*	17.7%	29.7%	(12.0%)
Case-Shiller Home Prices YOY*	14.9%	12.0%	2.8%
Gold (per ounce)	$1,770.11	$1,707.71	$62.40
Dollar Index	92.44	93.23	(0.80)
Consumer Confidence	127.3	114.9	12.4

*Estimates for the current quarter/month, some data are lagged

Sources: FHN Main Street and Bloomberg

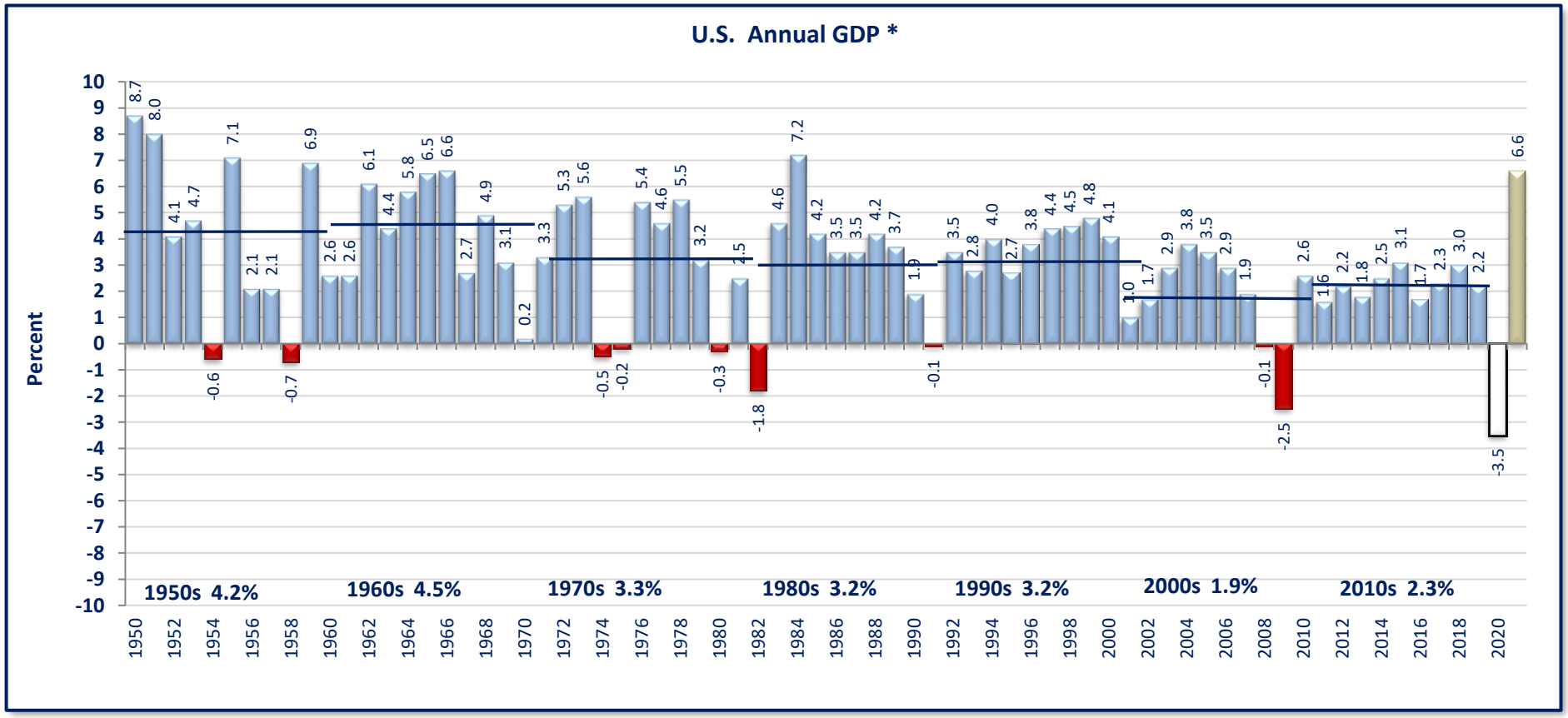


* Real Rate (Inflation Adjusted)

Estimate: Bloomberg's Survey of Economists

Source: Bureau of Economic Analysis

As of: 6/30/2021

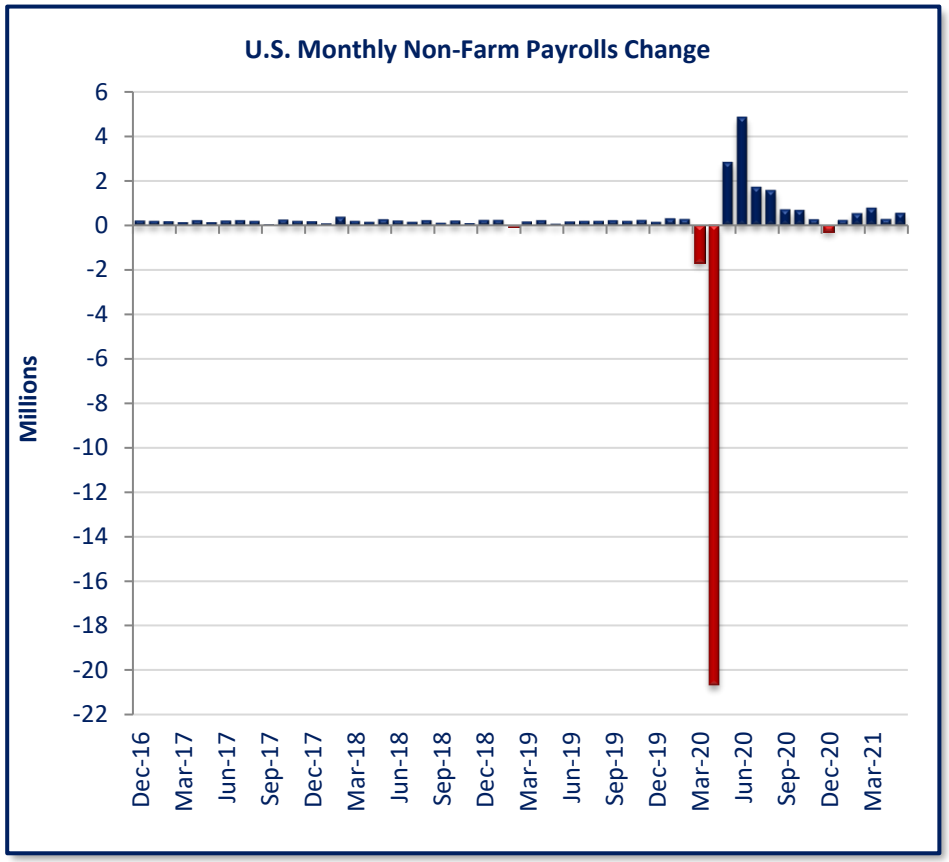


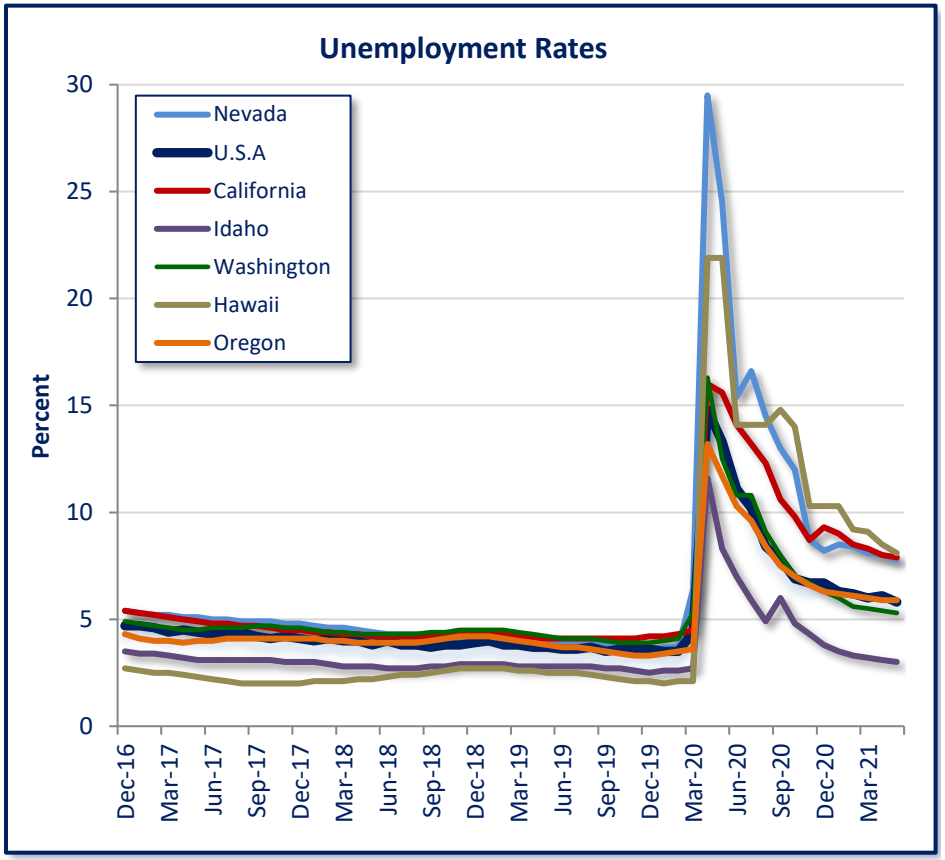
* Real Rate (Inflation Adjusted)

Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists

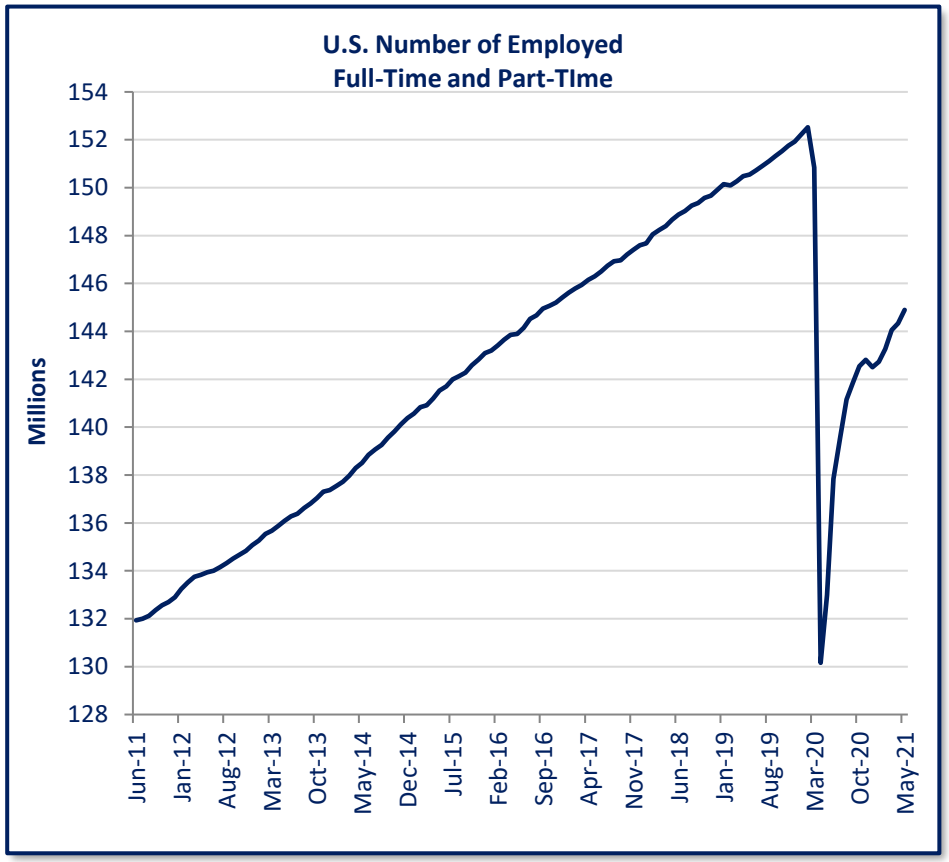
As of: 6/30/2021

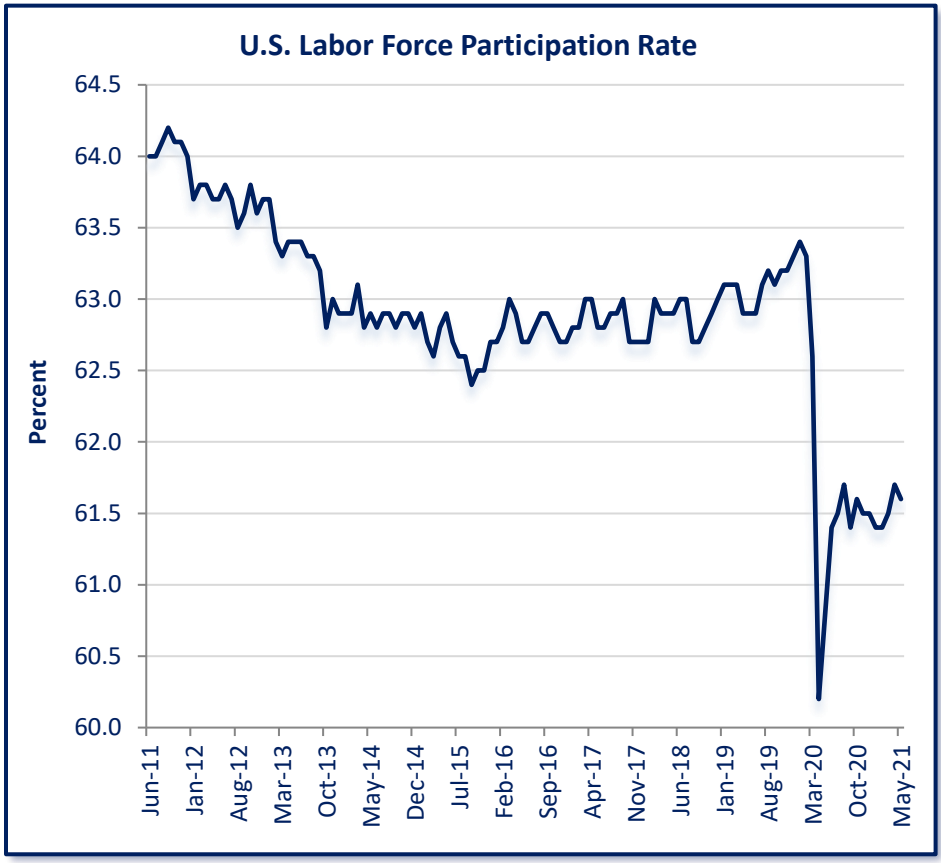




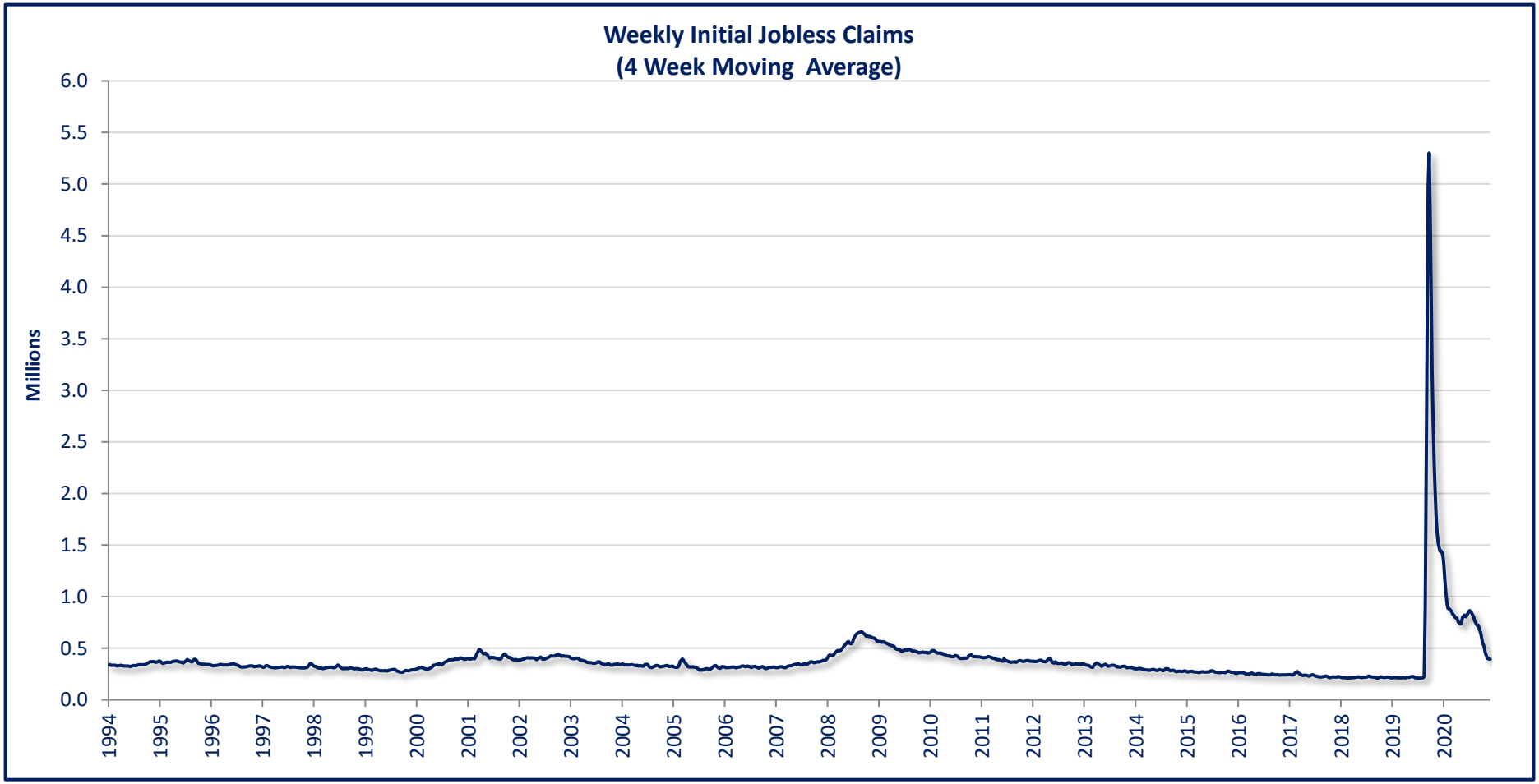
12 Month Average Job Change	641,273

Source: Bureau of Labor Statistics



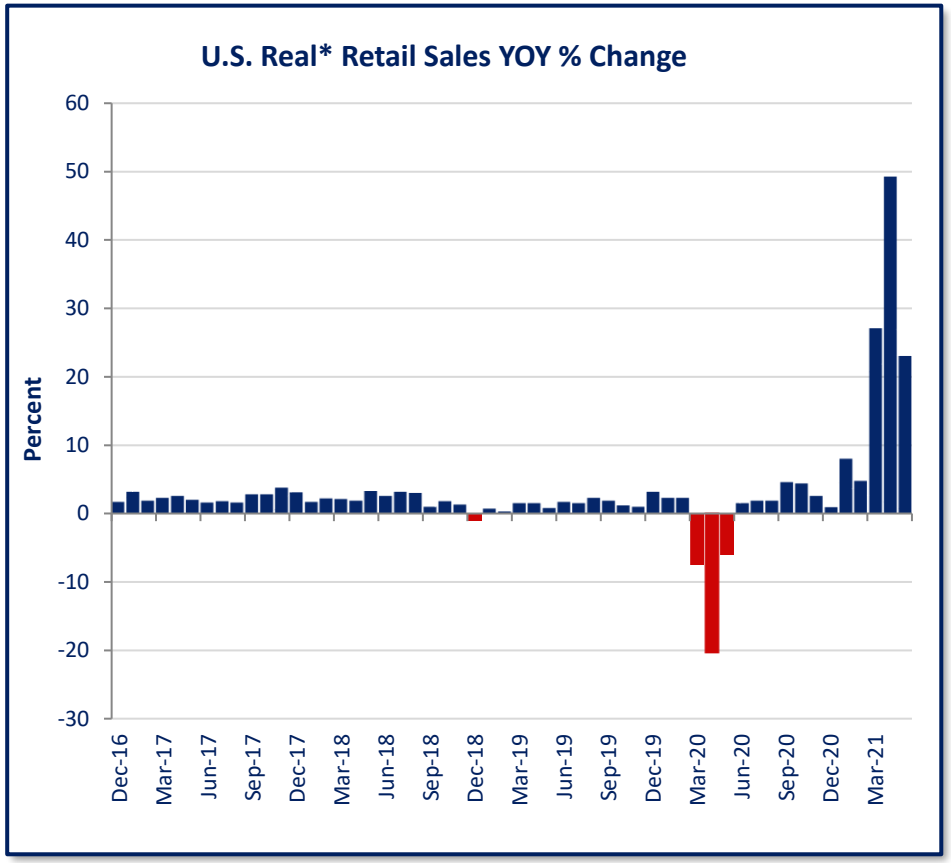


Source: Bureau of Labor Statistics



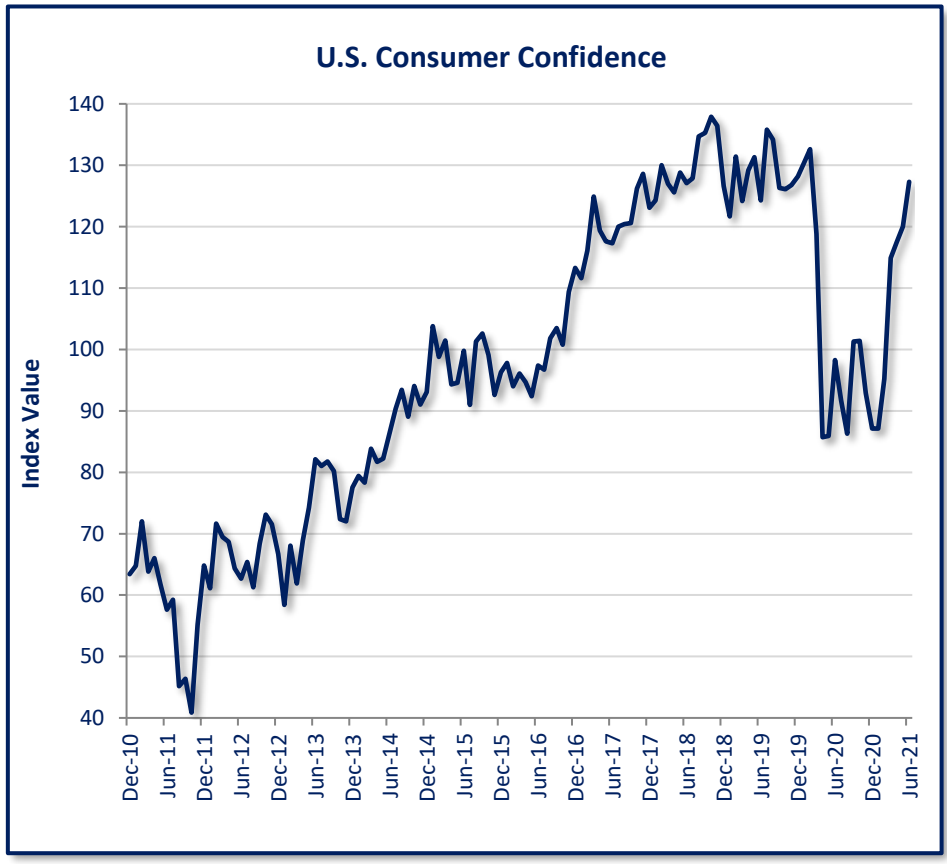
Weekly Initial Jobless Claims is the actual number of people who have filed for Unemployment benefits for the first time. The following five eligibility criteria must be met in order to file for unemployment benefits: 1. Meet the requirements of time worked during a 1 year period (full time or not). 2. Become unemployed through no fault of your own (cannot be fired). 3. Must be able to work; no physical or mental holdbacks. 4. Must be available for work. 5. Must be actively seeking work.

Source: Department of Labor and Bloomberg

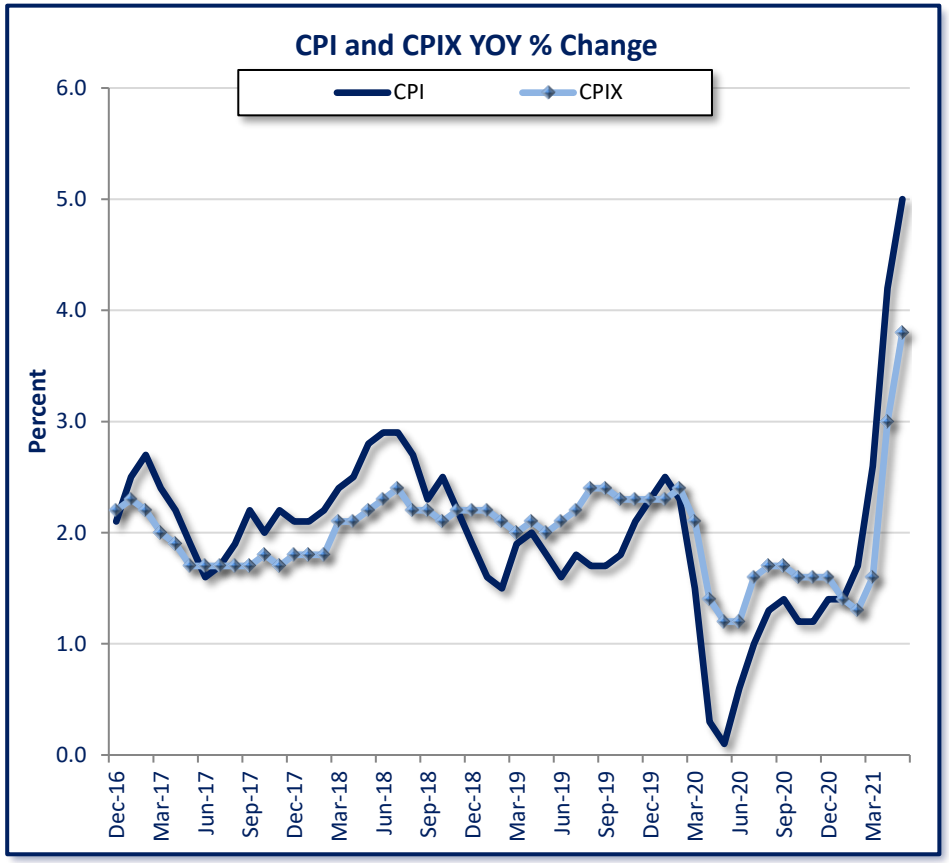


*Real: Inflation Adjusted

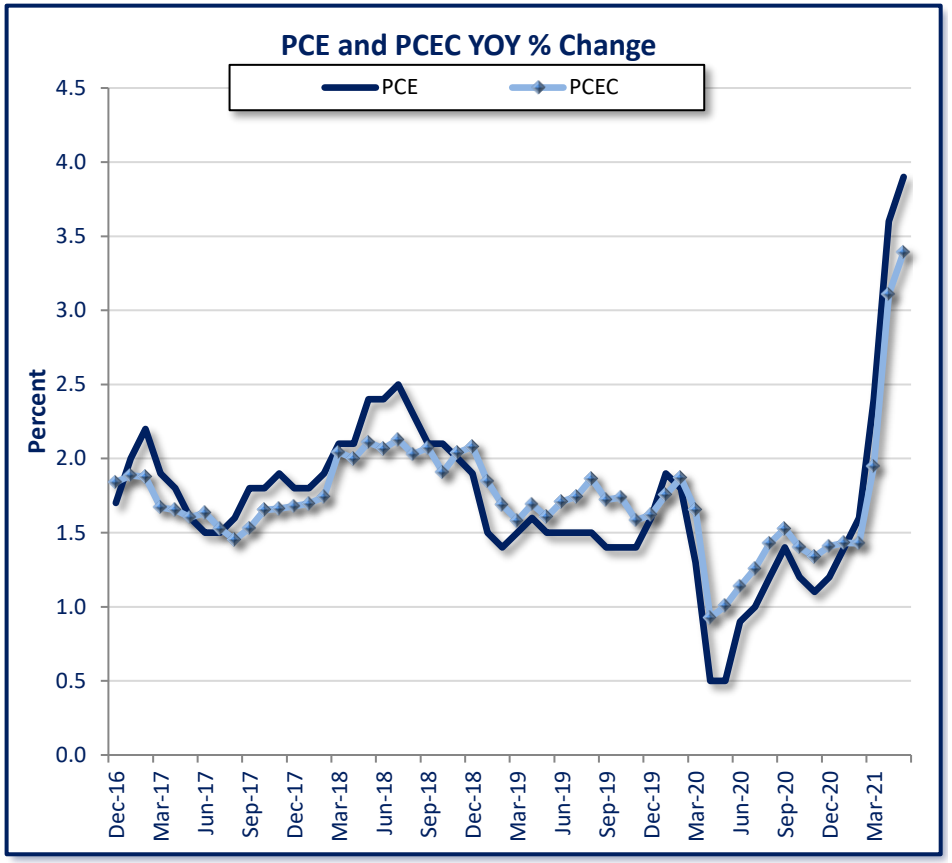
Source: U.S. Census Bureau



Source: Conference Board

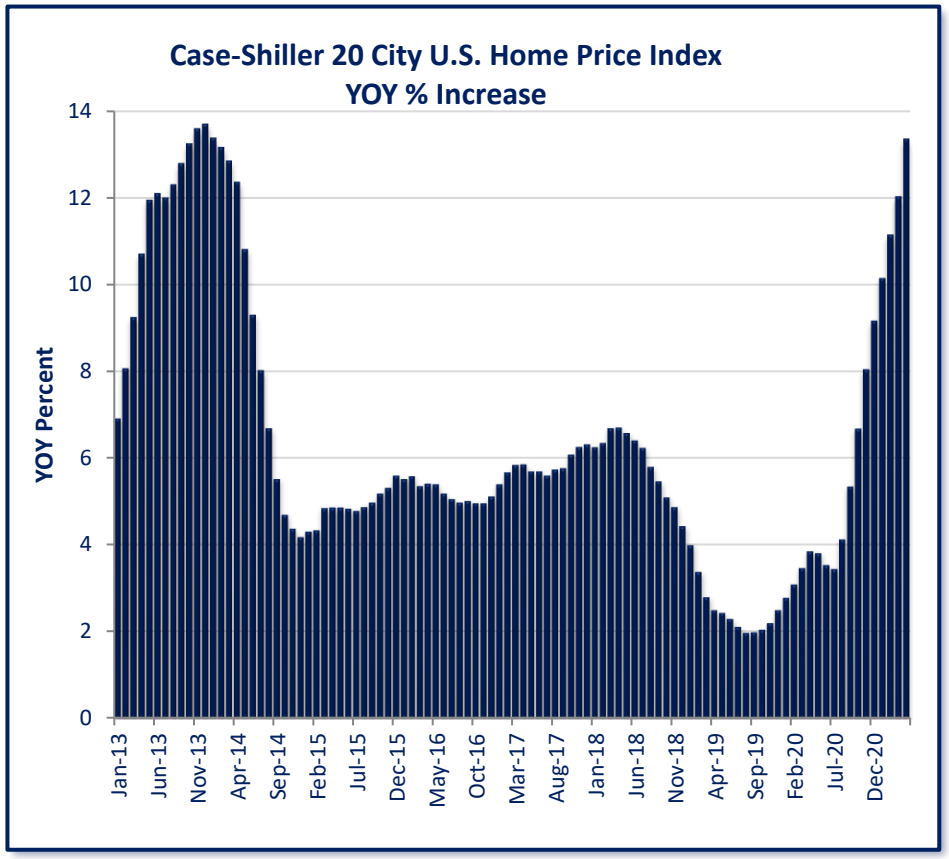


CPIX: Consumer Price Index, excluding food and energy

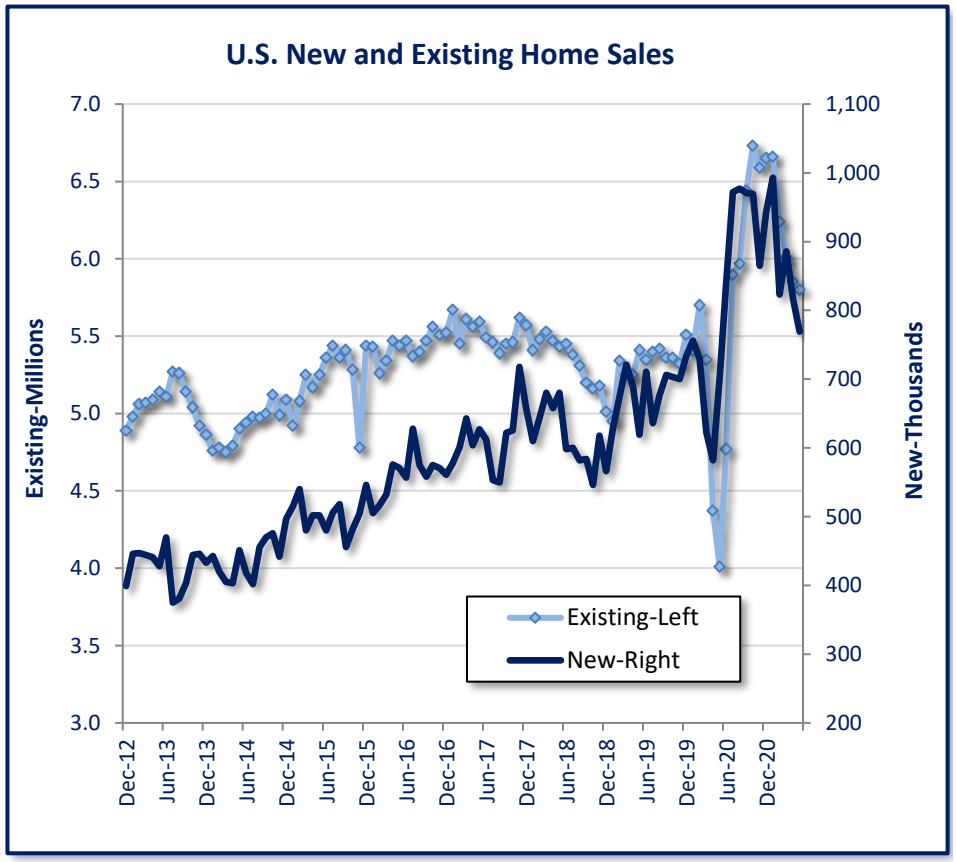


PCEC: Personal Consumption Expenditure Core

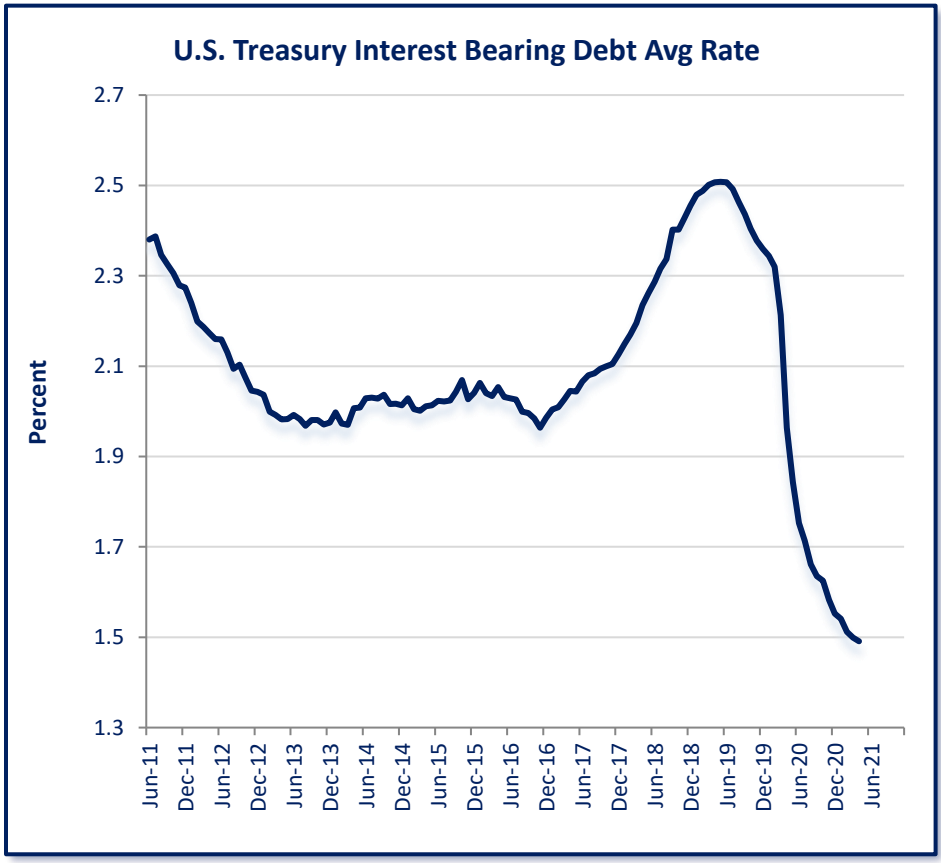
Source: Bureau of Labor Statistics and Bureau of Economic Analysis



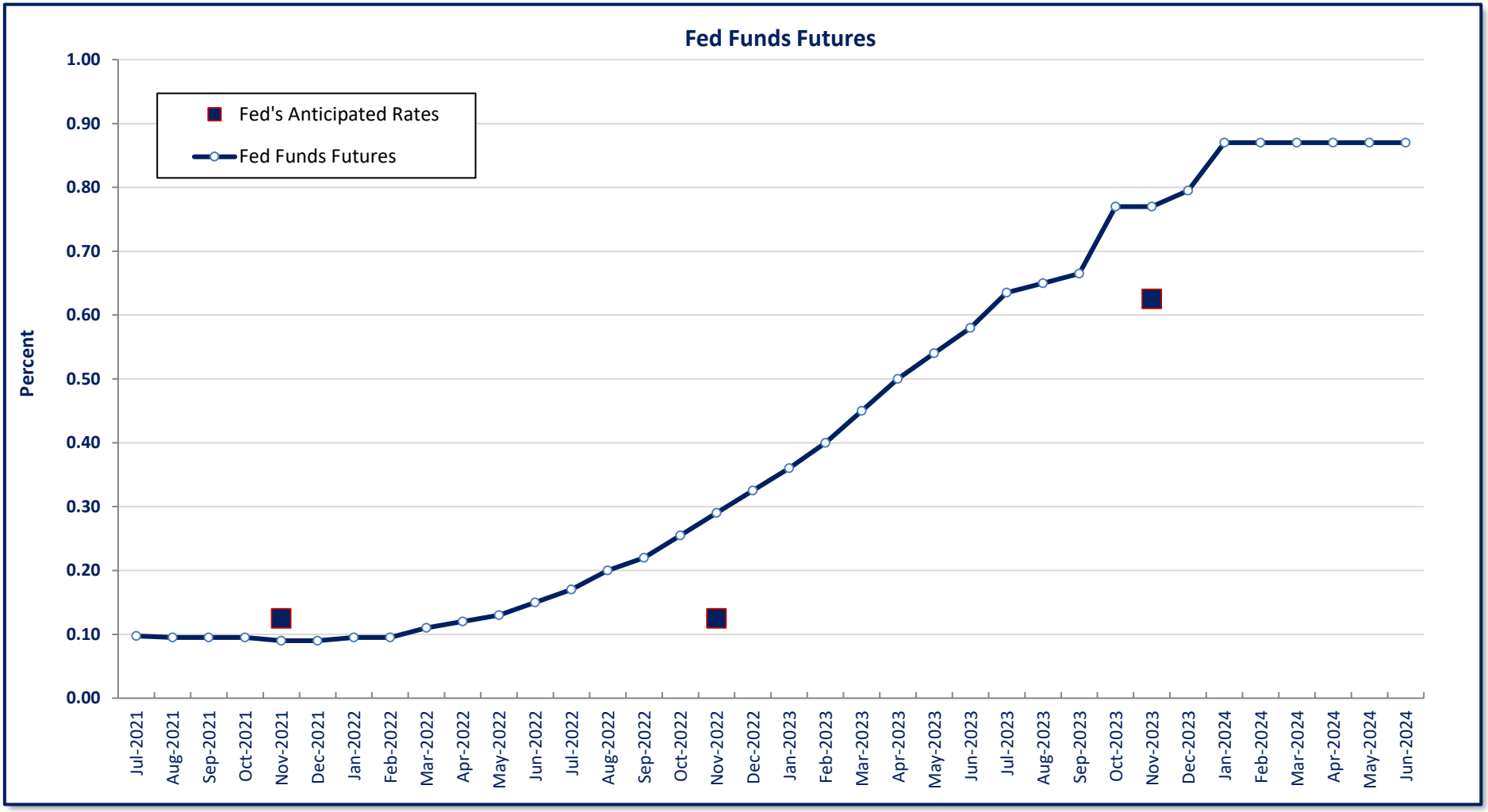
Source: Case-Shiller



Sources: New (U.S. Census Bureau),Existing (National Assoc. of Realtors)
Seasonally Adjusted Annual Rate

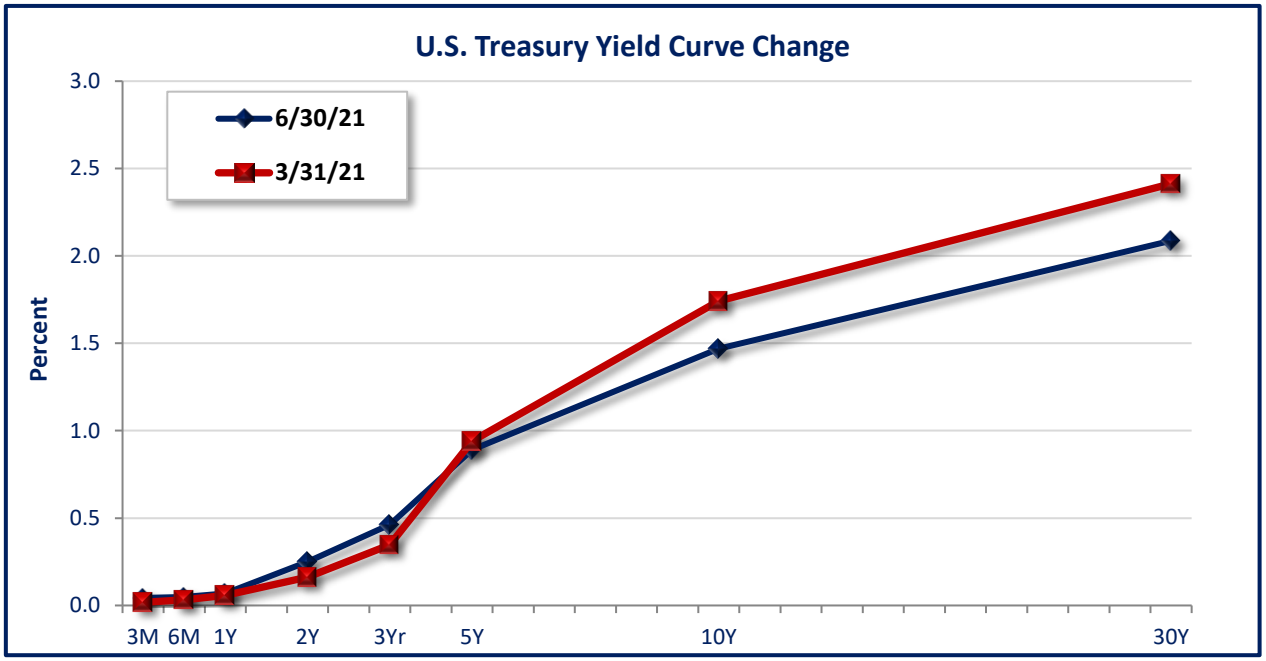


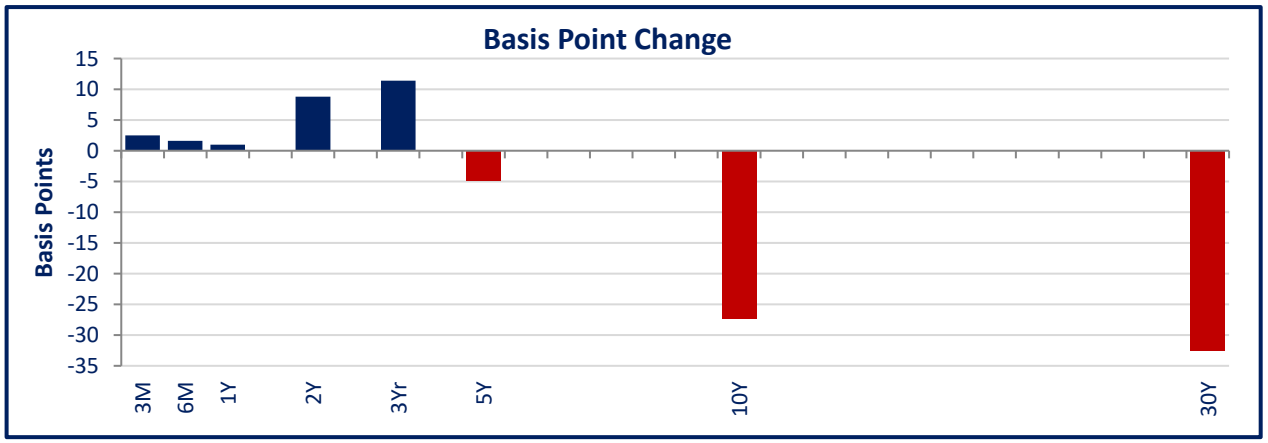
Source: U.S. Treasury



Fed Funds Anticipated Rate from the June 16, 2021 FOMC Meeting

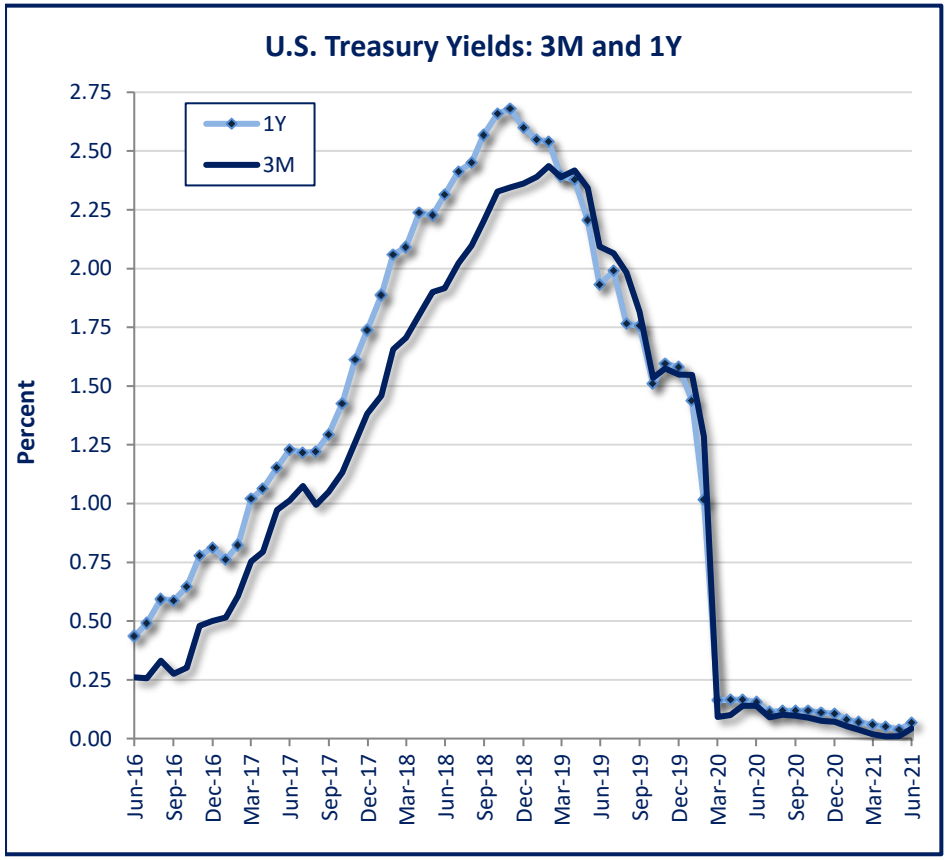
Source: Bloomberg

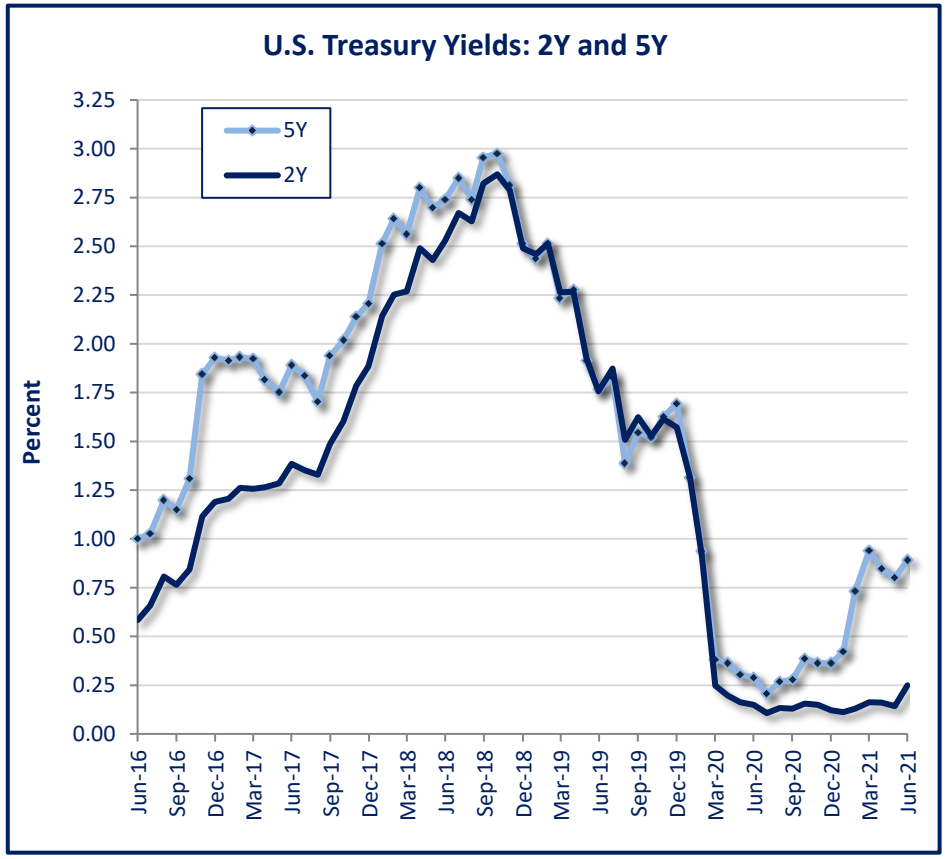




Maturity	6/30/21	3/31/21	Change
3M	0.04	0.02	0.03
6M	0.05	0.03	0.02
1Y	0.07	0.06	0.01
2Y	0.25	0.16	0.09
3Y	0.46	0.35	0.11
5Y	0.89	0.94	-0.05
10Y	1.47	1.74	-0.27
30Y	2.09	2.41	-0.33

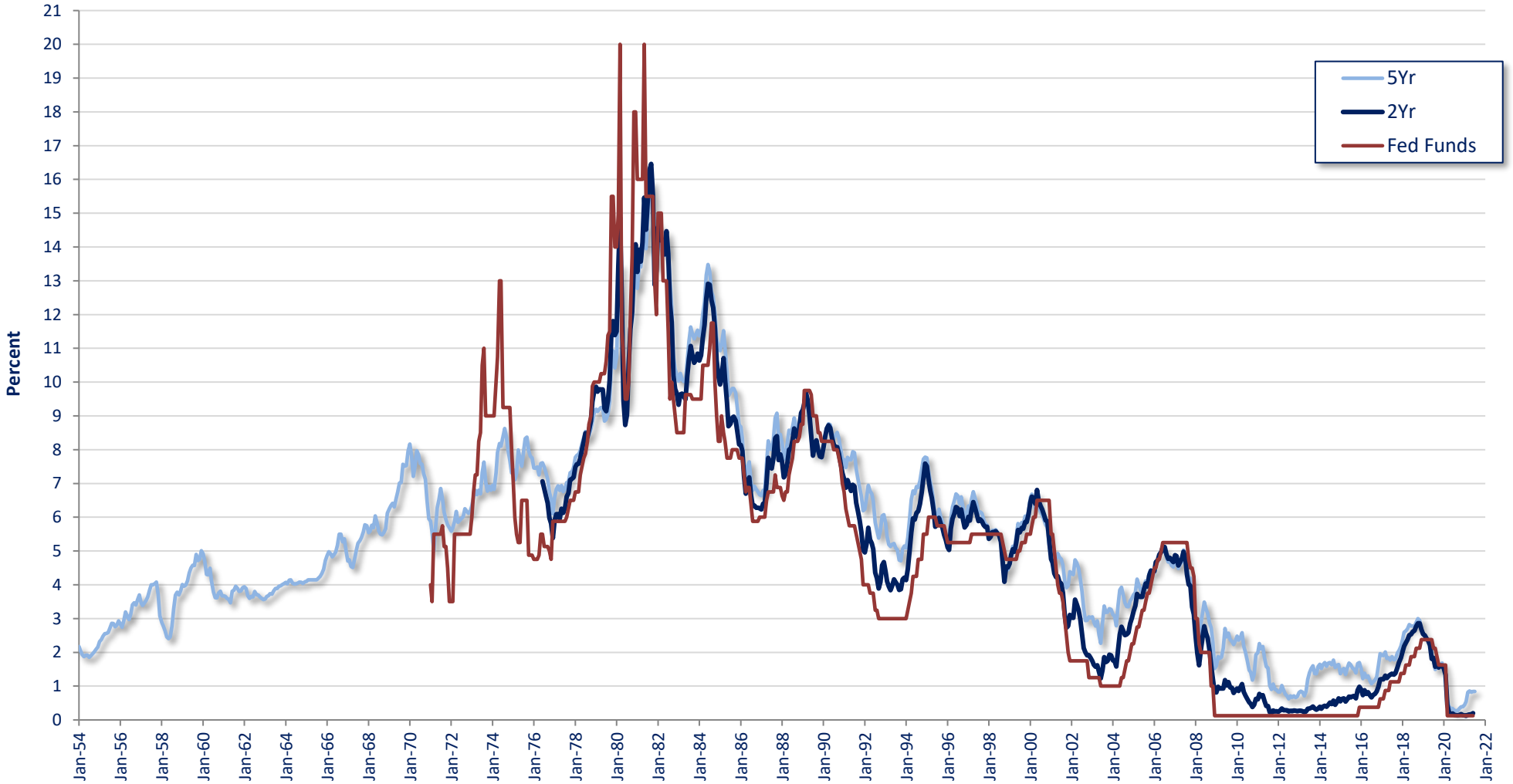
Source: Bloomberg
Figures may not total due to rounding





Source: Bloomberg

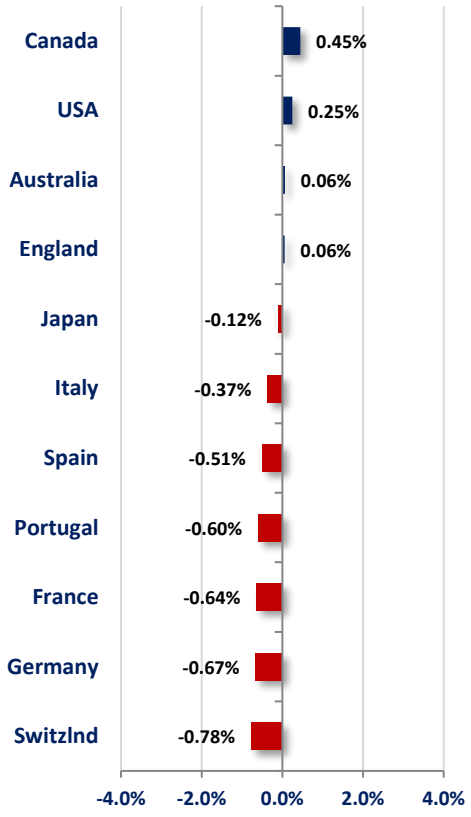
U.S. Treasury Yields 2Yr and 5Yr - Fed Funds Target Rate



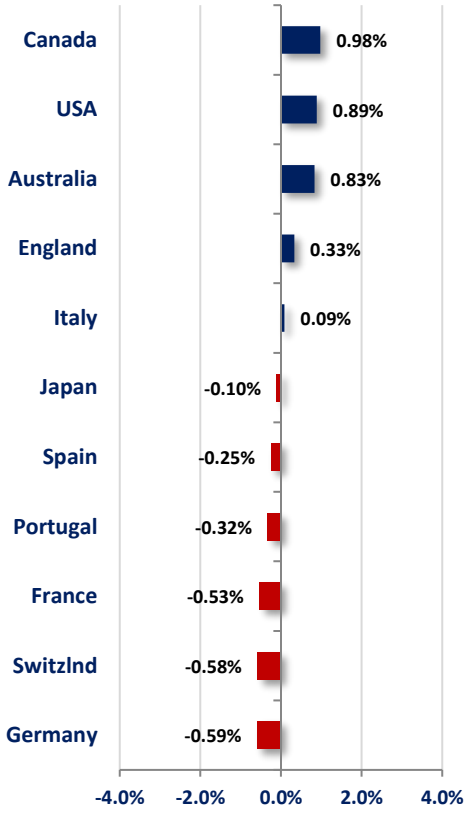
Source: Bloomberg

Global Treasury Rates

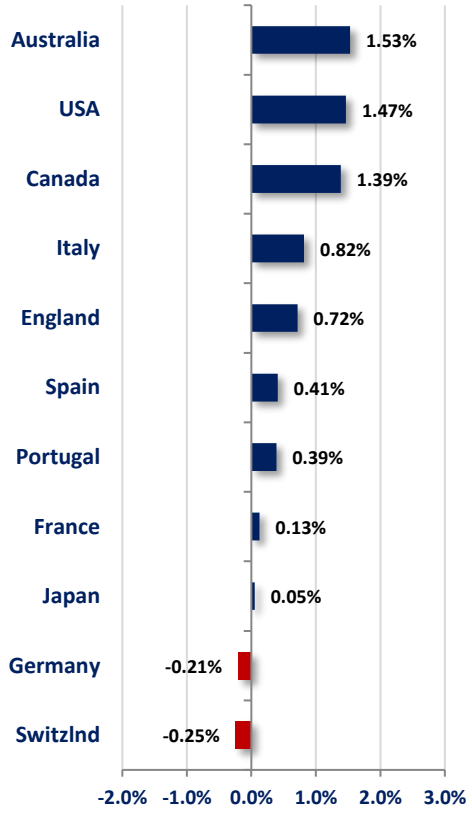
2 Year Yields



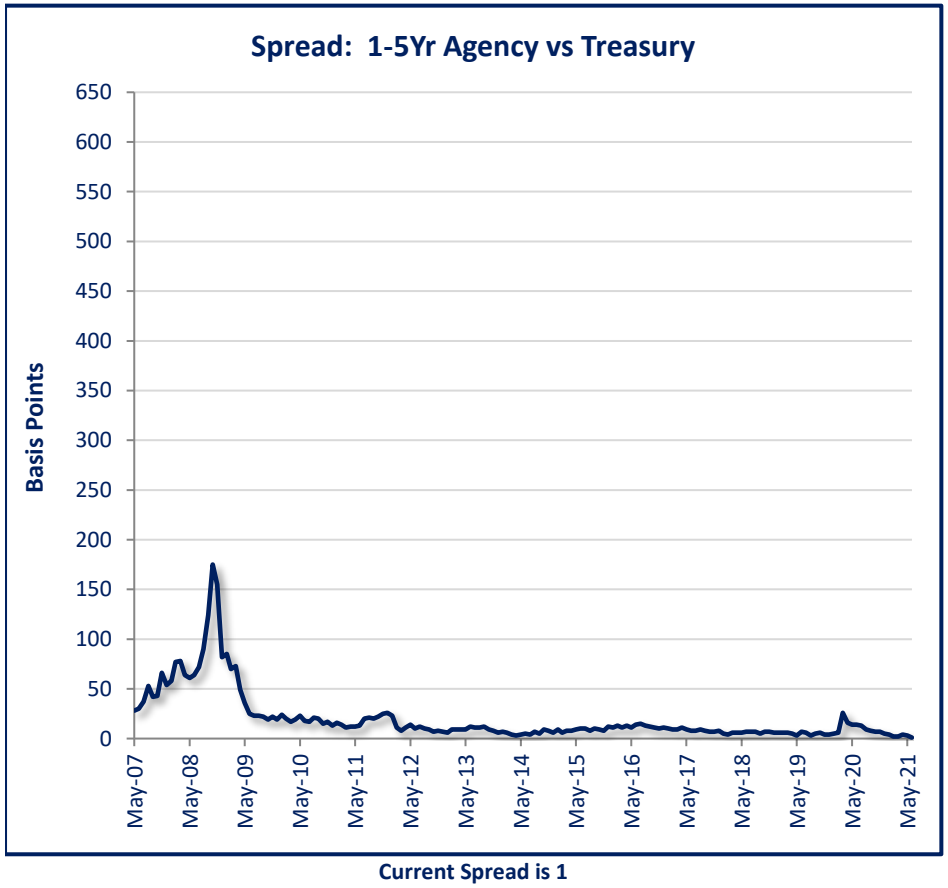
5 Year Yields



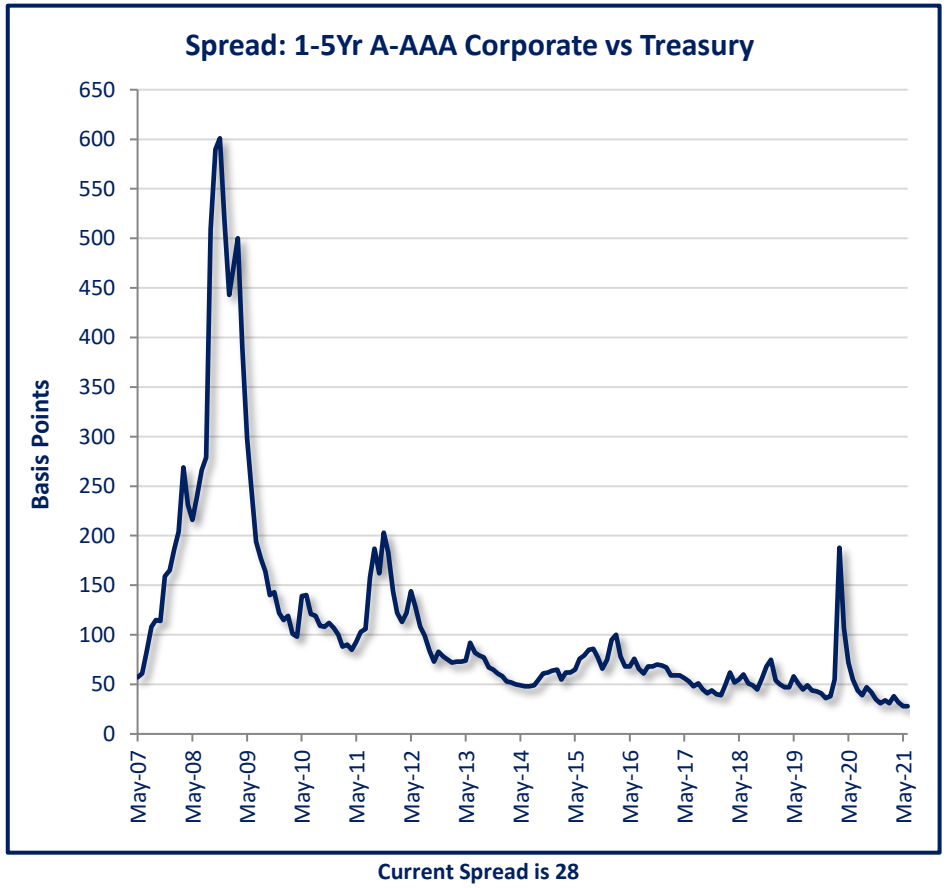
10 Year Yields



Source: Bloomberg

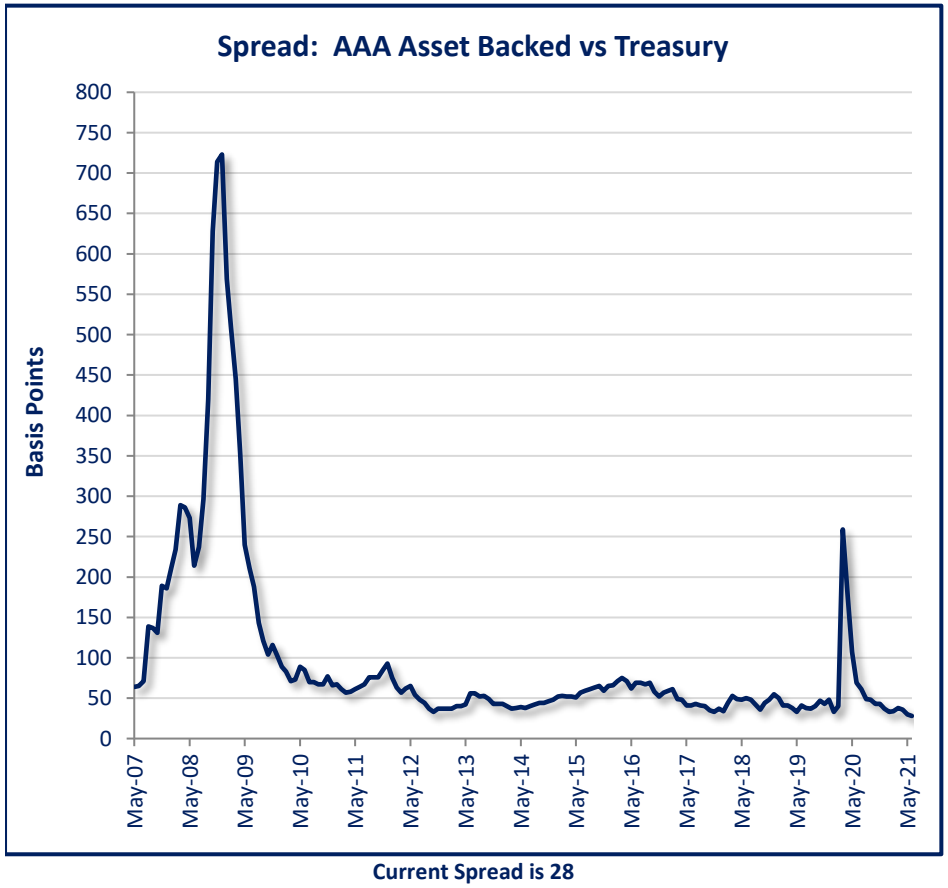


ICE BofAML Index (option adjusted spread vs. Treasury)
1-5Yr Non-Callable Agency (GVPB)

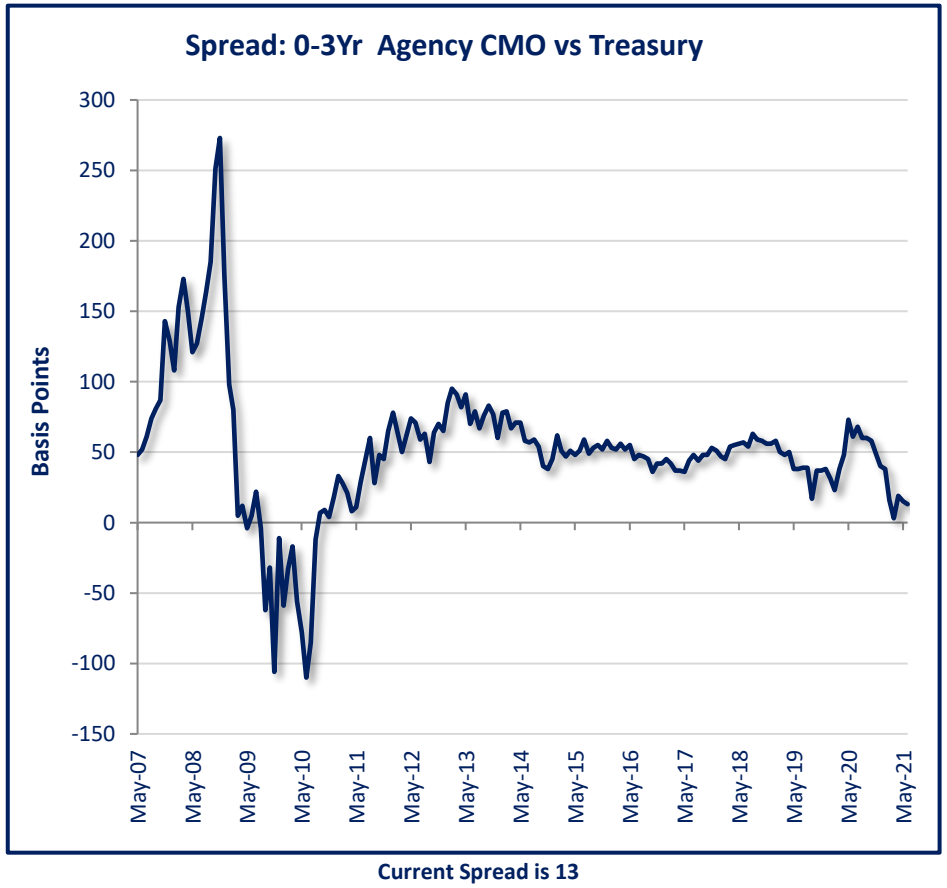


ICE BofAML Index (option adjusted spread vs. Treasury)
Corporate A-AAA Excluding Yankee (CVAC)

Source: ICE BofAML Indices

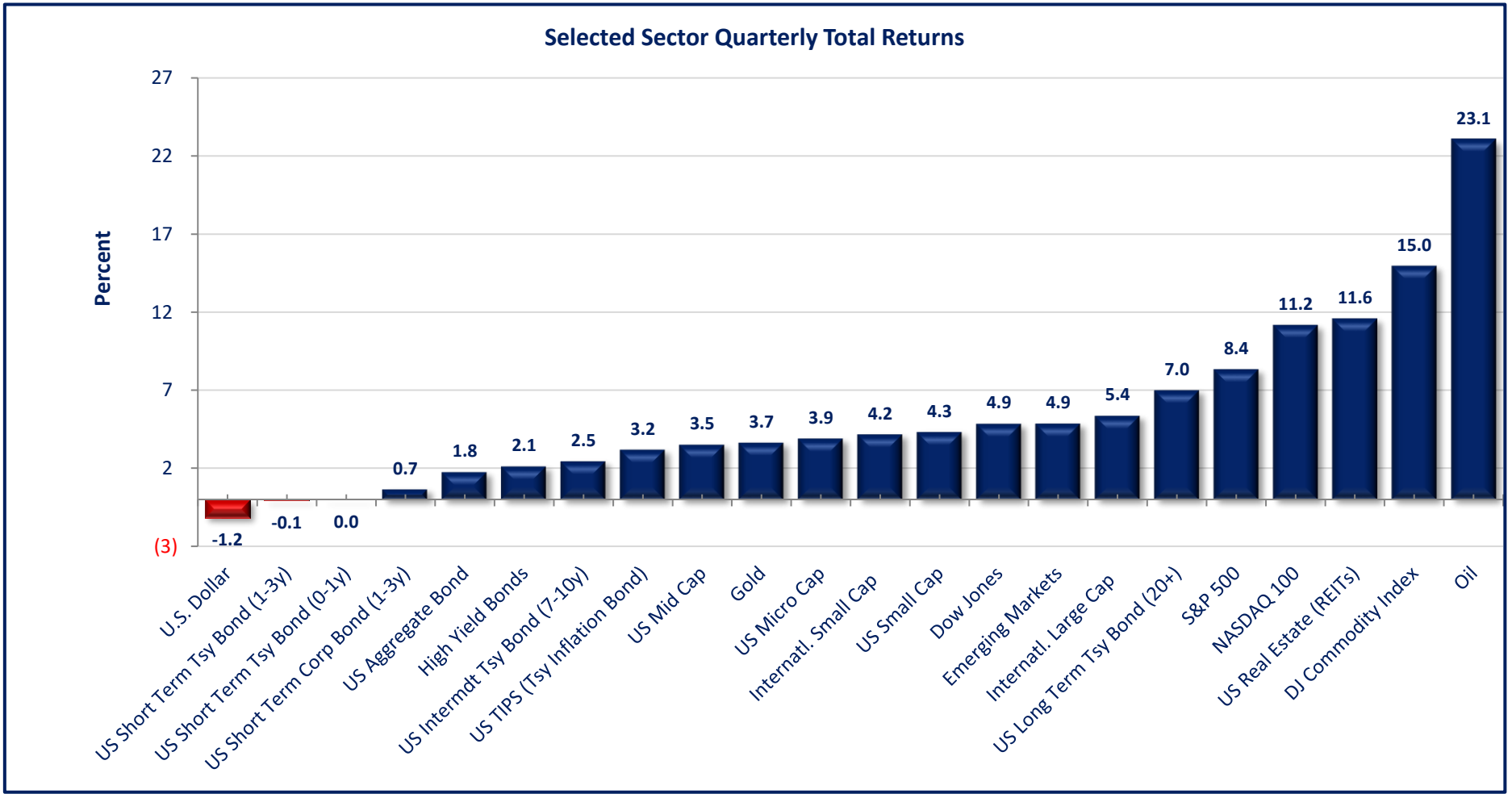


*ICE BofAML Index (option adjusted spread vs. Treasury)
AAA Rated ABS (R0A1)

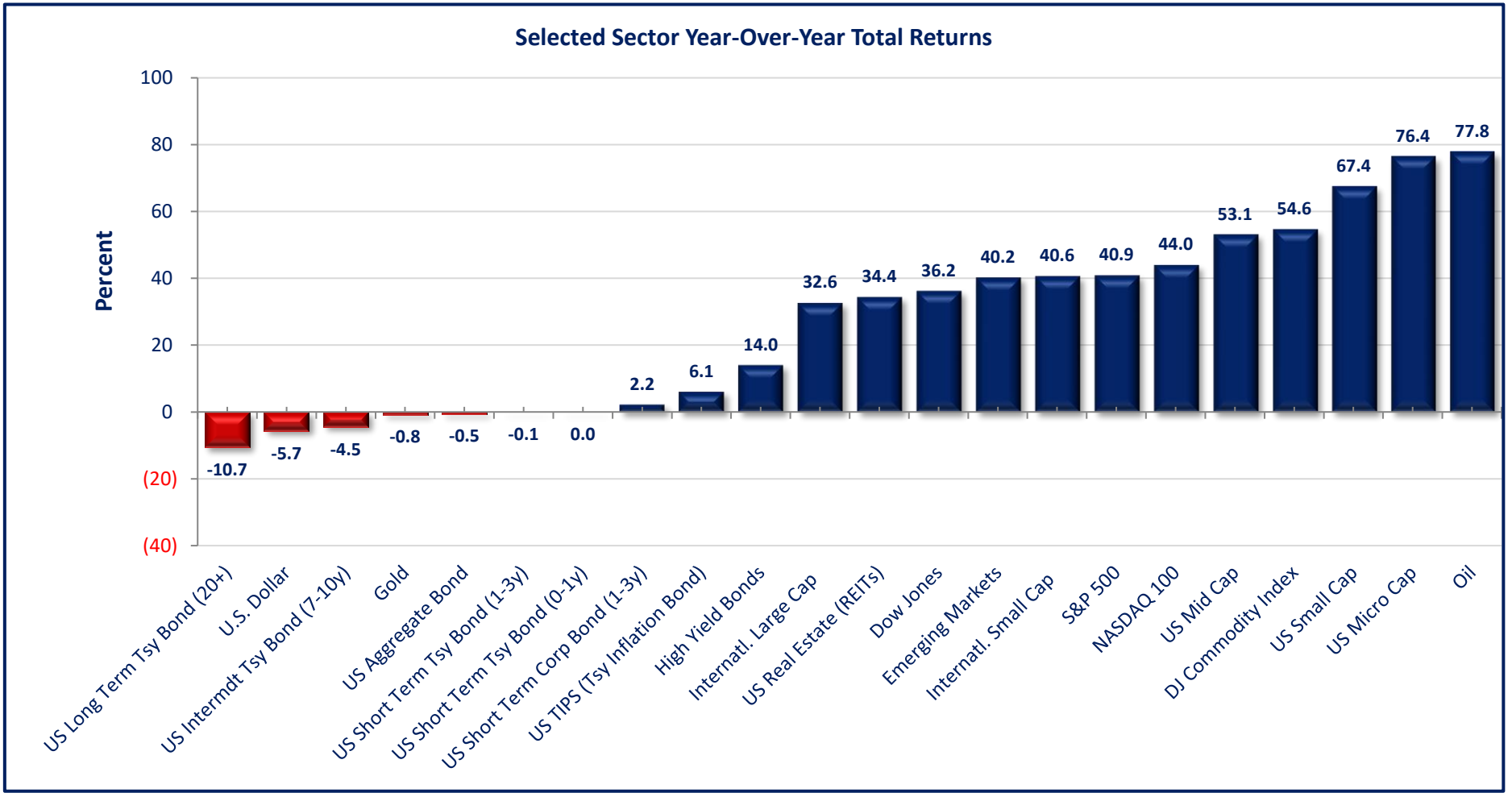


*ICE BofAML Index (option adjusted spread vs. Treasury)
CMO Agency 0-3Yr PAC (CM1P)

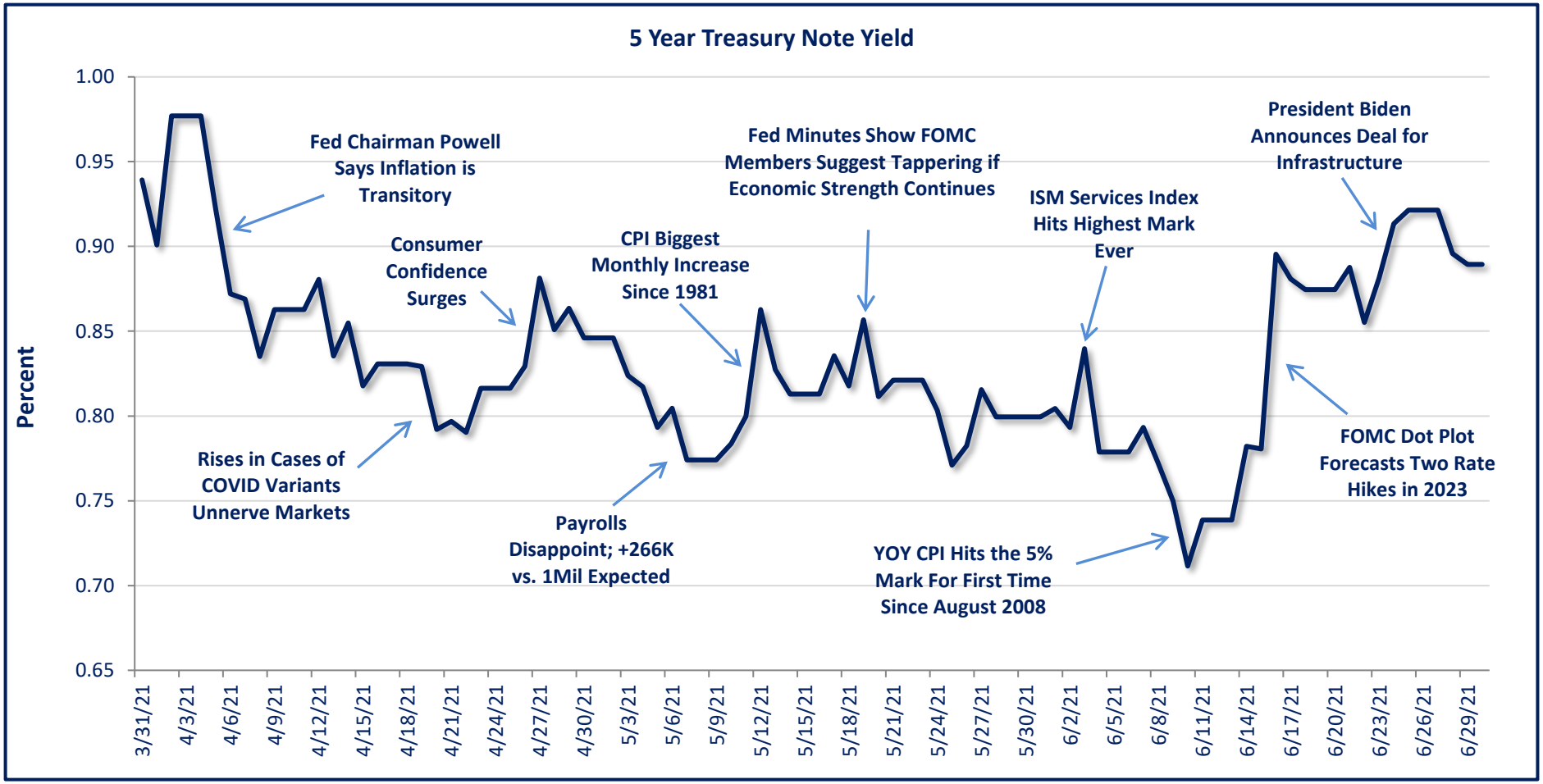
Source: ICE BofAML Indices



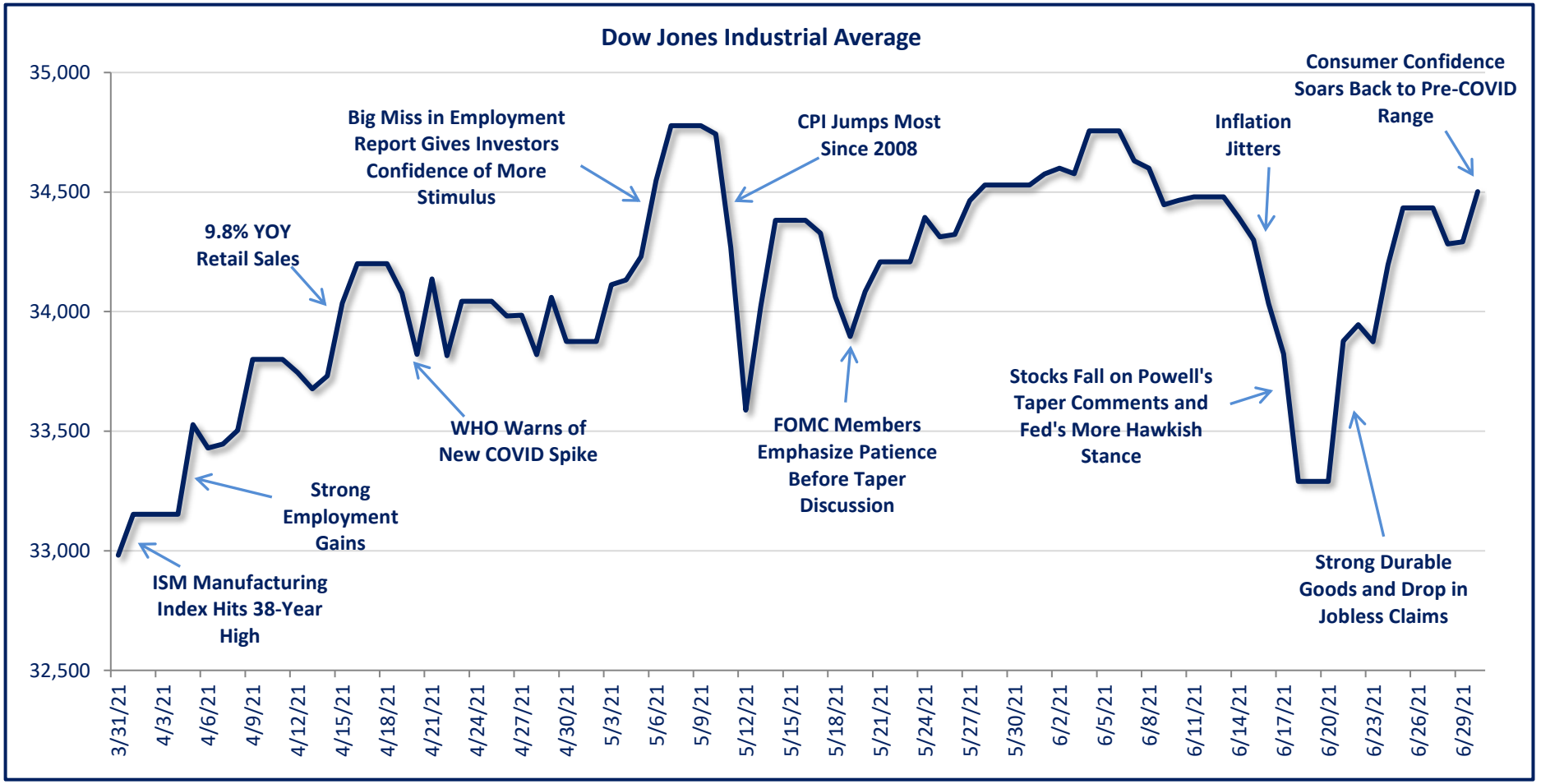
Source: Bloomberg



Source: Bloomberg



Sources: Bloomberg, FHN Main Street



Sources: Bloomberg, FHN Financial, FHN Main Street

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